

2012-02-08-BD-Notice

Dear Directors & Liaisons,

Attached below please find the Notice of date and time for the Special Meeting of the ICANN Board of Directors:

8 February 2012 - Special Meeting of the ICANN Board of Directors --
at 0:30 UTC – This Board meeting is estimated to last .5 hours.

Some other time zones:

8 February 2012 – 4:30 PM PST Los Angeles (7 Feb 2012)

8 February 2012 – 1:30 AM CEST Brussels

8 February 2012– 7:30PM PST Washington, D.C. (7 Feb 2012)

8 February 2012– 11:30 AM Sydney

<http://www.timeanddate.com/worldclock/fixetime.html?msg=Tentative+ICANN+Board+Meeting&iso=20120208T0030&am=30>

MATERIALS - SPECIAL NOTE – The materials are broken into two parts 2) Notice and the Board Papers (including a detailed agenda, with the resolutions) and a short board paper relating to each work substantive work item; and, 3) the Annex – which consists of additional materials, public comment summaries and other information relating to some agenda items.

MATERIALS -- All Materials are available on www.boardvantage.com

<http://www.boardvantage.com/> <http://www.boardvantage.com/> > , if you have trouble with access, please let us know and we will work with you to assure that you can use the BoardVantage Portal for this meeting.

The materials are all available two books on BoardVantage, if you are unable to access, it can be mailed to you directly. If you have any questions, or we can be of assistance to you, please let us know.

The call information is also attached. If you require a call out to be brought into the meeting,

because you are not in a location with a toll free dial-in, please let us know and we will have the call operators call you 5-10 minutes before the start of the meeting.

If you have any questions, or we can be of assistance to you, please let us know.

John Jeffrey

General Counsel & Secretary, ICANN

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2012-Feb-Board-Resolutions



* Note: Where available, draft Rationale of the Board's actions is presented under the associated Resolution. The draft Rationale is not final until approved with the minutes of the Board meeting.

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1. Consent Agenda

Resolved, the following resolutions in this Consent Agenda are approved:

1.1. Approval of Minutes of 8 December 2011 ICANN Special Board Meeting

Resolved (2012.02.XX.xx), the Board approves the minutes of the 8 December ICANN Regular Board Meeting.

1.2. Public Comment Posting: Further Bylaws Changes for Revised PDP

Whereas, on 27 September 2011, the GNSO Council adopted the Updated Final Report (<http://gns0.icann.org/improvements/updated-final-report-pdpwt-28sep11.pdf>) of the Policy Development Process Working Team (PDP-WT), setting out a proposed new Annex A to the ICANN Bylaws and a Policy Development Process (PDP) Manual, in fulfilment of a

directive to develop a new PDP that is more effective and responsive to ICANN's needs.

Whereas, the Board adopted the new Annex A on 8 December 2011 and directed transition to the new PDP.

Whereas, additional Bylaws revisions are necessary to fully implement the new PDP, including definition of new voting thresholds set out in the PDP-WT Updated Final Report.

Resolved (2012.02.XX.xx) the ICANN Board approves the posting for public comment of further revisions to the ICANN Bylaws as necessary for the implementation of the new PDP.

Rationale for Resolution 2012.02.XX.xx

The further revision of the ICANN Bylaws is necessary for complete documentation of the transition to the new PDP as approved by the GNSO Council and the ICANN Board. To assure accountability to the ICANN community, the posting for public comment of the proposed Bylaws changes will allow for community input and transparency into the implementation steps. This action does not have an impact on ICANN's resources and will not have an impact on the security or stability of the DNS.

1.3. Delegation of the .қаз ("kaz") domain representing Kazakhstan in Cyrillic

Whereas, .қаз ("kaz"), encoded as "xn--80ao21a" is a string that has been deemed to appropriately represent Kazakhstan through the IDN Fast Track process.

Whereas, ICANN has received a request for delegation of .қаз to the Association of IT companies of Kazakhstan.

Whereas, ICANN has reviewed the request, and has determined that the proposed delegation would be in the interests of the local and global Internet communities.

It is hereby **resolved** (2012.02.XX.xx), that the proposed delegation of the .kaz domain to the Association of IT companies of Kazakhstan is approved.

Rationale for Resolution 2012.02.XX.xx

Why the Board is addressing the issue now?

Staff present delegation and redelegation requests for country-code domains to the Board for decision, once staff are satisfied the applicant has provided a sufficiently complete application that has a reasonable prospect of a positive Board decision. In line with ICANN's commitments to perform timely processing of requests relating to the IANA function, and the DNS root zone in particular, the ICANN Board seeks to evaluate such requests at its next scheduled Special Meeting.

What is the proposal being considered?

The proposal is to approve a request to IANA to change or designate the sponsoring organisation (also known as the manager or trustee) of a country-code top-level domain. In line with established practice, the ICANN Board is involved in making the decision to proceed with such requests as one step of this multi-step process.

Which stakeholders or others were consulted?

In the course of evaluating a delegation application, ICANN staff consults with the applicant, the current operator (if applicable), and other directly connected parties. In line with ICANN's practice of keeping incomplete root zone change requests in confidence, ICANN has not performed open consultation on this matter.

What concerns or issues were raised by the community?

Any concerns or issues are raised within the public report that will be published in conjunction with this action. This report will be published on the IANA website at <http://www.iana.org/> should the root zone change request has successfully completed final processing, usually 1-2 months after the Board's decision.

What significant materials did the Board review?

The Board is involved in assessing requests against a variety of public

interest criteria. This criteria includes establishing the country-code is eligible (e.g. listed in the ISO 3166-1 standard); establishing the proposed manager is supported by the local Internet community; establishing the proposed operator is operationally and technically competent; establishing the proposed manager is based locally and bound under local law; establishing the proposed manager operates fairly and equitably; establishing that in cases there is a transfer of operations that an appropriate plan is in place to preserve ongoing stability of the domain; and establishing that the action is compatible with any applicable local laws and regulations. During the staff compilation process, the applicant is asked to provide a variety of materials in support of these various aspects. Pertinent information from these supplied materials and other staff research is provided to the Board, and published in a public report at the end of implementing an approved request.

What factors the Board found to be significant?

The Board considers factors described in the public report, in relation to the basic principles of country-code domain delegation described earlier.

Are there positive or negative community impacts?

The timely approval of country-code domain name managers that meet the various public interest criteria is positive toward ICANN's overall mission, and the local communities to which country-code top-level domains are designated to serve.

Are there fiscal impacts or ramifications on ICANN (strategic plan, operating plan, budget); the community; and/or the public?

The administration of country-code delegations in the DNS root zone is part of the IANA functions, and the delegation action should not cause any significant variance on pre-planned expenditure. It is not the role of ICANN to assess the fiscal impact of the internal operations of country-code top-level domains within a country, other

than ensuring the operator is based in country and has the appropriate mechanisms to allow the local Internet community to properly oversee the domain's ongoing operation.

Are there any security, stability or resiliency issues relating to the DNS?

For country-code top-level domain delegations, ICANN seeks to approve only such requests where reasonable concerns have been satisfactorily addressed, and the proposed new manager has demonstrated a sufficient level of operational and technical competency where such concerns should be minimal.

1.4. Redelegation of the .BY domain representing Belarus to Reliable Software Inc.

Whereas, BY is the ISO 3166-1 two-letter country-code designated for Belarus;

Whereas, ICANN has received a request for the redelegation of .BY to Reliable Software Inc.;

Whereas, ICANN has reviewed the request, and has determined that the proposed redelegation would be in the interests of the local and global Internet communities.

It is hereby **resolved** (2012.02.XX.xx), that the proposed redelegation of the .BY domain to Reliable Software Inc. is approved.

Rationale for Resolution 2012.02.XX.xx

Why the Board is addressing the issue now?

Staff present delegation and redelegation requests for country-code domains to the Board for decision, once staff are satisfied the applicant has provided a sufficiently complete application that has a reasonable prospect of a positive Board decision. In line with ICANN's commitments to perform timely processing of requests relating to the

IANA function, and the DNS root zone in particular, the ICANN Board seeks to evaluate such requests at its next scheduled Special Meeting.

What is the proposal being considered?

The proposal is to approve a request to IANA to change or designate the sponsoring organisation (also known as the manager or trustee) of a country-code top-level domain. In line with established practice, the ICANN Board is involved in making the decision to proceed with such requests as one step of this multi-step process.

Which stakeholders or others were consulted?

In the course of evaluating a delegation application, ICANN staff consults with the applicant, the current operator (if applicable), and other directly connected parties. In line with ICANN's practice of keeping incomplete root zone change requests in confidence, ICANN has not performed open consultation on this matter.

What concerns or issues were raised by the community?

Any concerns or issues are raised within the public report that will be published in conjunction with this action. This report will be published on the IANA website at <http://www.iana.org/> should the root zone change request have successfully completed final processing, usually 1-2 months after the Board's decision.

What significant materials did the Board review?

The Board is involved in assessing requests against a variety of public interest criteria. This criteria includes establishing the country-code is eligible (e.g. listed in the ISO 3166-1 standard); establishing the proposed manager is supported by the local Internet community; establishing the proposed operator is operationally and technically competent; establishing the proposed manager is based locally and bound under local law; establishing the proposed manager operates fairly and equitably; establishing that in cases there is a transfer of operations that an appropriate plan is in place to preserve ongoing

stability of the domain; and establishing that the action is compatible with any applicable local laws and regulations. During the staff compilation process, the applicant is asked to provide a variety of materials in support of these various aspects. Pertinent information from these supplied materials and other staff research is provided to the Board, and published in a public report at the end of implementing an approved request.

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The Board considers factors described in the public report, in relation to the basic principles of country-code domain delegation described earlier.

Are there positive or negative community impacts?

The timely approval of country-code domain name managers that meet the various public interest criteria is positive toward ICANN's overall mission, and the local communities to which country-code top-level domains are designated to serve.

Are there fiscal impacts or ramifications on ICANN (strategic plan, operating plan, budget); the community; and/or the public?

The administration of country-code delegations in the DNS root zone is part of the IANA functions, and the delegation action should not cause any significant variance on pre-planned expenditure. It is not the role of ICANN to assess the fiscal impact of the internal operations of country-code top-level domains within a country, other than ensuring the operator is based in country and has the appropriate mechanisms to allow the local Internet community to properly oversee the domain's ongoing operation.

Are there any security, stability or resiliency issues relating to the DNS?

For country-code top-level domain delegations, ICANN seeks to approve only such requests where reasonable concerns have been satisfactorily addressed, and the proposed new manager has

demonstrated a sufficient level of operational and technical competency where such concerns should be minimal.

2011-12-08-Board-Minutes-bdfinal



Minutes
8 December 2011
Special Meeting of the ICANN Board

A Special Meeting of the ICANN Board of Directors was held on 8 December 2011 at 03:00 UTC.

Chairman Steve Crocker promptly called the meeting to order.

In addition to the Chair the following Directors participated in all or part of the meeting: Rod Beckstrom (President and CEO), Sébastien Bachollet, Bertrand de La Chapelle, Chris Disspain, Bill Graham, Gonzalo Navarro, Ray Plzak, R. Ramaraj, George Sadowsky, Mike Silber, Bruce Tonkin (Vice Chair), Kuo-Wei Wu and Judith Vazquez.

The following Board Liaisons participated in all or part of the meeting: Heather Dryden, GAC Liaison; Ram Mohan, SSAC Liaison; Thomas Narten, IETF Liaison; Thomas Roessler, TLG Liaison; and Suzanne Woolf, RSSAC Liaison.

The following ICANN Staff participated directly in the meeting: John Jeffrey, General Counsel and Secretary; Akram Atallah, Chief Operating Officer; Kurt Pritz, Senior Vice President, Services; and Amy Stathos, Deputy General Counsel.

Cherine Chalaby; Ram Mohan, SSAC Liaison; and Erika Mann sent apologies.

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1. New gTLDs

Conflict of Interest Identification

The Board polled members with potential conflicts of interest on the new gTLD-related items, and the following Board members and liaisons left the call and were not present for the discussion or deliberation of these items: Ram Mohan, Thomas Narten, Thomas Roessler, Bruce Tonkin, Suzanne Woolf and Kuo-Wei Wu. The Board confirmed that a quorum of Board members remained present.

1.1. Applicant Support

Kurt Pritz provided an update to the Board on the work on the Joint Applicant Support program to take in applications for financial assistance at the same time that applications for new gTLDs are submitted. Those seeking financial assistance would have their application for financial assistance reviewed first and if they pass, they then will proceed to having their gTLD applications. Kurt explained that the financial assistance will be in the form of a reduction of the fee to \$47,000 from \$185,000. The number of awards will be limited by the total funds available, which will start with the \$2,000,000 allocated by the Board and whatever additional funding that can be accumulated.

The criteria for receiving financial aid should be strict, therefore if an applicant applies for and fails to qualify for financial aid, they would be disqualified or excluded altogether from the new gTLD process. The financial assistance application is submitted at the same time as the new gTLD application. If an applicant meets the financial assistance scoring threshold, they will be ranked with the other passing financial assistance applicants, and the top-ranked applicants will receive the fee reduction until the fund is exhausted. The remainder of the passing applicants will qualify for in-kind or non-financial types of support, or they can choose to withdraw and receive a refund.

The size of the award, \$138,000, is meaningful and meets the GAC recommendation. The awards will probably occur in November 2012. The rationale for this recommendation is that it will allow some time to recruit the evaluation panel as well as solicit additional funds.

The program is embodied in two documents – a process document during the process for application, evaluation and timing, and a criteria document setting out the scoring criteria to measure the application. The criteria are based on three sets: (1) operating in the public interest; (2) demonstrating financial need; and (3) demonstrating financial wherewithal.

There was a Board working group formed to help finalize the recommendations, and that group met with a sub team appointed by the Joint Applicant Support Working Group (JAS), comprised of Avri Doria, Cintra Sooknana, Alan Greenberg, and Rafik Dammak. At that call, the sub team suggested some constructive changes.

The Board is requested to consider and approve the process and criteria documents as the representation of the Applicant Support Program and directing staff to complete the work, such as the publication of the handbook for applicants, the recruitment of the evaluation panel, working with the community to solicit additional funding, and developing appropriate amendments to the communications plan. If approved, the documents would be posted for public comment, though material changes would not be possible prior to the launch.

Chris Disspain then moved and Ray Plzak seconded the following resolution:

Whereas, the JAS WG had published its Final Report with recommendations for a program to provide support to applicants requiring financial assistance in applying for and operating new gTLDs.

Whereas, a Board working group was formed during the Dakar ICANN Meeting (24-28 October 2011) to work with staff on an implementation model taking into account the JAS WG Final Report and timely implementation of program.

Whereas, the Board considered and discussed potential implementation models taking into account the current New gTLD Program development stage and timing.

It is hereby Resolved (2011.12.08.01), the Board directs staff to finalize the implementation plan in accordance with the proposed criteria and process for the launch of the Applicant Support Program in January 2012.

Resolved (2011.12.08.02), the Board approves the fee reduction to \$47,000 Applicant Support candidates that qualify according to the established criteria.

Resolved (2011.12.08.03), the Board directs staff to amend the communications campaign as needed to incorporate the Applicant Support Program which should include the publication of a brief handbook.

Sébastien Bachollet, Rod Beckstrom, Steve Crocker, Chris Disspain, Bill Graham, Bertrand de La Chapelle, Gonzalo Navarro, Ray Plzak, George Sadowsky, Mike Silber and Judith Vazquez voted in favor of Resolutions 2011.12.08.01, 2011.12.08.02, and 2011.12.08.03 in a polled vote. Cherine Chalaby, Erika Mann, R. Ramaraj, Bruce Tonkin, and Kuo-Wei Wu were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolutions 2011.12.08.01 – 2011.12.08.03

Delaying the evaluation of financial support applications provides additional time to raise funds. It is intended that the determination of financial need is to be made in parallel with the first batch of “regular” new gTLD applications. If the financial assistance awards are not made until the end of the first batch of new gTLD evaluations, fundraising can operate until November 2012.

Delaying also takes the recruitment of the financial assistance evaluation panel off of the critical path. In this new plan, the panel is not required until May 2012.

The \$138K fee reduction is meaningful in size and follows JAS and GAC recommendations. It is thought that providing a meaningful level of assistance to a fewer number of applicants is better than providing a small benefit to all those who qualify.

Assistance is limited to the available funding, thereby mitigating risk.

The criteria (demonstrating need and operating in the public benefit) follow JAS recommendations.

Completed new gTLD applications are due at the same time the financial assistance applications are due. This will help ensure only serious participants apply for financial assistance.

Those who do not meet the criteria threshold will be disqualified from the new gTLD process altogether and lose their \$47K fee. This will help ensure only bona fide candidates for assistance will apply.

Note: This process does not follow all JAS recommendations. In particular, the JAS recommendations state that the \$2MM seed fund should not be used for fee reductions. The JAS intended the \$2MM

and other funds raised be paid out to needy and worthy applicants to help build out registries.

The Chair thanked the Board and noted that this is a big step forward, and thanked the staff for coming up with a creative solution in the timeframe.

1.2. Batching

Prior to discussing this issue, the Board confirmed that there are no Board members on the call that have a conflict of interest on this issue.

Kurt Pritz provided a brief history on the batching of applications, as it was determined early on that gTLD applications would be done in batches of 500. There are two reasons – first this would limit the number of evaluators and could ensure consistency across the evaluations, and second, it addresses the root zone scaling discussion by limiting the delegation rate to no more than 1,000 per year.

To identify a batching methodology, first the solutions that were not workable were eliminated, including a first come, first served model that would incent hasty completion of applications. A first come, first served model might also provide an edge to ICANN insiders that have been working on applications for some time.

The next preferred method, from an operational standpoint, was random selection, as it was low cost and very objective. However, Legal Analysis demonstrated that it was not suitable because its operation might be violative of California state laws, as it may be an improper lottery. Random selection of any type was deemed to impose an unacceptable risk to ICANN.

The third, and remaining option, is a secondary timestamp. This would occur after the time of the application window closing in order to provide privacy. Applicants will not be advised of the exact method until after the applications are received, which will ensure further fairness. It could be an email response to a mailbox, or the re-registration of an application, or another method. The method used will be decentralized, so that the region from which the secondary timestamp is submitted is irrelevant. The timestamp will cycle through the regions of the

world, awarding a batching preference to the top-rated application from one region, then the succeeding four regions, and continue the cycle again. In the case of contending applications, the applications will be grouped in the earliest batch where any of the contending applications are placed. There will also be an opt-out mechanism, included at the community's request. Applicants may request to be evaluated at the end, if they prefer to be evaluated and delegated later.

The Chair inquired as to whether there would be further details of the batching work forthcoming. Kurt confirmed that there would be some careful review to ensure that the mechanism does not have any flaws, and possibly some testing to confirm that a problem isn't being created. Security staff is also taking a lead role in the design to assure that both security and operational aspects are considered.

The Chair recommended that staff confirm that the right questions are being asked and worked through so that there's a high probability of success. This is a creative approach, and seems reasonably fair.

Mike Silber noted his concern that the wording is still a bit imprecise at this point. Mike recommended that the Board note that this could be a viable option and it should be released for community consultation before the Board adopts it.

George Sadowsky noted that there was concern about distinguishing the secondary timestamp from a lottery, and requested legal input on the formation of the process.

John Jeffrey noted that the issue with the lottery is the chance element, and the secondary timestamp will be set up specifically to remove chance. There will be a formulation where there is a set and designated time and action required in order to complete it. Secondary timestamps such as this has been determined to not be a lottery under applicable laws in the past.

George asked if the applicants would have to guess certain times. John confirmed that they would not have to guess – there would be a specified time to act.

Bertrand de La Chapelle noted that this procedure seems extremely complex and is hard to understand clearly, but he trusts staff to do the right thing. Bertrand asked about the consequences that the batching system would have on the GAC request of timing the Early Warning notifications to the timing of the batched applications. Bertrand requested that this issue remain on the Board's agenda.

Ray Plzak noted his concern that this process is advancing toward the policy area. Ray also noted that this proposal is imprecise, and there's a problem if people do not understand this proposal. This is not ready for approval, but Ray suggested getting the sense of the Board if this should be pursued, and what due diligence may be necessary, such as the SSAC reviewing this. Ray noted that the Board needs to consider whether this needs to go into a policy forum, and if not, there has to be at minimum a public comment forum on this.

The Chair asked Ray for clarification if the process should be stopped entirely, or if the Board could approve the shell, with the details to be fleshed out and presented for public comment.

Ray clarified that it shouldn't be approved at this point in time, as there were too many concerns being raised and that the Board give staff the sense of the Board to work this out more thoroughly.

The Chair asked where this puts ICANN with respect to the timetable for the opening of the application window.

Ray noted that he does not know, but if this is approved in the current form, there will be community conversation that may delay the opening of the window.

Chris Disspain asked if this decision needs to be made before January 12.

John Jeffrey noted that a concern that the Board is not discussing the resolution in front of the Board, but rather the operational details of a program. The resolution in front of the Board authorizes the president and CEO to add a provision to the Applicant Guidebook relating to the use of the secondary timestamp for the purposes of determining the process order. The resolution is not requesting that the program be designed and approved by the Board at this

meeting. He suggested that the operational details could come back before the Board, if that is the level of information that they wished to review.

Judith Vazquez noted that the definition of the secondary timestamp seems vague to her at this point, so it's likely that it will seem that way to the reader of the Applicant Guidebook.

Bill Graham suggested that the Board needs to make clear before the opening of the application window that this will not be a first-come, first-served process, and that there will be a secondary process to determine the order of consideration., and that detail is not required at this time.

Ray stated that the concept is not clear, and he believes the Board was having basic trouble with the concept itself. He noted that the Board needs to understand when a decision has to be taken, and if it has to be taken before 12 January 2012, the Board will have to have another meeting.

Chris agreed with Ray and Bill, and noted that the Board just has to be clear on what is being done and the dates by which it has to be done.

The Chair summarized that there is a decision point here about whether there has to be formal approval of this concept in advance of the opening of the application window, whether public comment is necessary, and whether this rises to the level of a policy discussion. The Chair asked if the staff position is that this is an implementation-level detail, not new policy.

Kurt confirmed that is the staff recommendation. The Board's concern is understood about the need to review the procedure with the Board and ensuring that it was fully fleshed out before the opening of the applications. The recommendation is that that the level of Board approval would be about the concept of a secondary time stamp and that it is not random selection or first-come, first served.

Bertrand noted support for Bill's comment, that we need to send a message that it is not a first-come, first-served process.

John Jeffrey noted that there are three options. It is clear that random selection would result in legal risk, and that first-come, first-served cannot happen under the current system set up for managing the applications process. The recommended option, is an option of a secondary timestamp, and that requires ICANN to be clear in Applicant Guidebook about the direction that ICANN is proceeding.

Chris asked the General Counsel if he was requesting the Board to make an overarching principle decision on secondary timestamp before the application window is launched on January 12, and John Jeffrey confirmed that he believed this is necessary to allow for clarity in the guidebook about ICANN's intentions.

Ray suggested that the Board consider Bill, Bertrand and Chris' suggestion that the Board just say it is looking into the batching mechanism but it will not be random or first-come, first-served, then get the details more socialized before its approved.

The Chair noted that a statement of the form that will be used without details would leave people asking questions. There has to be an expectation of when the details will be available.

George noted that he still does not understand the concept. The Board should either say it's not first-come, first-served or say that the process will be announced subject to community consultation.

The Chair noted that the Board is not yet comfortable that there is clarity with the process outlined. The Chair explained that his initial understanding was that it really was a first-come, first-serve process, just starting after the close of the application window. A good description is needed of what will be proposed to the community.

Sébastien Bachollet commented that he does not understand this system, and suggested that staff was not willing to provide all of the details and the Board is to trust them to set up a decision that will work. Sébastien commented that the Board cannot postpone a decision on this item. If this is presented to the community, it's not clear that the conversation will be more successful than the

discussion in the Board. If the discussion is postponed, implementation will be more difficult.

Mike Silber proposed an amendment to the resolution and there was discussion around the proposed amendment.

Mike Silber then moved and Ray Plzak seconded following resolution:

Resolved (2011.12.08.xx), the ICANN Board authorizes the President and CEO to develop a plan and propose to the community that a “secondary time stamp” be used for purposes of determining the processing order in the event that multiple batches of applications are to be processed under the New gTLD Program. A “secondary time stamp” would require applicants who are interested in participating in early batches to obtain a time-stamp through a designated process following the close of the application window.

Resolved, (2011.12.08.04), there will be no preference given on the basis of whether an application is submitted in the beginning, middle or end of the application window.

Resolved (2011.12.08.05), the Board will not approve a system that would include random selection process for determining the development of batches.

Resolved (2011.12.08.06), the President and CEO is directed to add to the Applicant Guidebook that upon completion of the Board’s approval of a final designation of the operational details of the “secondary timestamp” batching process, the final plan will be added as a process within the Applicant Guidebook.

Steve Crocker, Sébastien Bachollet, Chris Disspain, Bill Graham, Bertrand de La Chapelle, Gonzalo Navarro, Ray Plzak, R. Ramaraj, George Sadowsky, Mike Silber and Judith Vazquez voted in favor of Resolutions 2011.12.08.04, 2011.12.08.05 and 2011.12.08.06 in a polled vote. Rod Beckstrom, Cherine

Chalaby, Erika Mann, Bruce Tonkin and Kuo-Wei Wu were unavailable to vote on the resolutions. The resolutions carried.

Rationale for Resolutions 2011.12.08.04 – 2011.12.08.06

The best option from an operational and process management standpoint, random selection, is not available. It is likely to result in lawsuit based upon California law that makes operation of a lottery illegal in most cases. Even if a random selection process were determined to not be a lottery by a court, those seeking to discredit, delay or halt the process would file a lawsuit.

The recommended option requires the development and implementation can be done outside of TAS and so not provide risk to the implementation of that complex system.

There is judgment required on the part of the applicant, i.e., when to submit the secondary registration in order to increase the likelihood of prioritization in an earlier batch.

One key to any mechanism is communications. Communications can be facilitated through TAS since applicants will have registered through the system.

Concerns that European and North American participants might have an edge through greater participation in numbers and a higher level of process sophistication are addressed by rotating the award of priorities through every region. There are arguments against this but it is thought that this approach better promotes diversity. In the end, no application is denied consideration.

Availability of an opt-out mechanism has been recommended several times in public comment. It will provide those entities that have elected to apply but not fully fleshed out business models time to consider the use of the TLD. Additionally, it will reduce the need and

the importance of a batching mechanism.

2. Consent Agenda

The Board welcomed back the Board members who were excused from the first part of the call.

The Chair then called for a vote on the consent agenda.

Resolved, the following resolutions in this Consent Agenda are approved:

1.1. Approval of Minutes of 22 October 2011 ICANN Board Meeting

Resolved (2011.12.08.07), the Board approves the minutes of the 22 October 2011 ICANN Board Meeting.

1.2. Approval of Minutes of 28 October 2011 ICANN Regular Board Meeting

Resolved (2011.12.08.08), the Board approves the minutes of the 28 October 2011 ICANN Regular Board Meeting.

1.3. Approval of Minutes of 28 October 2011 ICANN Organizational Board Meeting

Resolved (2011.12.08.09), the Board approves the minutes of the 28 October 2011 ICANN Organizational Board Meeting.

1.4. ccNSO Amendment to the Fast Track Implementation Plan

Whereas, the ICANN Board of Directors approved the Fast Track Implementation Plan at the ICANN meeting in Seoul, Republic of Korea on 30 October 2009
(<http://www.icann.org/en/minutes/resolutions-30oct09-en.htm#2>)

Whereas, at the ICANN meeting in San Francisco in March 2011, the ccNSO formed a sub-group within ccNSO PDP Working Group 1 to

provide clarification for the DNS Stability Panel within the IDN ccTLD Fast Track for handling cases of confusing similarity.

Whereas, the ccNSO working group conducted a session on its recommendations during the ICANN meeting in Dakar, Senegal, in October 2011, and the ccNSO approved a resolution recommending that the ICANN Board approve an amendment to the Fast Track Implementation Plan in order to provide further guidance for a specific case of confusing similarity.

Whereas a proposed amendment to the Fast Track Implementation Plan was prepared to implement the ccNSO recommendation.

Resolved (2011.12.08.10), the ICANN Board of Directors approves the proposed amendment to the Fast Track Implementation Plan designed to implement the recommendation approved by the ccNSO at the ICANN meeting in Dakar, Senegal. The President and CEO is directed to incorporate the amendment into the Fast Track Implementation Plan previously adopted by the ICANN Board on 30 October 2009 and implement the amendment as soon as practicable.

Rationale for Resolution 2011.12.08.10

Why is the Board addressing this issue now?

In December 2010, ICANN conducted the first review of the IDN ccTLD Fast Track Process. The review sought community input on a variety of topics including assessment of confusingly similar strings. This resulted in several public sessions and the formation of a sub-group within ccNSO PDP Working Group 1 to provide clarification for the DNS Stability Panel within the IDN ccTLD Fast Track for handling cases of confusing similarity. The working group conducted a session on its recommendations during the ICANN meeting in Dakar, Senegal, in October 2011, and the ccNSO approved a resolution recommending that the ICANN Board approve an amendment to the Fast Track Implementation Plan in order to provide further guidance for a specific case of confusing similarity.

What is the proposal being considered?

This modification to the Fast Track Implementation Plan is made to clarify the rules for the DNS Stability Panel in its evaluation of confusing similarity of requested IDN ccTLD strings. This change addresses specific situations when a requested IDN ccTLD string is confusingly similar to an existing ASCII ccTLD and the request is being made by the existing ccTLD operator with consent of the relevant public authority for the country or territory name requested.

Which stakeholders or others were consulted?

The string similarity topic was the focus of a public session held during ccNSO meetings during the ICANN meetings in San Francisco in March 2011. This meeting resulted in the ccNSO forming a sub-group created within IDN ccPDP Working Group 1 to work on providing more guidelines to improve the predictability of confusingly similar strings.

The ccNSO sub-group reported its findings during another public ccNSO session during the Dakar meeting in October 2011

Are there fiscal impacts or ramifications on ICANN?

There are no anticipated fiscal impacts on ICANN from this decision. The amendment will clarify the rules for confusing similarity in the IDN ccTLD Fast Track, upholding ICANN's obligation to manage the introduction of new TLDs in a secure and stable manner, and is not expected to affect or impact the security or stability of the DNS.

1.5. New Annex A/GNSO Policy Development Process

Whereas, in October 2008, the GNSO Council established a framework (see GNSO Council Improvement Implementation Plan; (<http://www.icann.org/en/topics/gnso-improvements/gnso-improvements-implementation-plan-16oct08.pdf>) for implementing the various GNSO Improvements identified and approved by the

ICANN Board of Directors on 26 June 2008
(http://www.icann.org/en/minutes/resolutions-26jun08.htm#_Toc76113182)
(<http://www.icann.org/en/minutes/resolutions-26jun08.htm>);

Whereas, that framework included the formation, in January 2009, of two Steering Committees, the Operations Steering Committee (OSC) and the Policy Process Steering Committee (PPSC), to charter and coordinate the efforts of five community work teams in developing specific recommendations to implement the improvements;

Whereas, the PPSC established two work teams, including the Policy Development Process Work Team (PDP-WT), which was chartered to develop a new policy development process that incorporates a working group approach and makes it more effective and responsive to ICANN's policy development needs;

Whereas, the GNSO Council decided to terminate the PPSC on 28 April 2011 and instructed the PDP-WT to deliver its Final Report directly to the GNSO Council;

Whereas, the PDP-WT submitted its Final Report (<http://gns0.icann.org/issues/pdp-wt-final-report-final-31may11-en.pdf>) on 1 June 2011 to the GNSO Council;

Whereas the GNSO Council opened a 30-day public comment period on the Final Report (see <http://www.icann.org/en/announcements/announcement-2-09jun11-en.htm>);

Whereas the GNSO Council referred those comments back to the PDP-WT for consideration (see <http://gns0.icann.org/resolutions/#201107>);

Whereas the PDP-WT reviewed those comments and updated the report as deemed appropriate (see

<https://community.icann.org/download/attachments/9405500/PDP-WT+Public+Comment+Review+Tool+-+FINAL+-+21+September+2011.pdf?version=1&modificationDate=1317022410000>);

Whereas the PDP-WT submitted its Updated Final Report (see <http://gnso.icann.org/improvements/updated-final-report-pdpwt-28sep11.pdf>) to the GNSO Council on 27 September 2011.

Whereas, the GNSO Council adopted the Updated Final Report, including the proposed new Annex A and the PDP Manual unanimously.

Resolved (2011.12.08.11), the ICANN Board adopts the new Annex A as described in <http://www.icann.org/en/general/proposed-bylaws-revision-annex-a-clean-04nov11-en.pdf>. The Bylaws as amended will take effect upon adoption. The transition to the new PDP will be conducted as recommended by the GNSO Council in its resolution (see <http://gnso.icann.org/resolutions/#201110>).

Rationale for Resolution 2011.12.08.11

Why is the Board addressing the issue now?

On 26 June 2008 the ICANN Board approved a set of recommendations designed to improve the effectiveness of the GNSO, including its policy activities, structure, operations, and communications. The following pertains to the PDP:

“Revising the PDP: The Policy Development Process (PDP) needs to be revised to make it more effective and responsive to ICANN's needs. It should be brought in-line with the time and effort actually required to develop policy and made consistent with ICANN's existing contracts (including, but not limited to, clarifying the appropriate scope of GNSO “consensus policy” development). While the procedure for developing “consensus policies” will need to continue to be established by the Bylaws as long as required by ICANN's contracts, the GNSO Council and Staff should propose new PDP rules for the

Board's consideration and approval that contain more flexibility. The new rules should emphasize the importance of the preparation that must be done before launch of a working group or other activity, such as public discussion, fact-finding, and expert research in order to properly define the scope, objective, and schedule for a specific policy development goal and the development of metrics for measuring success. The revised PDP, after review and approval by the GNSO Council and ICANN Board, would replace the current PDP defined in Annex A of the ICANN bylaws". The GNSO Council has now submitted its proposal for this revised PDP.

What is the proposal being considered?

In furtherance of this effort, the GNSO Council unanimously recommended to the ICANN Board the adoption of a policy development process (PDP) as outlined in the Updated PDP Final Report. The proposed Annex A to the ICANN Bylaws, and the PDP Manual proposed in the Updated PDP Final Report attempts to achieve the goals established by the ICANN Board when it approved the restructure of the GNSO Council. This revised PDP, after review and approval by ICANN Board, would replace the current PDP defined in Annex A of the ICANN Bylaws. The main elements of the new PDP include, amongst others:

- Recommending the use of a standardized "Request for an Issue Report Template"*
- The introduction of a "Preliminary Issues Report" which shall be published for public comment prior to the creation of a Final Issues Report to be acted upon by the GNSO Council*
- A Requirement that each PDP Working Group operate under a Charter*
- Dialogue between the GNSO Council and an Advisory Committee in the event that an the GNSO Council decides not to initiate a PDP following an Issues Report requested by such Advisory Committee*
- Seeking the opinion of other ICANN Advisory Committees and*

Supporting Organizations, as appropriate that may have expertise, experience, or an interest in the PDP issue early on in the process

- *Changing the existing Bylaws requiring a mandatory public comment period upon initiation of a PDP to optional at the discretion of the PDP Working Group*
- *Clarification of 'in scope of ICANN policy process or the GNSO'*
- *Changing the timeframes of public comment periods including (i) a required public comment period of no less than 30 days on a PDP Working Group's Initial Report and (ii) a minimum of 21 days for any non-required public comment periods the PDP WG might choose to initiate at its discretion*
- *Maintaining the existing requirement of PDP Working Groups producing both an Initial Report and Final Report, but giving PDP Working Groups the discretion to produce additional outputs*
- *A recommendation allowing for the termination of a PDP prior to delivery of the Final Report*
- *Guidance to the GNSO Council on the treatment of PDP WG recommendations*
- *New procedures on the delivery of recommendations to the Board including a requirement that all reports presented to the Board are reviewed by either the PDP Working Group or the GNSO Council and made publicly available*
- *The use of Implementation Review Teams*

Which stakeholders or others were consulted?

Public comment forums were held on the Initial Report, the Proposed Final Report, the Final Report and the proposed new Annex A, in addition to regular updates to the GNSO Council as well as workshops to inform and solicit the input from the ICANN Community at ICANN meetings (see for example, the ICANN Meeting in Brussels and San Francisco).

What concerns or issues were raised by the community?

In addition to workshops and regular updates to the GNSO Council, three public comment periods were held on the different versions of the report. Eight community submissions were received during the public comment forum on the Initial Report, seven contributions were received in relation to the Proposed Final Report and four contributions were received during the public comment forum on the Final Report. The PDP-WT reviewed all the comments received in great detail and documented how each of these comments were considered by the PDP-WT and how these comments resulted in changes to the report, if any (see Annex A, B and C of the Updated PDP Final Report). As a result, all issues and concerns raised were addressed and responded to by the PDP-WT.

A summary and analysis of comments received during the public comment period prior to ICANN Board consideration of the revisions to Annex A can be found here: [To be completed following closing of public comment period on 5 December]. As of 23 November 2011, no comments were received

What significant materials did the Board review?

The Board reviewed the Updated PDP Final Report, including the Annexes that detail how the PDP-WT has reviewed and addressed the comments received, the proposed Annex A, a redline showing the changes from the Current Annex A, as well as the summary of public comments and Staff's response to those comments.

What factors the Board found to be significant?

The recommendations were developed allowing for broad community input and participation. The Updated Final Report was adopted unanimously by the GNSO Council. The new PDP is expected to: maximize the ability for all interested stakeholders to participate in the GNSO's policy development processes; incorporate the Working Group model; ensure that the policy development process is based on

thoroughly-researched, well-scoped objectives, and are run in a predictable manner that yields results that can be implemented effectively; and make it more effective and responsive to ICANN's policy development needs.

Are there positive or negative community impacts?

As outlined above, the ICANN Board expects positive effects of the new PDP, including maximizing the ability for all interested stakeholders to participate in the GNSO's policy development process.

Are there fiscal impacts or ramifications on ICANN (strategic plan, operating plan, budget); the community; and/or the public?

No fiscal impacts or ramifications on ICANN; the community; and/or the public are expected.

Are there any security, stability or resiliency issues relating to the DNS?

There are no security, stability, or resiliency issues related to the DNS if the Board approves the proposed recommendations.

1.6. Changes to SSAC Membership

1.6.1. Thank You from Security and Stability Advisory Committee to John Schnizlein

Whereas, John Schnizlein was appointed to the ICANN Security and Stability Advisory Committee on 26 June 2009.

Whereas, ICANN wishes to acknowledge and thank John Schnizlein for his service to the community by his membership on the Security and Stability Advisory Committee.

Resolved (2011.12.08.12), that John Schnizlein has earned the deep appreciation of the Board for his service to ICANN by his membership

on the Security and Stability Advisory Committee, and that the Board wishes John Schnizlein well in all future endeavours.

Rationale for Resolution 2011.12.08.12

It is the practice of the SSAC to seek Board recognition of the service of Committee members upon their departure.

1.6.2. SSAC Appointments – Don Blumenthal and Rod Rasmussen

Whereas, the Security and Stability Advisory Committee (SSAC) does review its membership and make adjustments from time-to- time.

Whereas, the SSAC Membership Committee, on behalf of the SSAC, requests that the Board should appoint Rod Rasmussen and Don Blumenthal to the SSAC.

Resolved (2011.12.08.13) that the Board appoints Rod Rasmussen and Don Blumenthal to the SSAC.

Rationale for Resolution 2011.12.08.13:

The SSAC is a diverse group of individuals whose expertise in specific subject matters enables the SSAC to fulfill its charter and execute its mission. Since its inception, the SSAC has invited individuals with deep knowledge and experience in technical and security areas that are critical to the security and stability of the Internet's domain name system.

The SSAC's continued operation as a competent body is dependent on the accrual of talented subject matter experts who have consented to volunteer their time and energies to the execution of the SSAC mission. Don Blumenthal is a Senior Policy Advisor with the Public Interest Registry. He would bring to the SSAC wide experience from government and law enforcement. Rod Rasmussen is President and CTO of Internet Identity. He would bring to the SSAC extensive

experience in cross-industry organizations, law enforcement collaboration, and Internet policy development.

Resolutions 2011.12.08.07, 2011.12.08.08, 2011.12.08.09, 2011.12.08.10, 2011.12.08.11, 2011.12.08.12 and 2011.12.08.13 were approved in a single voice vote. Fourteen Board members voted in favor of the resolutions. Cherine Chalaby and Erika Mann were unavailable to vote on the resolutions. The resolutions carried.

Bertrand de La Chapelle commented that it would have been helpful for the Board to have more thorough discussions on the GNSO reforms reflected in the GNSO PDP resolution.

The Chair requested that this be placed as an item for discussion within the Board.

3. ATRT Recommendation 5: Board Compensation

John Jeffrey provided an update on the long-running discussion on Board compensation, including ATRT Recommendation 5. There is a series of resolutions that have come from these discussions, about whether it is appropriate to compensate the directors.

The President and CEO noted that he is including to vote no on this resolution and to share his set of concerns. “The first concern is the threat of future potential corruption in what actions applicants might take to get the position and then the Board selection process. When this idea first came up a couple of years ago, Vanda Scartezini, who is now in a leadership position on the NomCom, was on the Board of ICANN and mentioned to me that she was very concerned that if we compensated all board members, that the sums of money that we might use to compensate them might be very material or high levels when viewed from some parts of the world and some countries, and that that might lead towards back-room deals or trading for votes to get elected to the Board. This could even involve improper financial actions. She was concerned about corruption being possible in the future. And I share that concern.

“Secondly, it has been my experience since I have been the CEO of ICANN that we have not experienced a lack of applicants for the Board of Directors position, nor have we had a lack of directors willing to renew for the Board. The directors who have chosen not to renew or stand for renewal have never mentioned to me that board compensation was a factor.

“I feel the ICANN Board members work incredibly hard, and I feel that directors that are completely independent, as in not compensated by any related stakeholder groups, very much deserve in some way to be compensated. I want to be very clear about that. I think the Board works harder and works more hours than any board I have ever seen. My concerns are not about whether the Board members deserve the compensation for their efforts. They are concerns about what could be introduced into the process and the implications on the organization.

“The third thing I’m concerned about is I feel that, if we pay directors in the future, we might have the unintended consequence of downgrading the Board rather than upgrading the Board. High-level corporate executives and board members with whom I have discussed an interest the ICANN board were not concerned about compensation. What they were very concerned about was the massive amounts of time, at the way the Board has been structured and coordinated and chosen to function. The time commitments have been completely inconsistent with other boards -- including other boards in the Internet ecosystem. So I’m concerned about the downgrade of the quality of the Board in the future if applicants see service as a primary source of potential income for them. My concern there is elevated when I hear some directors speaking about, perhaps, the position should be full-time compensated. So that's a concern.

“The next concern I have is that I feel that, to attract the skill set that we might want to have in terms of highly-experienced directors of similar or larger sized organizations, the key for the Board would be to manage the time load and the workload down and create efficiencies of the Board in a fashion that it makes it possible for them to participate. I’m concerned that compensation could push it in the wrong direction.

“Related to this, I think there is a conflict of interest issue that should be considered, which is that I think that all of us as Board members should disclose if we have ever applied for a job at ICANN or ever expressed an interest for a job at ICANN. Because that should be known. And that certainly is relevant when we look at a vote like this as to whether Board members have sought employment with ICANN or expressed an interest in employment.

“I'd like to request, as CEO, that all board members update their interest statements to indicate whether they've ever applied for a job at ICANN or even expressed interest in a job at ICANN. I think it's important that data be out.

“Finally, as I mentioned on the NomCom leadership vote, it's my own opinion that the Nominating Committee should be electing truly independent directors. My own definition of "independent" is that the individuals not have an economic interest in the domain name or the addressing industry and that the domain name or the addressing industry not have been their career or primary source of revenues. Those experts are already well-represented on the Board in the stakeholder-appointed positions and in the liaison positions.

“I'm concerned about this set of issues. And this set of issues leads me to be inclined to vote against this resolution. I have mentioned some of these points in previous discussions over the past two years. But I wanted to at least share them today before we put this to vote. Thank you.”

The Chair thanked the CEO for his input. In response, the Chair noted that historically, he was leery about adding compensation to the Board and either recused himself or voted against it. Here, external reviews and a strong set of decisions in the community now say to move forward with compensation. The discussion has already been had, and it's time to see how it plays out. Compensation can indeed have some of the negative consequences raised, but the decision has been taken. The distinct issue of the role and function of the Board and the time involved is an important discussion that is tied to the rest of the ICANN operation. One cannot change the number of hours required of the Board without looking at the interplay between the staff and the Supporting

Organizations and Advisory Committees. That is a strategically important discussion that needs to be focused on ICANN as a whole, not just the Board.

Chris Disspain noted that that the ATRT had very similar goals to those to set out by the CEO, but the ATRT came to the opposite conclusion: the Board would be enhanced through compensation, rather than possibly disadvantaged.

Bertrand de La Chapelle supporting the Chair's statement. Here, the community has pushed for Board compensation; people from all parts of the community support the ATRT recommendation. As Chris stated, this will strengthen the Board, not weaken it. Bertrand noted his strong disagreement with the CEO's remarks.

The CEO responded to Bertrand's comment on community support. Within the I* meeting, it was apparent that compensation is not a community practice in the other community groups of which he's aware.

Bruce Tonkin noted that the benefit of compensation actually lies with those appointed through the NomCom process. Based on feedback he's received, some are reluctant to take the role, but the level of interest increases with some compensation. The level discussed is reasonable for an independent director. Bruce supported the CEO's general comments that the Board needs to work on efficiency, and Bruce is also reluctant to see members take on a full-time role as that confuses the role between the Board and staff. If Board members are required to be full time, there is something wrong in the management structure or there aren't enough staff resources, or there's another issue that needs to be addressed. Bruce stated that he'll be voting in favor of the resolution.

Mike Silber commented that he does not understand where having applied for a job previously with ICANN leads to a possible conflict of interest, as he does not believe that there's any relevance. Mike noted that the actual process was not followed, as the Board did not meet with the experts to discuss the opinion. While there's no problem with the resolution, Mike is concerned that the process wasn't followed.

Amy Stathos clarified that the meeting with the experts was only required if the Board felt that it was necessary, and there wasn't any feedback from the Board that it wished to speak with the experts. In addition, there was no comment received during the 30-day public comment period on the report.

The Chair noted that the Board was strongly advised that the options were to accept the report or not, and it would violate the arm's-length process if the Board tried to tinker with the report or negotiate changes, so there was reduced incentive to try to interact with the expert.

Mike suggested that after the vote, the Chair polls the Board members to see if there are any that would like to speak with the experts. This is not necessary prior to the vote.

John Jeffrey interjected that if Mike Silber is calling the "as necessary" language into question, there's an opening of the issue of whether the meeting with the experts is necessary. That should not be left until after the vote – there should be a clear determination of whether there is necessity before the vote.

The Chair noted that if the Board approves the resolutions, compensation will be in place and there's very little utility to a meeting with the experts at that point. There will be opportunities in the future to review compensation.

The CEO addressed Mike's question on the conflict of interest based on prior application for a job, and noted that he thinks that there's a clear conflict of interest that should be disclosed if a director has applied for a job with the organization. It could affect how they treat employees that are in the position sought. That is a known practice in other organizations.

Mike and the Chair agreed that the issue of interest in a position within the organization is either appropriate or inappropriate, but it exists irrespective of whether Board members are compensated. The Chair suggested that this issue be taken to the conflict of interest discussion in the BGC.

The CEO noted that he has an additional concern with compensation, as ICANN is a volunteer-led organization with the Board as a pinnacle. Compensation will change part of this makeup.

The Chair noted his sensitivity to the CEO's comment, particularly after receiving compensation for service as the Chair. While he earlier had qualms about compensation, but this is now just a portion of a sequence of compensation that has to include other leaders, such as liaisons, SO leadership, AC leadership and so forth. Passing Board compensation will put ICANN in a position to consider how to move down that path at appropriate speed.

Bruce Tonkin noted a correction to the resolution.

Amy Stathos then noted that the Board has to agree on the start date for the compensation, which could be effective as of the day after the meeting. If the Board approves compensation, the directors will receive a form on which each individual director will note if they will accept or decline compensation. Once those are complete, the list of directors receiving compensation will be posted on the Board of Director's page of the website.

Bruce suggested that directors be paid as of 1 July 2012. While this will financially affect some Board members, it's a principled issue. There have been increased expenses recently, and it would be financially prudent to include this in the FY 13 Budgeting process instead of using contingency for the remainder of FY12.

The Chair noted that the compensation for the Board chair became effective immediately, though there had been conversation about whether the payment should come into effect at the next term, so it did not affect anyone in their current term. This is precedent, and the budget impact has already been allocated as it's in the contingency.

Bruce noted that the contingency has been used for other items.

George Sadowsky urged the Board to follow the precedent set on Chair compensation and make the payment effective immediately.

Chris stated that he is not going to take the money, however he will vote in favor and the money is in contingency. This money has been identified for Board compensation in the event it is agreed to. The Board can use those funds.

R. Ramaraj agreed that the funds are already in the contingency and the payment should have immediate effect. Ramaraj also suggested that it would be useful to have a declaration along with the vote as to whether a director will accept compensation.

The Chair noted that the list would not be complete as there are absent directors.

Ramaraj stated that he does not intend to take compensation.

Ray Plzak then moved and Judith Vazquez seconded the following resolution:

Whereas, ICANN is considering whether to offer compensation to all of its voting directors for their services to ICANN.

Whereas, ICANN is a nonprofit California public benefit corporation that is exempt from Federal income tax under §501(a) of the Internal Revenue Code of 1986, as amended (the "Code") as an organization described in §501(c)(3) of the Code.

Whereas, ICANN may not pay directors more than Reasonable Compensation as determined under the standards set forth in §53.4958-4(b) of the regulations issued under §4958 of the Code (the "Regulations").

Whereas, ICANN has taken all steps necessary, and to the extent possible, to establish a presumption of reasonableness in the level of voting Board member compensation, if approved.

Whereas, certain portions of ICANN's current Conflicts of Interest Policy must be revised in order for the Board to vote on whether to approve compensation for the voting Directors.

Whereas, certain portions of ICANN's current Bylaws must be revised in order to allow voting Board members other than the Chair to be compensated.

Whereas, the public comments received on the specific proposed revisions to the Conflicts of Interest Policy and Bylaws generally were in favor of the proposed revisions.

Whereas, the Board recognizes that many commenters suggested additional but unrelated revisions to the Conflicts of Interest Policy, which ICANN is committed to reviewing and revising as appropriate (see Board Resolution on Review of ICANN Conflicts of Interest Policy and Ethics at <http://www.icann.org/en/minutes/resolutions-28oct11-en.htm#6>).

Resolved (2011.12.08.14), the Board approves the limited changes to ICANN's Conflicts of Interest Policy needed to allow the Board to either approve or reject the Independent Valuation Expert recommendation on voting Board member compensation.

Twelve directors voted in favor of Resolution 2011.12.08.14. Rod Beckstrom voted in opposition to the resolution. Cherine Chalaby, Erika Mann and George Sadowsky were not available to vote on the resolution. The resolution carries.

Ray Plzak then moved and Mike Silber seconded the following resolution:

Resolved (2011.12.08.15), the Board approves the limited changes to ICANN's Bylaws needed to allow all voting Board members to receive compensation for services provided.

Twelve directors voted in favor of Resolution 2011.12.08.15. Rod Beckstrom voted in opposition to the resolution. Cherine Chalaby, Erika Mann and George Sadowsky were not available to vote on the resolution. The resolution carries.

George Sadowsky then moved and Judith Vazquez seconded the following resolution:

Resolved (2011.12.08.16), the Board approves the recommendation from the Independent Valuation Expert (as that term is defined in §53.4958-1(d)(4)(iii)(C) of the IRS Regulations), made in its Report or Reasoned Written Opinion, (as that term is defined in §53.4958-1(d)(4)(iii)(C) of the Regulations), that it is reasonable to “[i]ntroduce annual cash retainer of \$35,000 for outside directors and maintain the \$75,000 for Chairman of the Board” and “[a]n additional \$5,000 annual retainer would be provided for committee chair (except the Chairman of the Board).”

Thirteen directors voted in favor of Resolution 2011.12.08.16. Rod Beckstrom voted in opposition to the resolution. Cherine Chalaby and Erika Mann were not available to vote on the resolution. The resolution carries.

Sébastien Bachollet then moved and Mike Silber seconded the following resolution:

Resolved (2011.12.08.17), all Board members will be required to complete and sign a form either specifically accepting or declining the approved compensation, and a list of all will be posted on the Board of Directors page.

Fourteen directors voted in favor of Resolution 2011.12.08.17. Cherine Chalaby and Erika Mann were not available to vote on the resolution. The resolution carries.

R. Ramaraj then moved and Mike Silber seconded the following resolution:

Resolved (2011.12.08.18), compensation for all voting Board members who choose to accept the compensation approved herein, shall be effective on 9 December 2011.

Fourteen directors voted in favor of Resolution 2011.12.08.17. Cherine Chalaby and Erika Mann were not available to vote on the resolution. The resolution carries.

The Chair thanked everyone for engaging in this extensive process. This subject will likely be part of the review of the functioning of the Board in the next few years. The Chair reiterated his hope that the Board moves forward with consideration of compensation for other parts of the community, as this part of the process is top down, not bottom up. Congratulations to everyone.

Rationale for Resolutions 2011.12.08.14 – 2011.12.18:

Over the past several years, ICANN has been considering issues surrounding voting Board member compensation. The Board has publicly discussed the matter and has reviewed independent analysis and advice on the matter, as well as public comment. For example: (i) there were calls from the community in relation to ICANN Framework for Accountability and Transparency that voting Board members be compensated; (ii) budget contingency discussions since FY08 have involved the concept of possible Board compensation; (iii) outside counsel provided advice on the ramifications of Board compensation, including identification of assessments and safeguards ICANN would need to establish before proceeding; (iv) Watson Wyatt, and then Towers Watson, provided studies on other non-profit organizations and Board member compensation; (v) the Boston Consulting Group (“BCG”) that conducted the Board Review suggested that relatively modest fees to compensate voting directors for service may be appropriate; (vi) the Board Review working group acknowledged general support from the BCG and the community for director compensation, but recommended further study in coordination with General Counsel; (vii) the Accountability and Transparency Review Team (ATRT) specifically recommended that the Board should implement a compensation scheme for voting Board members; and (viii) public comment and input was sought on required changes to ICANN’s Conflicts of Interest Policy and Bylaws, as well as on the Independent Expert report on voting Board member compensation.

In August of 2010, the Board approved compensation for the Board

Chair. (See <http://www.icann.org/en/minutes/resolutions-05aug10-en.htm#5>.) Since that time, a call for all voting Board members to be compensated has continued, most recently through Recommendation 5 from the ATRT. On 24 June 2011, the Board noted that the CEO and General Counsel had been directed to take the next steps to properly consider the ATRT's recommendation. (See <http://www.icann.org/en/minutes/resolutions-24jun11-en.htm#2>.) ICANN followed a process calculated to pay an amount that is in its entirety Reasonable Compensation for such service under the standards set forth in §53.4958-4(b) of the Treasury Regulations.

First, the Board sought a recommendation from an Independent Valuation Expert ("Expert") as to the reasonableness of, and if so, the amount of compensation. The Board approved Towers Watson (TW) to be engaged to serve as the Expert. TW is a leading global professional services company with expertise in compensation for non-profit organizations. TW had provided advice on the Board Chair compensation and was recommended by the National Association of Corporate Directors to serve as the Expert. The Expert Report, which was posted for public feedback, can be found with the Announcement at <http://www.icann.org/en/announcements/announcement-3-04nov11-en.htm>.

Second, in the event that the Expert recommended compensation for voting Board members and the Board intended to vote on that recommendation, ICANN's Conflicts of Interest (COI) Policy had to be revised. Currently, the Policy states "[n]o Director shall vote on any matter in which he or she has a material Financial Interest that will be affected by the outcome of the vote." (See Article II, section 2.4(a) <http://www.icann.org/en/committees/coi/coi-policy-30jul09-en.htm>.) Thus, voting on Board compensation without any change would be a direct conflict of interest. Accordingly, the Board approved posting for public comment limited revisions to the COI Policy that will allow the Board to vote on director compensation. (See

<http://www.icann.org/en/public-comment/bylaws-amend-vi-coi-policy-01sep11-en.htm>.)

Third, in the event that the Expert recommended a compensation arrangement for voting directors and the Board approves that recommendation, ICANN's Bylaws must be changed. Currently the Bylaws specifically prohibit compensation for voting directors. Article VI, section 22 states "All Directors other than the Board Chair shall receive no compensation for their services as Directors." See <http://www.icann.org/en/general/bylaws.htm#VI>. The Board approved the posting for public comment proposed revisions to the Bylaws that would allow all voting Directors to be compensated. (See <http://www.icann.org/en/public-comment/bylaws-amend-vi-coi-policy-01sep11-en.htm>.)

The Board was provided a summary of all of the public comments with reference to each individual comment (see <http://www.icann.org/en/public-comment/bylaws-amend-vi-coi-policy-01sep11-en.htm>) on the specific proposed revisions and determined that all generally were in favor of the proposed revisions as they were necessary to allow for all voting Board members to be receive compensation, if approved. Further, no Feedback was received on the Expert Report.

The Board has thus taken all steps necessary to ensure that consideration of voting Board member compensation for services provided was done in accordance with all appropriate laws, rules and regulations, including that any compensation be, in its entirety, Reasonable Compensation under the standards set forth in §53.4958-4(b) of the Treasury Regulations.

In making its decision and passing these resolutions, the Board has reviewed all of relevant materials referenced above. In addition, throughout the time the Board has been considering the issue of

voting Board member compensation, it has had the opportunity to review and consider: (i) the Boston Consulting Group's Independent Review Final Report, comment on that report, the Board Review Working Group's Final Report and comment on that final report (all of which can be found at <http://www.icann.org/en/reviews/board/>); and (ii) the ATRT Recommendations and related comments, all of which can be found through <http://www.icann.org/en/public-comment/public-comment-201012-en.htm#atrt-draft-proposed-recommendations> and <http://www.icann.org/en/announcements/announcement-31dec10-en.htm>.

Taking these steps positively impacts the accountability and transparency of ICANN as it fulfills a particular recommendation of the ATRT. Further, regularly informing the community through posting all of the process steps the Board is followed, as well as the proposed revisions for the Conflicts of Interest Policy and the Bylaws, and the Expert Report, significantly enhanced ICANN's transparency in this matter. Accordingly, this should have a positive community impact in its implementation.

Compensating voting Board members who choose to accept compensation at the amount recommended and approved will have a fiscal impact on ICANN. For this fiscal year, in anticipation of possible approval of voting Board member compensation, a portion of the budgeted contingency fee has been identified to cover whatever amount is needed to compensate voting Board members as approved pursuant to this resolution. As it is not yet not known precisely how many Board members will and will not accept compensation, the precise amount needed has not yet been calculated.

This decision will have no impact on the security, stability or resiliency of the domain name system.

4. Board Member Rules on Conflicts of Interest for New gTLDs

Bruce Tonkin introduced the work that is the outcome of the discussion in Dakar about the need to address the community concerns of how the Board will handle new gTLD applications. This language states that directors that are or are potentially advising on submission of new gTLD applications will not vote on any application, participate in deliberations and will not receive information about any application until the information is made public.

The second part is dealing with the “revolving door” issue, and it is proposed that members that approve any new gTLD application will not take a position with the company involved in that new gTLD for 12 months after the vote. If the Board member takes a position in any way involved with that new gTLD, the Board member commits to requiring the company to ethically screen the Board member from participating in or receiving information on the operation of the gTLD for 12 months after the Board decision. So a director could work for a large company that applies for a TLD so long as for a period of 12-months after the approval of the TLD the director is not involved with the introduction of the TLD.

Third, as a lot of the Board members have broad expertise, consideration was given as to whether the Board could take advantage of that expertise, such as industry operations or other matters of which an excluded member may have knowledge. The Board member can be asked to participate in limited discussions. In addition, experts could be invited to participate in the discussion, but not the deliberation of the vote.

Bertrand de La Chapelle questioned whether this is pushing the envelope too far. The rule states that any kind of advice given to a potential applicant, such as choosing to apply as a community or not a community, will require recusal from the consideration of any TLD. While this is well intentioned, it could cause issues. It could create a quorum problem, if a director is interested in helping a couple of applicants on a non-paid basis. Bertrand noted that the interests are understandable, but the Board may be putting in jeopardy its ability to approve the whole process.

The Chair empathized with Bertrand's desire to help, but it raises the question of why is it that anyone on the Board is the unique and sole best person to provide the type of advice that is sought? Why shouldn't the Board member direct the person to get advice and possibly identify who can give that advice? That is part of drawing the line in this program.

Bertrand noted that he has a desire to help. There are cases where you can help by engaging with those who may be wanting for advice. This creates an incentive for the director to make a decision that it's easier to completely recuse from voting because that's now where the value add is. Rather, a simpler rule could be tied to the consideration of applications where the Board member has been involved. Bruce's proposal may be too strong of a stance. The Board should discuss this.

Mike Silber noted his understanding of Bertrand's concern. If this is public advocacy – advice given in public – then it should not qualify. Instead, the resolution is addressing the equivalent of legal advice – advice given in private and there's an exchange of information that others are not privy to. In that instance, Mike would prefer the director not to vote.

Chris Disspain noted Bertrand's point, and that in the current situation, Chris may be required to note vote on any application because his company may be involved in a registry.

Bruce clarified Chris' statement. First, the Board is still bound by the regular Conflicts of Interest policy, through which there are conflicts to be identified that may or may not involve the provision of advice. If advice is not being provided, but instead the member is associated because of a contractual relationship (such as your company is providing backend services), there would be a perception of conflict that would require the director to abstain from voting on those applications where the contractual relationship exists. But offering private advice on individual applications will require that you not vote on any applications.

Chris inquired as to whether there would be a process to move votes for applications to a smaller set of directors, taking into account conflicts. Bruce confirmed that would happen.

Bruce further clarified that this rule will not remove a need to declare a conflict. It says that if you are providing advice to one or more applicants, then you stay out of the process of voting on any application, which is broader than the standard conflict process. There is a community expectation to see a higher standard, and this resolution will establish a bright line beyond the current conflicts policy. There could be an intermediate position, where a director would stay out of the process of voting for any application related to the one for which advice was given. But that would be hard to manage for 21 people, where there may not be clarity on what is related. Non-Australians may see .Melbourne and .Sydney as related, while inside Australia, they're akin to different countries. How should this resolve? The proposed resolution is a much brighter line, and can provide more trust from the community that the Board can and will apply this rule.

The Chair agreed that "any related" could raise endless possibilities of questions.

Bertrand noted that Bruce's explanation was helpful and confirmed his understanding of the intent of the provision. While the phrase "any related application" may raise concerns, the purpose of the rule would still indicate the spirit in which the rule must be implemented. The scrutiny will be extreme regarding the ethical behavior of Board members. While the proposed rule is simple, it may lead to a difficult decision for individual members of the Board – which will provide the most value add to the global public interest. "Any related application" is connected enough to be understood, and the focus should be on the behavior of the Board member – was it transparent and clear in the explanation for why the Board member did or did not vote on an application? This is the benchmark and the test. Bertrand stated that he resents the fact that this rule is being pushed, as it will be harder to manage and may be adverse to the public interest. Bertrand noted that he has no issue with the revolving door portion of this resolution, which is the main point raised by the community. He confirmed that he will abide by the vote, but the Board has to be aware of all of the consequences.

R. Ramaraj noted that the suggestion within the revolving door portion that a director could be hired by a company so long as an ethical wall was created serves

to weaken the resolution. Ramaraj proposed removing this provision and keeping the ban on employment for 12 months.

Sébastien Bachollet supported Bertrand's statement. This program was set up to run smoothly, and not require a lot of action from the Board. Sébastien does not see that straightforward applications will raise conflict concerns. If the rules are adopted, the Board will need a couple of days to come into compliance.

Mike Silber suggested that changes might be needed in response to Sébastien and Bertrand. There are already members of the Board clearly conflicted because of employment. Others have employers looking into new gTLDs. Yet those who are on the Board and do not have these clear conflicts may actually have additional luxuries than those providing advice on applications.

Bill Graham stated that the Board is getting confused about the concept of "conflict." There must be some element of benefit to create a conflict. Simply giving advice to someone seeking clarification is not a conflict, particularly where that advice is not given in private. Cheering for an applicant to succeed is not necessary a conflict situation. Without the benefit and private nature of advice, conflict of interest does not seem to apply.

Bruce responded that there are different types of conflict – financial, indirect benefit and perceptions of conflict. Here, we're addressing the perception issue. It's easy when there's a clear conflict – that's not the issue. It's about the public perception.

Thomas Roessler noted his concern at the conversation turning to a suggestion that it's important to allow Board members to consult on new gTLDs. There already is a consulting market, it's part of the ecosystem, just as performing the Board role is part of the ecosystem. The BGC rule suggests a bright line between the two, and that makes sense. If this was an issue of requiring consultants to recuse themselves, it could be different. But for now, we have two separate parts of the ecosystem that need to operate separately.

Bertrand noted that he would prefer the resolution prohibit voting on "any related application." Following on Bill's point, giving advice does not mean that

there is always a personal interest in the decision, especially if the advice was free. Bertrand questioned whether there is deep consensus on this issue, and requested an additional call to discuss and finalize the resolution.

Bruce accepted Ramaraj's and Bertrand's modifications as friendly amendments to the resolution.

Bruce Tonkin then moved, and Judith Vazquez seconded the following resolution:

Whereas, ICANN is committed to attaining a higher ethical standard to ensure the legitimacy and sustainability of the multi-stakeholder model.

Whereas, ICANN's current corporate governance documents, as set out at <http://www.icann.org/en/documents/governance/>, include a Conflicts of Interest Policy and Board Code of Conduct (including ethical guidelines and confidentiality provisions).

Whereas, it is crucial to have strengthened rules and practices in place as ICANN embarks on the New gTLD Program.

Whereas, ICANN is undertaking multiple external reviews of its existing Conflicts of Interest Policy, Code of Conduct and other conflicts and ethics practices.

Whereas, while awaiting specific recommendations for enhancements to ICANN's policies and practices, ICANN is committed to demonstrating that it will treat decisions approving any new gTLD application in an ethical manner and with care to avoid even an appearance of a conflict of interest.

Resolved (2011.12.08.19), the Board adopts the following conflicts of interest rules as they specifically apply to the New gTLD Program:

- Any and all Board members who are either knowingly or potentially advising on, or involved in any way with submitting, any new gTLD application:
 - Will not vote on that application or any related application;

- Will not participate in any deliberations about that application or any related application; and
 - Will not receive any information about that application or any related application until such information is made public.
- Any and all Board members who approve any new gTLD application shall either:
 - Not take a contracted or employment position with any company sponsoring or in any way involved with that new gTLD for 12 months after the Board made the decision on the application.
- If deliberations call for expertise about the industry operations, or any other matters, that could be provided by a Board member excluded as a result of these rules, the Board member can be asked to participate in the limited discussion requiring such expertise. Independent experts could be similarly invited to participate in the deliberations. If such expertise is sought, the nature of the discussion and the expert will be identified in the meeting minutes or notes, as applicable.
- In addition to all of the above, all existing conflicts of interest, ethics and conduct requirements continue to apply to all Board members, including the prohibition on using any confidential information obtained while serving on the Board for any other purpose whatsoever.

Eleven directors voted in favor of Resolution 2011.12.08.19. Mike Silber voted against the resolution. Gonzalo Navarro abstained from voting on the resolution. Rod Beckstrom, Cherine Chalaby and Erika Mann were not available to vote on the resolution.

Mike Silber explained that he does not believe the conflicts policy or the extension to the conflicts policy as formulated goes far enough to deal with the increasing requirements of the New gTLD Program, and with the friendly amendments made during the course of the call, he cannot in good conscience support the resolution.

Gonzalo noted that his abstention was based on the fact that there are complex legal issues within this resolution that may have implications, that he had not personally evaluated.

Bruce noted that these items can still be refined, and the external advice that is being sought may result in changes. But the Board needs to show that it heard the community and is taking steps regarding the New gTLD Program.

John Jeffrey agreed to have a discussion with Gonzalo and any other members of the Board on the potential legal implications in this action.

Rationale for Resolution 2011.12.08.19:

Over the past several months, ICANN has placed a strong emphasis on the need for enhancing ICANN's policies relating to conflicts of interest, ethics, confidentiality and an overall code of conduct. During the Singapore meeting, the President and CEO identified such issues as crucial given that the New gTLD Program was entering into a new phase with Board approval, which was taken on 20 June 2011. In addition, the community has been calling for a thorough review of these policies. Accordingly, ICANN has determined that it should strive to achieve a Gold Standard in both the documentation of policies and the adherence to policies relating to conflicts of interest ethics, confidentiality and code of conduct.

In order to achieve the Gold Standard that ICANN has determined to achieve, ICANN is undertaking multiple external reviews of its conflicts and ethics practices. First, our corporate law firm is reviewing our current working documents, including our "Conflicts of Interest Policies", "Code of Conduct" and "Employee Handbooks," to

enhance the focus on best practices for conflicts and ethics. Second, a new independent law firm (not involved in ICANN processes) is reviewing ICANN's documentation, comparing ICANN to similarly situated non-profits and making recommendations for enhancements. Third, ICANN is contracting with an international expert group to review ICANN's documents and practices and to make recommendations. This group will focus on ICANN's global function and the best practices of other international organizations.

While awaiting specific recommendations for enhancements to ICANN's policies and practices, ICANN is committed to demonstrating that it will treat decisions relating to approving any new gTLD application in an ethical manner and with care, to avoid even the appearance of a conflict of interest. Accordingly, ICANN has passed this resolution to help direct the Board members' conduct. Again, it should be noted that this is not meant to supplant or supersede any existing or soon to be additional policies and practices relating to conflicts of interest, conduct or ethical behavior.

Taking this action will positively impact the ICANN community by addressing these issues with urgency, and committing to the highest ethical standards, particularly with respect to the New gTLD Program. Such enhancements are meant to ensure the legitimacy and sustainability of the multi-stakeholder model as enshrined in ICANN. Further, this resolution will should not have any fiscal impact on ICANN or the community. This action will not have any impact on the security, stability and resiliency of the domain name system.

5. Any Other Business

Sébastien Bachollet noted that the Board received information on the public comment revisions arising out of the ATRT, and there was a proposed comment and reply cycle of 21 days each. More information will likely be coming to the Board for consideration. The deadline for this implementation is 1 January 2012, and staff is ready to proceed.

6. Executive Session

The Board conducted an executive session, in confidence, without staff present.

2012-02-02-Board Submission-PDP-Bylaws

ICANN BOARD SUBMISSION NO. 2012-02-02

TITLE: **Public Comment Posting: Further Bylaws
Changes for Revised PDP**

PROPOSED ACTION: **For Consent Agenda**

EXECUTIVE SUMMARY:

The revised GNSO Policy Development Process (PDP) is reflected in Annex A of the ICANN Bylaws, approved by the Board on 8 December 2011. The PDP revision also creates new GNSO voting thresholds for new points in the PDP that did not exist prior to the revision. The GNSO voting thresholds are set forth in the ICANN Bylaws at Article X, Section 3.9. In order to complete the documentation of the revised PDP, it is recommended that the ICANN Bylaws be modified to include the new threshold definitions. In addition, a small revision to Annex A is recommended to require that public comment periods on PDP-related documents shall abide by the practices for public comment periods in effect within ICANN. A redline of the proposed Bylaws revisions is attached to this submission. The proposed revisions should be put out for public comment prior to Board consideration of incorporating the revisions into the Bylaws.

STAFF RECOMMENDATION:

Staff recommends that the Board approve the posting for public comment of the proposed revisions to GNSO-related Bylaws, to allow for full documentation of the revised PDP process.

PROPOSED RESOLUTION:

Whereas, on 27 September 2011, the GNSO Council adopted the Updated Final Report (<http://gns0.icann.org/improvements/updated-final-report-pdpwt-28sep11.pdf>) of the Policy Development Process Working Team (PDP-WT), setting out a proposed new Annex A to the ICANN Bylaws and a Policy Development Process (PDP) Manual, in fulfilment of a directive to develop a new PDP that is more effective and responsive to ICANN's needs.

Whereas, the Board adopted the new Annex A on 8 December 2011 and directed transition to the new PDP.

Whereas, additional Bylaws revisions are necessary to fully implement the new PDP, including definition of new voting thresholds set out in the PDP-WT Updated Final Report.

RESOLVED (2012.01.16.xx) the ICANN Board approves the posting for public comment of further revisions to the ICANN Bylaws as necessary for the implementation of the new PDP.

PROPOSED RATIONALE

The further revision of the ICANN Bylaws is necessary for complete documentation of the transition to the new PDP as approved by the GNSO Council and the ICANN Board. To assure accountability to the ICANN community, the posting for public comment of the proposed Bylaws changes will allow for community input and transparency into the implementation steps. This action does not have an impact on ICANN's resources and will not have an impact on the security or stability of the DNS.

Submitted by: Marika

Position:

Date Noted:

Email and Phone Number

2012-02-03-Board Submission-Kazakhstan

ICANN BOARD SUBMISSION NO. 2012-02-03

TITLE: Delegation of the .қаз (“kaz”) domain representing Kazakhstan in Cyrillic

PROPOSED ACTION: For Board Review and Approval on Consent Agenda

IANA REFERENCE: 493403

EXECUTIVE SUMMARY

The ICANN Board is asked to consider and vote on the request to delegate the domain .қаз, comprised of the eligible IDN ccTLD Fast Track approved string representing Kazakhstan.

Sensitive Delegation Materials

PROPOSED RESOLUTION

Whereas, .қаз (“kaz”), encoded as “xn--80ao21a” is a string that has been deemed to appropriately represent Kazakhstan through the IDN Fast Track process.

Whereas, ICANN has received a request for delegation of .қаз to the Association of IT companies of Kazakhstan.

Whereas, ICANN has reviewed the request, and has determined that the proposed delegation would be in the interests of the local and global Internet communities.

It is hereby resolved (___), that the proposed delegation of the .қаз domain to the Association of IT companies of Kazakhstan is approved.

Submitted by: Kim Davies

Position: Manager, Root Zone Services

Date Noted: 9 January 2011

2012-02-04-Board Submission Belarus

ICANN BOARD SUBMISSION NO. 2012-02-04

TITLE: Redlegation of the .BY domain representing Belarus to Reliable Software Inc.

PROPOSED ACTION: For Board Review and Approval on Consent Agenda

IANA REFERENCE: 501785

EXECUTIVE SUMMARY

The ICANN Board is asked to consider and vote on the request to redelegate the domain .BY, comprised of the ISO 3166-1 code representing Belarus, to Reliable Software Inc. Sensitive Delegation Materials

PROPOSED RESOLUTION

Whereas, BY is the ISO 3166-1 two-letter country-code designated for Belarus;

Whereas, ICANN has received a request for the re delegation of .BY to Reliable Software Inc.;

Whereas, ICANN has reviewed the request, and has determined that the proposed re delegation would be in the interests of the local and global Internet communities.

It is hereby resolved (___), that the proposed re delegation of the .BY domain to Reliable Software Inc. is approved.

PROPOSED RATIONALE

Why the Board is addressing the issue now?

Staff present delegation and re delegation requests for country-code domains to the Board for decision, once staff are satisfied the applicant has provided a sufficiently complete application that has a reasonable prospect of a positive Board decision. In line with ICANN's commitments to perform timely processing of requests relating to the

IANA function, and the DNS root zone in particular, the ICANN Board seeks to evaluate such requests at its next scheduled Special Meeting.

What is the proposal being considered?

The proposal is to approve a request to IANA to change or designate the sponsoring organisation (also known as the manager or trustee) of a country-code top-level domain. In line with established practice, the ICANN Board is involved in making the decision to proceed with such requests as one step of this multi-step process.

Which stakeholders or others were consulted?

In the course of evaluating a delegation application, ICANN staff consults with the applicant, the current operator (if applicable), and other directly connected parties. In line with ICANN's practice of keeping incomplete root zone change requests in confidence, ICANN has not performed open consultation on this matter.

What concerns or issues were raised by the community?

Any concerns or issues are raised within the public report that will be published in conjunction with this action. This report will be published on the IANA website at <http://www.iana.org/> should the root zone change request has successfully completed final processing, usually 1-2 months after the Board's decision.

What significant materials did the Board review?

The Board is involved in assessing requests against a variety of public interest criteria. This criteria includes establishing the country-code is eligible (e.g. listed in the ISO 3166-1 standard); establishing the proposed manager is supported by the local Internet community; establishing the proposed operator is operationally and technically competent; establishing the proposed manager is based locally and bound under local law; establishing the proposed manager operates fairly and equitably; establishing that in cases there is a transfer of operations that an appropriate plan is in place to preserve ongoing stability of the domain; and establishing that the action is compatible with any applicable local laws and regulations. During the staff compilation process, the applicant is asked to provide a variety of materials in support of these various aspects. Pertinent information from these supplied materials and other staff research is provided to the Board, and published in a public report at the end of implementing an approved request.

What factors the Board found to be significant?

The Board considers factors described in the public report, in relation to the basic principles of country-code domain delegation described earlier.

Are there positive or negative community impacts?

The timely approval of country-code domain name managers that meet the various public interest criteria is positive toward ICANN's overall mission, and the local communities to which country-code top-level domains are designated to serve.

Are there fiscal impacts or ramifications on ICANN (strategic plan, operating plan, budget); the community; and/or the public?

The administration of country-code delegations in the DNS root zone is part of the IANA functions, and the delegation action should not cause any significant variance on pre-planned expenditure. It is not the role of ICANN to assess the fiscal impact of the internal operations of country-code top-level domains within a country, other than ensuring the operator is based in country and has the appropriate mechanisms to allow the local Internet community to properly oversee the domain's ongoing operation.

Are there any security, stability or resiliency issues relating to the DNS?

For country-code top-level domain delegations, ICANN seeks to approve only such requests where reasonable concerns have been satisfactorily addressed, and the proposed new manager has demonstrated a sufficient level of operational and technical competency where such concerns should be minimal.

Submitted by:	Kim Davies
Position:	Manager, Root Zone Services
Date Noted:	7 January 2011
Email and Phone Number	kim.davies@icann.org; Contact
