

2011-10-11-NoticeBDMtg

Secretary's Notice -- In addition to the board book and annex which are normally included with your materials, for the second consecutive meeting we have added a Summary Document, intended to be your general guide to the agenda with a simple explanation of what each agenda item is intended to address.

Directors and Liaisons,

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

11 October 2011 - Special Meeting of the ICANN Board of Directors --
at 13:00 UTC – This Board meeting is estimated to last 2.5 hours.

Some other time zones:

11 October 2011 – 6:00 AM PDT Los Angeles

11 October 2011 – 3:00 PM CEST Brussels

11 October 2011 – 9:00 AM EDT Washington, D.C.

11 October 2011 – Midnight-2:30am (12 Oct) Sydney

<http://www.timeanddate.com/worldclock/fixedtime.html?iso=20111011T13&ah=2&am=30>

MATERIALS - SPECIAL NOTE – We have now broken down the materials into three parts: 1) Summary of Agenda Items and Basic Information; 2) 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/>> , 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 in a summary document and 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.

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2011-10-11-Agenda-Resolutions-Rationales



Draft Board Resolutions
11 October 2011
Special Meeting of the ICANN Board

*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 25 August 2011 ICANN Board Meeting

Resolved (2011.10.11.xx), the Board approves the minutes of the 25 August 2011 ICANN Board Meeting.

1.2. Approval of Minutes of 17 September 2011 ICANN Board Meeting

Resolved (2011.10.11.xx), the Board approves the minutes of the 17 September 2011 ICANN Board Meeting.

1.3. Approval of Delegation of .SX (Sint Maarten)

Resolution Not Considered

Rationale for Resolution 2011.10.11.xx

Rationale Statement Not Considered

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Rationale Statement Not Considered

1.4. Approval of Delegation of .CW (Curacao), Transitional Arrangements for Netherlands Antilles (.AN)

Whereas, CW is the ISO 3166-1 two-letter country-code designated for Curaçao;

Whereas, ICANN has received a request for delegation of .CW to the University of the Netherlands Antilles;

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** (2011.10.11.xx), that the proposed delegation of the .CW top-level domain to the University of the Netherlands Antilles is approved.

Whereas, the .AN top-level domain was delegated on the basis of its former listing as an ISO 3166-1 two-letter country code designated for the Netherlands Antilles;

Whereas, the ISO 3166-1 standard has removed the “AN” code, and the ISO 3166 Maintenance Agency recommends its use be discontinued;

Whereas, ICANN is not responsible for deciding what is or is not a country, and adheres to the ISO 3166-1 standard for guidance on when to add, modify and remove country-code top-level domains;

Whereas, the .AN top-level domain is still the primary domain used by parties in the countries and municipalities that comprised the former Netherlands Antilles;

Whereas, there is a transition plan to move registrations from the .AN domain to new domains .CW and .SX, with the University of the Netherlands Antilles continuing to act as manager of the .AN domain until transition is complete,

Resolved (2011.10.11.xx), that the University of Netherlands Antilles be instructed to report their progress on decommissioning the .AN domain every six months to ICANN against a relevant set of metrics,

Resolved (2011.10.11.xx), that the University of Netherlands Antilles work to complete the transition of the .AN domain to the .CW domain, the .SX domain, and any other relevant domain; so that it may be removed from the DNS root zone no later than 31 October 2014.

Resolved (2011.10.11.xx), that the .AN domain be removed from the DNS root zone on 31 October 2014, if not requested earlier by the manager of the domain.

Rationale for Resolution 2011.10.11.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. The matter of the timeline for the transition from the .AN domain to its successor domains is being addressed in conjunction with the evaluation of the delegation of the .CW and .SX domains, in order to give clarity to the communities involved the timeline upon which the transition will occur. This will allow the communities to prepare and plan appropriately for the transition.

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.

The proposal also considers a plan proposed to retire the .AN domain from service, after an appropriate transition period that will allow for existing registrants to migrate their services to appropriate new domains.

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.

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.

2. Approval of CEO Search Committee Membership

Resolution Text Superseded

Rationale for Resolution 2011.10.11.xx

The ICANN Board has begun planning for and developing the CEO succession process, to assist in transition of the leadership. The establishment of a work committee will allow the Board to coordinate this process with regular reporting to the Board as a whole, as well as reviewing opportunities for community involvement in the process. Timely succession of the ICANN CEO will assist the organization in maintaining its work in overseeing the security and the stability of the DNS. The establishment of the work committee will not have a financial impact on ICANN, though resources are likely to be required at later points in the process.

2011-08-25-Board-Minutes-bd-final



Minutes
25 August 2011
Special Meeting of the ICANN Board

A Special Meeting of the ICANN Board of Directors was held on 25 August 2011 at 20:00 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, Cherine Chalaby, Bertrand de La Chapelle, Chris Disspain, Bill Graham, Erika Mann, Gonzalo Navarro, R. Ramaraj, George Sadowsky, Mike Silber, and Bruce Tonkin (Vice Chair).

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

Heather Dryden, GAC Liaison; Ray Plzak; Reinhard Scholl, TLG Liaison; Katim Touray; and Kuo-Wei Wu sent apologies.

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1. Consent Agenda

The Chair of the Board introduced the Consent Agenda items and noted that there was a request to move the BGC Recommendation on the Reconsideration Request to the main agenda to allow for discussion.

The Chair then moved and the Board took the following action:

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

1.1. Approval of Minutes of 28 July 2011 ICANN Board Meeting

Resolved (2011.08.25.01), the Board approves the minutes of the 28 July 2011 ICANN Board Meeting.

1.2. Approval of Recommendation of GNSO Council on IRTP Part B

Whereas on 24 June 2009, the GNSO Council launched a Policy Development Process (PDP) on the Inter-Registrar Transfer Procedure Part B (IRTP Part B) addressing five charter questions, set forth at <https://community.icann.org/display/gnsoirtpb/3.+WG+Charter>;

Whereas the PDP followed the prescribed PDP steps as stated in the Bylaws, resulting in a Final Report delivered on 30 May 2011;

Whereas the IRTP Part B Working Group (WG) reached full consensus on the recommendations in relation to each of the five issues outlined in the Charter;

Whereas the GNSO Council reviewed, and discussed the recommendations of the IRTP Part B WG, and adopted the Recommendations on 22 June 2011 by a Supermajority and unanimous vote (see: <http://gnso.icann.org/resolutions/#201106>);

Whereas the GNSO Council vote met and exceeded the required voting threshold to impose new obligations on ICANN contracted parties.

Whereas after the GNSO Council vote, a 30-day public comment period was

held on the approved recommendations, and the comments have been summarized and considered (<http://www.icann.org/en/public-comment/irtp-b-recommendations-08jul11-en.htm>).

Resolved (2011.08.25.02) the Board adopts the GNSO Council Policy Recommendations amending the Inter-Registrar Transfer Policy set forth at <http://www.icann.org/en/transfers/policy-en.htm>.

Resolved (2011.08.25.03) the CEO is to develop and complete an implementation plan for these Recommendations and continue communication with the community on such work.

Resolved (2011.08.25.04) the CEO is directed to undertake the studies identified by the GNSO Council at [identify resolutions here] to facilitate further work on this issue.

Resolved (2011.08.25.05) the Board encourages the GNSO, the ALAC and all other parts of the ICANN community to work together to promote the measures outlined in the SSAC's report A Registrant's Guide to Protecting Domain Name Registration Accounts (SAC 044), as identified within the GNSO Council Resolutions.

Rationale for Resolutions 2011.08.25.02-05

Why the Board is addressing the issue now?

The Inter-Registrar Transfer Policy (IRTP) is a consensus policy that was adopted in 2004 which provides for a straightforward process for registrants to transfer domain names between registrars. The GNSO Council established a series of five Working Groups (Parts A through E) to review and consider various revisions to this policy.

The IRTP Part B PDP is the second in a series of five scheduled PDPs addressing areas for improvements in the existing policy. The IRTP Part B Working Group has addressed five issues focusing on domain hijacking, the urgent return of an inappropriately transferred name, and lock status. The IRTP Part B PDP Final Report received unanimous consensus support from the IRTP Part B Working Group as well as the GNSO Council. Following the closing of the public comment period on 8 August, the next step as outlined in Annex A of the ICANN Bylaws is

consideration by the ICANN Board of the recommendations.

What is the proposal being considered?

The following recommendations are being considered:

- *Requiring Registrars to provide a Transfer Emergency Action Contact (TEAC). To this end proposed language to modify section 4 (Registrar Coordination) and Section 6 (Registry Requirements) of the Inter-Registrar Transfer Policy has been provided (see Annex for further details). The Transfer Emergency Action Contact (TEAC) is a mechanism to facilitate urgent communications relating to transfers. The goal of the TEAC is to quickly establish real time communication between registrar representatives in case of emergency such as a transfer as a result of a domain name hijacking so that the registrar can take steps to resolving the issue. The TEAC only addresses establishing that communication not resolving any disputes that may arise for which other policies and procedures apply.*
- *Modifying section 3 of the IRTP to require that the Registrar of Record/Losing Registrar be required to notify the Registered Name Holder/Registrant of the transfer out. The Registrar of Record has access to the contact information for the Registrant and could modify their systems to automatically send out the Standardized Form for Losing Registrars ("Confirmation FOA") to the Registrant. Requiring this notification would alert the registrant at an earlier stage that a transfer has been requested, which as a result would bring any potential conflicts to light before a transfer has been completed and therefore might reduce the number of conflicts between the admin contact and registrant that would require undoing a transfer.*
- *Modifying Reason for Denial #6 as follows: Express objection to the transfer by the authorized Transfer Contact. Objection could take the form of specific request (either by paper or electronic means) by the authorized Transfer Contact to deny a particular transfer request, or a general objection to all*

transfer requests received by the Registrar, either temporarily or indefinitely. In all cases, the objection must be provided with the express and informed consent of the authorized Transfer Contact on an opt-in basis and upon request by the authorized Transfer Contact, the Registrar must remove the lock or provide a reasonably accessible method for the authorized Transfer Contact to remove the lock within five (5) calendar days. The current language of denial reason #6 is not clear and leaves room for interpretation especially in relation to the term 'voluntarily' and it is therefore recommended that this language is expanded and clarified to tailor it more to explicitly address registrar-specific (i.e. non-EPP) locks in order to make it clear that the registrant must give some sort of informed opt-in express consent to having such a lock applied, and the registrant must be able to have the lock removed upon reasonable notice and authentication.

- *Deleting denial reason #7 as a valid reason for denial under section 3 of the IRTP as it is technically not possible to initiate a transfer for a domain name that is locked, and hence cannot be denied, making this denial reason obsolete.*

Which stakeholders or others were consulted?

Public comment forums were held on the initiation of the PDP, the Initial Report, the proposed Final Report and the recommendations subject to Board Consideration, 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, Brussels Meeting and San Francisco Meeting). Constituency / Stakeholder Group Statements were submitted (see <https://community.icann.org/display/gnsoirtpb/IRTP+Part+B>). All comments received have been reviewed and considered by the IRTP Part B PDP WG (see section 6 of the IRTP Part B Final Report). In addition, as prescribed by the ICANN Bylaws, a public comment forum was held on the recommendations to be considered by the ICANN Board.

What concerns or issues were raised by the community?

The only concern raised as part of the public comment forum on the recommendations to be considered by the ICANN Board was with regard to the four hour response time required as part of the Transfer Emergency Action Contact (TEAC) recommendation. The commenter noted that it would put ‘too much burden on small and medium sized registrars’. However, the commenter seemed to assume that a resolution is required within four hours (‘A final solution/ settlement can take place also after 1 or 2 days’) instead of an initial response, which is the only requirement under the proposed TEAC. As the IRTP Part B PDP Working Group explained it in its Final Report ‘the goal of the TEAC is to quickly establish real time communication between registrar representatives who can take steps to resolving the issue, but this policy only addresses establishing that communication not resolving any disputes that may arise’. With regard to the four hour response time, the IRTP Part B PDP Working Group noted that ‘even the smallest of registrars can simply rotate this function among operational staff, just as they rotate other “emergency” aspects of their business. The number of TEAC requests is likely to be very small and quite infrequent, but when they occur there is a genuine emergency that needs to be dealt with quickly’. It should be noted that both small as well as big registrars participated in the deliberations of the IRTP Part B Working Group and supported the recommendations.

What significant materials did the Board review?

The Board reviewed the GNSO Council Report to the Board, 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 following the GNSO Policy Development Process as outlined in Annex A of the ICANN Bylaws and have received the unanimous support from the GNSO Council. As

outlined in the ICANN Bylaws, the Council's unanimous (supermajority) support for the motion obligates the Board to adopt the recommendation unless by a vote of more than 66%, the Board determines that the policy is not in the best interests of the ICANN community or ICANN. In addition, transfer related issues are the number one area of complaint according to data from ICANN Compliance. Improvements to the IRTP have the potential to reduce the number of complaints, in addition to providing clarity and predictability to registrants as well as registrars.

Are there positive or negative community impacts?

Improvements to the IRTP have the potential to reduce the number of complaints, in addition to providing clarity and predictability to registrants as well as registrars. Adoption of the recommendations will require changes in processes for registrars, but these are considered to have a minimum impact and necessary in order to address the issues that are part of this Policy Development Process. The recommendations, if implemented, would usefully clarify and enhance the IRTP, to the advantage of all parties concerned.

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

Apart from those changes required in process for registrars as outlined above, no other 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.

1.3. Approval of Receipt of Report from TR-WG

Whereas, on 18 March 2011, the Board received a final report from the independent reviewer for the TLG Review and resolved to establish a Board Technical Relations Working Group, BTRWG, to address the

recommendations of the TLG Review final report. (Resolutions 2011.03.18.28-31)

Whereas, on 21 April 2011, the Board resolved to adopt the membership of the BTRWG and the Charter for the BTRWG. (Resolutions 2011.04.21.05 and 2011.04.21.12).

Whereas, the BTRWG has provided its draft final report, "Draft Final Report from the Board Technical Relations Working Group ", dated 22 August 2011, and submitted it to the ICANN Board for consideration.

RESOLVED (2011.08.25.06), the Board acknowledges receipt of the document "Draft Final Report from the Board Technical Relations Working Group", dated 22 August 2011, thanks the BTRWG for its timely work and directs the SIC to analyze the report and propose a course of action.

Rationale for Resolution 2011.08.25.06

The proposed actions are in direct response to a request from the Board and serve to advance the work on improvements in line with the agreed time plan. The actions to be taken do not entail any budgetary consequences in and of themselves, nor any potential negative effects. It is important to take these actions now to timely prepare for future restructuring actions to be proposed for the Board's consideration and decision.

Resolutions 2011.08.25.01, 2011.08.25.02, 2011.08.25.03, 2011.08.25.04, 2011.08.25.05, and 2011.08.25.06 were approved in a single vote approving the consent agenda items. All Board members present unanimously approved these resolutions. Gonzalo Navarro, Ray Plzak, Katim Touray and Kuo-Wei Wu were not available to vote on the resolutions.

2. Approval of NomCom Chair & Chair-Elect

Bruce Tonkin, as the Chair of the Board Governance Committee, gave an overview of the process used in the BGC to reach a recommendation of candidates to the Board. This included a call for applications, BGC review of the applications, the identification of a list of candidates to be interviewed, and Board member review

after completion of the interviews. Bruce noted that issues of conflicts of interest were considered in making recommendations, and addressed in the interviews. Bruce recommended that Board and the community engage in a public discussion to identify criteria for the positions of NomCom Chair and Chair Elect, and engage in a process of consultation to reach defined criteria. Evaluating candidates against published criteria will assist in managing conflicts of interest.

Cherine Chalaby noted that his opinion that the Chair of the NomCom should be independent of the ICANN community.

Sébastien Bachollet raised the issue that independence from the ICANN community would likely result in a candidate that is unfamiliar with ICANN, which may not be good for the NomCom work. Sébastien commented that the issue of independence has to be considered more broadly than for a single seat.

Chris Disspain noted that the Board has to be clear on what independence from ICANN means – is it financial? Is it involvement in the industry? Could involvement in the At-Large Community remove someone's independence? These issues have to be addressed.

Bill Graham noted the issue of trying to define independence within the notion of a multistakeholder organization.

The General Counsel and Secretary, John Jeffrey noted that independence is measured by separate standards from conflicts of interest. He noted that the Nominating Committee structure is historically set up to select independent directors. He also confirmed that each NomCom forms internal operating rules to address its own conflicts of interest among the NomCom members in fulfilling their work to select good directors and other appointees.

Bertrand de La Chapelle noted his agreement with Bruce that there has to be a clear definition of the functions of the Nominating Committee Chair.

The Board engaged in a discussion about specific candidates, as well as the new Nominating Committee Chair-Elect role that was created earlier in the year.

Bruce Tonkin then moved and Cherine Chalaby seconded the following motion:

Whereas, the BGC has reviewed the Expressions of Interest from candidates for the Nominating Committee (“NomCom”) Chair and Chair-Elect.

Whereas, the BGC agreed upon a short list of candidates and invited interested Board members to participate in interviews with those candidates, which resulted in recommendations to the Board.

Resolved (2011.08.25.07), the Board adopts the recommendation of the BGC and hereby appoints Vanda Scartezini as the 2012 NomCom Chair and Rob Hall as the 2012 NomCom Chair-Elect.

Twelve Board members voted in favor of Resolution 2011.08.25.07. Rod Beckstrom opposed the resolution. Ray Plzak, Katim Touray and Kuo-Wei Wu were unavailable to vote on the resolution. The resolution carried.

Rod Beckstrom provided the following statement regarding his vote: “My vote is not a vote against Rob or Vanda, who are knowledgeable insiders in the ICT and domain name industry, but rather a vote against appointing any ICANN community insider to the NomCom chair role for the sake of the global public interest.

In my view, NomCom is needed to bring in new directors with significant board experience and board governance knowledge and professional skills from outside the community.

Community insiders are already heavily represented on the ICANN board.

Again, I believe more independence of NomCom would be in the global public interest. And as I have mentioned several times in the past, I strongly recommend that the NomCom contract with world recognized specialist search firms that can recruit top independent talent onto corporate boards. Such firms are available and can and would help to attract a broader range of candidates with high levels of pertinent experience.”

Rod further clarified that he is proposing that ICANN appoint NomCom leaders that are not community insiders, and broaden the recruiting process. There are many experienced professional who might have a strong interest in serving on

ICANN's Board, and ICANN is not getting out to those candidates because it is not tapping into the direct networks to access those people.

The Chair noted that the NomCom populates other ICANN structures in addition to the Board. The Board may need to consider how to address concerns that Rod is raising earlier in the process for populating the NomCom

Bruce then asked for the Board's support to move forward, through the Board Governance Committee, to continue in discussions with the NomCom regarding issues of addressing conflicts of interest, and other items arising out of the ATRT recommendations.

The Board agreed with that proposal.

Rationale for Resolution 2011.08.25.07

ICANN's Bylaws require the Board to appoint the Nominating Committee (NomCom) Chair and NomCom Chair-Elect. See Article VII, sections 2.1 and 2.2 at <http://www.icann.org/en/general/bylaws.htm#VII>. The Board has delegated the responsibility for recommending the NomCom Chair and Chair-Elect for Board approval to the Board Governance Committee. See BGC Charter at <http://www.icann.org/en/committees/board-governance/charter.htm>. The BGC posted a call for expressions of interest (EOI), received and reviewed several EOIs, and conducted interviews with some candidates before making recommendations. The Board has considered and agrees with the BGC's recommendations.

Appointing a NomCom Chair and Chair-Elect identified through a public EOI process positively affects the transparency and accountability of ICANN. Adopting the BGC's recommendation has no financial impact on ICANN and will not negatively impact the systemic security, stability and resiliency of the domain name system.

The Board notes that coordination is necessary with the NomCom and

ICANN's Supporting Organizations and Advisory Committees to standardize position descriptions for the NomCom Chair and Chair-Elect, as well as for the positions that the NomCom is responsible to fill within ICANN. In addition, it is necessary to develop – in consultation with the NomCom – a standardized set of conflict of interest identification practices for use by NomCom members. The Board Governance Committee will continue dialogue with the NomCom on these and other issues, including furtherance of work to meet the recommendations of the Accountability and Transparency Review Team, at the ICANN meeting in Dakar, Senegal.

3. Approval of BGC Recommendation re Reconsideration Request 11-1

Bruce Tonkin provided some background on Reconsideration Request 11-1, a request related to a commercial complaint about the current registrant of a domain name. The requester seeks ICANN's order to transfer the domain name to his company.

The Chair and Bertrand de la Chapelle both raised the issue that in the Board's denial of the request, there be clear communication that the Reconsideration request process is not an appropriate mechanism to try to obtain relief for domain name disputes, as the Board cannot offer the relief requested.

The Board then took the following action:

Whereas, the BGC has reviewed Reconsideration Request 11-1 submitted by Michael F. Gende on 15 June 2011 concerning the domain name zetamusic.com.

Whereas, the BGC has determined that Reconsideration Request 11-1 should be denied.

Whereas, Reconsideration Request 11-1 and the BGC's recommendation have been posted on the ICANN website at <http://www.icann.org/en/committees/board-governance/requests-for-reconsideration-en.htm>.

Resolved (2011.08.25.08), the Board adopts the recommendation of the BGC that Reconsideration Request 11-1 be denied as the requested action

is not within ICANN's power and the Reconsideration process is not the appropriate forum to make domain name dispute complaints.

All Board members present voted in favor of Resolution 2011.08.25.08. Ray Plzak, Katim Touray and Kuo-Wei Wu were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolution 2011.08.25.08

ICANN's Bylaws call for the Board Governance Committee to evaluate and make recommendations to the Board with respect to Reconsideration Requests. See Article IV, section 3 of the Bylaws <http://www.icann.org/en/general/bylaws.htm#IV>. The Board has reviewed and thoroughly discussed the BGC's recommendation with respect to Reconsideration Request 11-1 and finds the analysis sound.

Having a Reconsideration process whereby the BGC reviews and makes a recommendation to the Board for approval positively affects the transparency and accountability of ICANN. It provides an avenue for the community to ensure that staff and the Board are acting in accordance with ICANN's policies, Bylaws and Articles of Incorporation. Adopting the BGC's recommendation has no financial impact on ICANN and will not negatively impact the systemic security, stability and resiliency of the domain name system.

Here, the Reconsideration process was invoked to obtain the transfer of a domain name registration and complaining of ICANN's earlier response referring the requester to contact the registrant, the registrar, or follow other appropriate alternatives that may assist him in obtaining the transfer of the registration. Because the requested action is not within ICANN's power or authority, this Request has been denied. The Board further notes that the Reconsideration process is not the appropriate forum in which to assert complaints over domain names. There are several other mechanisms by which complaints can be levied and addressed.

Nevertheless, the Request, in line with ICANN's compliance processes, has been forwarded to the registrar for further follow-up directly with the requester.

4. Process Steps for Consideration of Board Remuneration

John Jeffrey provided the Board an overview of the process recommendation for Board consideration. The process is provided in steps, the first being for the Board to direct staff to take necessary steps to consider the appropriateness of compensation for directors. While this step is not required, having formal Board direction is a best practice.

Jeffrey noted that the second step is for the retention of an independent valuation expert. The expert would provide a Board with a report regarding the appropriateness of remuneration and what the appropriate level of remuneration may be. The expert would assist in confirming that the Board is following appropriate processes.

The third step is the posting for public comment revisions to the Conflicts of Interest Policy and Bylaws to allow the Board to consider the issue of compensation. Currently, the Board's conflicts of interest policy would prohibit a vote on the independent valuation expert's report, and the Bylaws would not allow Board members to receive remuneration. The posting for comments on these items now will allow the Board to take action to allow for timely consideration of the expert's report when available.

The Chair inquired as to the posting of revisions to the Conflicts of Interest Policy to allow for consideration of remuneration, and whether there were additional changes anticipated for the Conflicts of Interest Policy relating to the ongoing work on broader conflicts issues. The Chair asked if the changes related to remuneration should be held until there were other changes identified to the Conflicts of Interest policy. The Chair noted his concern that it may look as if the Board is continually changing the Conflicts of Interest policy.

Bruce Tonkin noted that the Board Governance Committee had considered this issue, and noted that the broader conflicts issues are still under discussion.

Mike Silber noted that the internal conflicts processes and issues should be separated from the remuneration issue.

Bertrand de la Chapelle agreed with Mike, and asked for additional information regarding working with the independent valuation expert.

Erika Mann also agreed with Mike and Bertrand to keep the issues separate. Erika encouraged the Board to take some step forward, and not wait until the items could be presented together.

Amy Stathos explained that the expert will provide the Board with a recommendation in a report, and the Board would have an opportunity to ask the expert questions prior to voting the recommendation up or down. Amy explained that the Board would not be in a position to change the recommendation as part of the vote, as that would alter the independence of the recommendation.

Cherine Chalaby commented that if it was possible to time the remuneration issue with the broader conflicts issue and present to the community as a package, that would be preferable. While the issues are separate, Cherine notes this is a matter of presentation.

The Chair summarized the discussion with a recommendation that the Board proceed with the consideration of the remuneration issue, while making clear to the community that there are continuing discussions of other conflicts of interest-related items that are ongoing.

John Jeffrey confirmed that the changes to the Conflicts of Interest policy for the purpose of considering remuneration are separate from other conflicts-related issues, and the two could be dealt with separately.

The Chair then moved the following resolution:

Whereas, ICANN currently provides compensation to the Chair of its Board for the services the Board Chair renders as a Chair of the Board.

Whereas, ICANN desires to investigate whether it is appropriate to expand the availability of compensation for service on the Board to other Board members (“Directors”).

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”).

Resolved (2011.08.25.09), the Board shall direct staff to take all steps necessary to consider the appropriateness of compensation for voting Directors.

Resolved (2011.08.25.10), as part of the process of reviewing any Director compensation, the Board shall retain an Independent Valuation Expert, as that term is defined in §53.4958-1(d)(4)(iii)(C) of the Regulations (an “Expert”), to consult with and to advise the Board regarding the appropriateness and level of any Director compensation arrangements, and to issue to the Board a Reasoned Written Opinion, as that term is defined in §53.4958-1(d)(4)(iii)(C) of the Regulations (the “Opinion”), from such Expert regarding the ranges of Reasonable Compensation for any such services by a Director.

Resolved (2011.08.25.11), the Expert's opinion shall include all factors the Expert determines to be appropriate regarding the appropriateness and the level of compensation to be paid a voting Director for services to ICANN as a Director, including offices held on the Board, attendance at Board and Committee meetings, the nature of service on the Board and on Board Committees, and Appropriate Data as to Comparability, as that term is defined in §53.4958-6(c)(2) of the Regulations, regarding director compensation arrangements for U.S.-based, nonprofit, tax-exempt organizations possessing a global employee base.

Resolved (2011.08.25.12), after having reviewed the Expert's Opinion, the Board shall meet with the Expert to discuss the Expert's Opinion and to ask questions of the Expert regarding the Opinion, the Comparability Data obtained and relied upon, and the conclusions reached by the Expert.

Resolved (2011.08.25.13), that the Board shall adequately document the

basis for any determination the Board makes regarding Director compensation arrangements concurrently with making that determination.

Resolved (2011.08.25.14), ICANN's General Counsel is authorized and directed to retain Towers Watson as the Board's Independent Valuation Expert to consult with and to advise the Board regarding Director compensation arrangements and to issue to the Board the Reasoned Written Opinion described above regarding the appropriateness of and ranges of Reasonable Compensation for any such services by a Director.

Twelve Board members voted in favor of Resolutions 2011.08.25.09, 2011.08.25.10, 2011.08.25.11, 2011.08.25.12, 2011.08.25.13, and 2011.08.25.14. Rod Beckstrom, Ray Plzak, Katim Touray and Kuo-Wei Wu were unavailable to vote on the resolutions. The resolutions carried.

The Chair then called for a vote on the following resolution:

Resolved (2011.08.25.15), ICANN's staff is hereby directed to post for public comment a proposed revised Conflicts of Interest Policy and proposed revised Bylaws that will be required if the Board approves a recommendation that eligible Board members should be compensated for services to ICANN as Directors of ICANN.

Eleven Board members voted in favor of Resolution 2011.08.25.15. Sébastien Bachollet abstained from voting on the resolution. Rod Beckstrom, Ray Plzak, Katim Touray and Kuo-Wei Wu were unavailable to vote on the resolution. The resolution carried.

Sébastien Bachollet noted that his abstention was based on a potential conflict of interest related to timing.

Rationale for Resolutions 2011.08.25.09 – 15

Over the past several years, ICANN has been considering issues surrounding Board compensation. The Board has publicly discussed the matter and has reviewed independent analysis and advice on the matter. For example: (i) there were calls from the community in relation to ICANN Framework for Accountability and Transparency that the entire Board be compensated; (ii) budget contingency discussions since FY08 have involved the concept of possible Board

remuneration; (iii) independent evaluation experts provided studies on other non-profit organizations and Board member remuneration; (iv) the Boston Consulting Group (“BCG”) that conducted the Board Review suggested that relatively modest fees to compensate directors for time may be appropriate; (v) the Board Review working group acknowledged general support from BCG and community for director remuneration, but recommended further study in coordination with General Counsel; and (vi) the Accountability and Transparency Review Team specifically recommended that the Board should implement a compensation scheme for voting Directors.

In August of 2010, the Board approved compensation for the Board Chair. Since that time a call for all voting directors to be compensated has continued, most recently through Recommendation 5 from the Accountability and Transparency Review Team.

Taking all steps necessary to ensure that consideration of voting director compensation is done in accordance with all appropriate laws, rules and regulations positively impacts the accountability and transparency of ICANN. Further, informing the community through posting all of the process steps the Board is following, as well as the proposed revisions for the Conflicts of Interest Policy and the Bylaws, significantly enhances ICANN’s transparency in this matter.

Following these steps will have some fiscal impact on ICANN as it will cost some to engage the Independent Valuation Expert, however that eventually was budgeted for when the Board adopted the ATRT Recommendations. Taking these steps will not negatively affect the security, stability or resiliency of the domain name system.

5. Single Character IDN Update

Kurt Pritz provided an update to the Board on the work of the Joint IDN Working Group (JIG) formed between the GNSO and the ccNSO and the recommendation of the delegation of single-letter or single-character IDNs in both new gTLDs and the IDN ccTLD Fast Track. Kurt noted that as the recommendation raises public

policy and technical issues, it should be provided to the SSAC, GAC and ALAC for advice. Kurt noted that the work needed will not be done in time for the first round of new gTLD applications.

Ram Mohan noted that the signal that single character IDNs are not part of the first round, to allow for consultation and a public process, is the right way to proceed.

The President and CEO confirmed that in order for the program to launch as the Board directed, a changes such as allowing single character IDNs could not be incorporated into the Applicant Guidebook. This is consistent with the Board's resolution in Singapore.

The Chair then called for a vote on the following resolution:

Whereas, the delegation of IDN TLDs in a way that promotes security and a good user experience is a longstanding topic of importance to ICANN's Board and the global community.

Whereas, the GNSO's Reserved Names Working Group concluded that, for IDNs, there should not be a general restriction on single-character U-labels, and recommended a case-by-case analysis.

Whereas, the IDN Implementation Working Team recommended that single-character gTLDs should not be banned, but that further ramifications of this issue should be addressed by policy bodies such as the ccNSO and GNSO.

Whereas, the Joint ccNSO-GNSO IDN Working Group (JIG) recommended that single-character TLDs should be accepted in the IDN ccTLD Fast Track, as part of the recommendations for overall policy in IDN ccPDP, and the New gTLD Program.

Whereas, the Fast Track was designed to enable the introduction of a limited number of non-contentious IDN ccTLDs to meet near-term demand while the overall policy is being developed, using methods that do not preempt the outcomes of the IDN ccPDP.

Whereas, the JIG Report raises certain questions, including (a) what suitable process for consultation (including with relevant language communities), is needed when considering new, single-character IDN TLD strings, and (b) whether there would be a different policy conclusion if it were specified that only ideographical scripts are acceptable for single-character IDN TLDs.

Whereas, these and all technical and policy considerations must be addressed prior to delegation of any single-character TLDs.

Whereas the time necessary to adequately resource and consider these issues is estimated to extend beyond the scheduled application submission period for the first gTLD application round.

Resolved (2011.08.28.16) the Board, on the issue of delegation of single character gTLDs:

1. Requests specific advice on security & stability aspects of this issue from the SSAC.
2. Requests the GAC to consider and provide specific advice on public policy aspects of this issue.
3. Requests specific advice on the end-user/consumer aspects of this issue from ALAC.
4. Directs the staff to consult with additional appropriate and knowledgeable community participants across various languages/scripts on this topic, and to provide the Board and community a report that reflects this input, to enable consideration by the Board on delegation of single character IDN TLDs.
5. Directs staff to publish a timetable for this work, clearly indicating that processes for delegation of single-character IDN TLDs will be made available after the first gTLD application round and conclusion of IDN ccTLD policy work.

All Board members present voted in favor of Resolution 2011.08.25.16. Ray Plzak, Katim Touray and Kuo-Wei Wu were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolution 2011.08.25.16

Why the Board is addressing the issue now?

The Joint ccNSO-GNSO IDN Working Group (JIG) produced a final report recommending that single-character IDNs be delegated in the New gTLD program and the IDN ccTLD Fast Track. The GNSO Council and the ccNSO Council approved the report on 7 April 2011 and 10 May 2011, respectively, and the report was delivered to the Board on 11 May 2011.

What is the proposal being considered?

The JIG report includes recommendations that:

a) Single Character IDN TLDs should be acceptable under the IDN ccTLD Fast Track Process and as part of the recommendations for overall policy in IDN ccPDP, taking into account the findings from the report;

b) The GNSO policy recommendation in the Final Report for the Introduction of New Generic Top-Level Domains for Single Character IDN TLDs should be implemented; and

c) Requested Single Character IDN TLD strings should be analyzed on a case-by-case basis in the new gTLD process depending on the script and language. Single Character IDN TLDs should be acceptable, but must not be confusingly similar to single or two character ASCII TLDs. For alphabetic script Single Character IDN TLDs, other technical aspects of confusability may be taken into consideration, such as the likelihood of user slip with relevance to keyboard layouts.

Implementing the report's recommendations would result in changes to the approved versions of the gTLD Applicant Guidebook and the IDN ccTLD Fast Track Implementation Plan.

Which stakeholders or others were consulted?

The JIG consists of representatives from the ccNSO and GNSO communities. The report has also been posted for public comment from all stakeholders.

Since receipt of the report, informal discussions have taken place with some SSAC and Board Variant Working Group members regarding technical aspects of the proposal.

What concerns or issues were raised by the community?

Issues raised by the community during the public consultation process include:

- *Timing of the potential introduction of single-character IDN TLDs in relation to resolution of IDN variant management issues.*
- *Suggestion of an IDN Evaluation Panel to review applications for Single Character or Two Character IDN TLDs.*
- *Procedures in the event that single characters represent geographic names or other interests.*
- *Potential for user confusion.*
- *Potential usability issues with single-character IDN TLDs.*
- *The distinction between gTLDs / ccTLDs.*

What significant materials did the Board review?

The Board reviewed the JIG's report.

What factors the Board found to be significant?

The Board will consider technical issues, public policy issues, and user experience. Accordingly, input is being sought from the various Advisory Committees.

With regard to the New gTLD Program, issues raised in the JIG report that could be addressed in the consultations are: (1) identifying a suitable process for consultation (including with relevant language communities) when considering new, single-character IDN gTLD strings; and (2) whether there would be a different policy conclusion if it were specified that only ideographical scripts are acceptable for Single Character IDN TLDs.

With regard to IDN ccTLDs, the policy development processes concerning IDN ccTLDs could be informed by additional exploration of these issues. The IDN ccTLD Fast Track was designed to enable the introduction of a limited number of non-contentious IDN ccTLDs to meet near-term demand while the overall policy is being developed, using methods that do not pre-empt the outcomes of the IDN ccPDP. Accordingly, delegation of one-character TLDs is not currently being considered for the Fast Track.

Are there positive or negative community impacts?

The Board is requesting additional advice on the possible impacts before proceeding.

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

The recommended action should not cause any significant variance on pre-planned expenditure.

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

Initial analysis indicates that there are none; however, the matter is being referred to the SSAC for additional consideration.

6. CEO Report

The CEO and President provided a report to the Board regarding activities within ICANN since the past Board meeting. The CEO's report primarily focused on issues relating to the focus of his leadership for the remaining portion of his term, including a focus on getting accurate information to the public on his decision and

communications with staff. The CEO noted his commitment to managing the change well and adhering to the focus on ICANN's strategic and operating plans.

7. Workshop Planning

The Board discussed proposed agenda topics for the upcoming Board workshop in Marina del Rey, California and provided input to the Chair.

8. Executive Session

The Board convened an executive session, without staff present.

2011-09-17-Board-Minutes-bdfinal



Minutes
17 September 2011
Meeting of the ICANN Board

A Special Meeting of the ICANN Board of Directors was held on 17 September 2011 in Santa Monica, California.

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: Sébastien Bachollet, Bertrand de La Chapelle, Chris Disspain, Bill Graham, Erika Mann, Gonzalo Navarro, Ray Plzak, R. Ramaraj, George Sadowsky, Mike Silber, Bruce Tonkin (Vice Chair), Katim Touray and Kuo-Wei Wu.

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

Cherine Chalaby, Rod Beckstrom (President and CEO), and Suzanne Woolf (RSSAC Liaison) sent apologies.

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1. Consent to Proceed with Meeting

Prior to proceeding with the agenda, the Chair confirmed that there was no objection to proceeding with the meeting without formal notice. It was agreed that the absent Directors would also be asked regarding their consent to the meeting.

2. Approval of Investment Manager Selection

The Board confirmed that no Directors had conflicts of interest relating to either Resolution 2011.09.17.01 or .02.

R. Ramaraj provided an update to the Board regarding the work in the Board Finance Committee (BFC) on the review of ICANN’s investment manager, including an RFP and a recommendation from an investment advisor.

R. Ramaraj then moved and Ray Plzak seconded the following resolution:

Whereas, the Board Finance Committee directed staff to issue an RFI seeking information from professional investment management firms on the investment policies and strategies available to ICANN to optimize the management of the ICANN Reserve Fund.

Whereas, five responses to ICANN's RFI from qualified investment firms were received.

Whereas, staff reviewed all responses to the RFI, interviewed all five investment firms, and determined that State Street Global Advisors was the preferred investment firm to manage ICANN's Reserve Fund.

Whereas, the ICANN Board Finance Committee received a presentation from State Street Global Advisors in Singapore.

Whereas, the ICANN Board Finance Committee met in Los Angeles on 15 September 2011 to discuss the selection of ICANN's new Reserve Fund manager and recommended that the Board authorize the CFO or the COO to engage State Street Global Advisors to serve as ICANN's Reserve Fund manager in compliance with ICANN's Investment Policy Statement.

Resolved (2011.09.17.01), the Board authorizes the CFO or the COO to engage State Street Global Advisors to serve as ICANN's Reserve Fund manager in compliance with ICANN's Investment Policy Statement, authorizes the CFO or the COO to transfer the funds from ICANN's current Reserve Fund manager to State Street Global Advisors, and authorizes the CFO or the COO to terminate ICANN's current Reserve Fund manager.

All Board members in attendance approved of Resolution 2011.09.17.01. Rod Beckstrom and Cherine Chalaby were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolution 2011.09.17.01

In accordance with resolution 07.100, the Board authorized staff to engage an investment firm to manage ICANN's Reserve Fund. In furtherance of its due diligence, ICANN reviewed the performance and value added services provided by its current Reserve Fund manager. It was determined that, in order to increase accountability and transparency, ICANN should issue an RFI and solicit responses from various investment firms, including the incumbent firm. Five responses to ICANN's RFI from qualified investment firms were

received. ICANN reviewed all responses to the RFI and interviewed all five investment firms.

Through the selection process, staff determined that State Street Global Advisors offered the best overall combination of services, reporting, expertise, and fee structure. The Board Finance Committee (BFC) received a presentation from State Street Global Advisors during their meeting in Singapore. On 15 September 2011, the BFC discussed the selection of ICANN's new Reserve Fund manager and recommended that the Board authorize the CFO or the COO to engage State Street Global Advisors to serve as ICANN's Reserve Fund manager in compliance with ICANN's Investment Policy Statement.

The suggested change is not expected to have any direct effect on the public. It is not expected to have any fiscal impact, or any impact on the security, stability and resiliency of the Domain Name System.

3. Approval of International Banking Relationship

R. Ramaraj provided an update to the Board regarding the approval of a new banking relationship. The recommendation is based on improving operations related to banking across the world and ease of online transactions.

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

Whereas, ICANN wishes to operate banking transactions out of its Southern California, Brussels, and Sydney office in their respective local currencies.

Whereas, staff explored various possibilities, including current banking partners.

Whereas, staff review determined that HSBC is the most suitable bank to manage ICANN's domestic and international banking needs.

Whereas, the ICANN Board Finance Committee met in Los Angeles on 15 September 2011 to discuss the selection of ICANN's new banking partner, and recommended that the Board approve HSBC as ICANN's new banking

partner and authorize the CFO or the COO to open all necessary domestic and international accounts.

Resolved (2011.09.17.02), the Board approves HSBC as ICANN's new banking partner, authorizes the CFO or the COO to open all necessary domestic and international accounts, authorizes the CFO or the COO to transfer all ICANN operational funds to HSBC, and authorizes the CFO or the COO to terminate any or all of ICANN's existing operational banking relationship(s).

All Board members in attendance approved of Resolution 2011.09.17.02. Rod Beckstrom and Cherine Chalaby were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolution 2011.09.17.02:

ICANN wishes to operate banking transactions out of its international offices as well as in Southern California, as efficiently as possible. Staff explored various possibilities, including current banking partners. Staff analysis included a review of each bank's relationship with its international offices, its overall global reach, and the ability to manage all accounts from one web portal. Through the selection process, it was determined that HSBC offered the best overall combination of services, international presence, and consolidated account management tools, at a competitive fee structure. HSBC also has the largest international footprint.

The suggested change may have a positive effect on the public as a result of the simplification of internal operations, thereby improving ICANN's ability to support the public interest. No fiscal impact is expected from this resolution. There will not be any impact on the security, stability and resilience of the Domain Name System.

4. Approval of ICANN Marina Del Rey Real Estate

R. Ramaraj provided an update to the Board on the options available to ICANN upon the expiration of the lease for the Marina del Rey office in June 2012.

Kuo-Wei Wu inquired about the option of purchasing real estate.

Ramaraj noted that no purchase options were available in the area that were close to the needs of ICANN's space requirements, and that wouldn't require ICANN to do a joint deal or become a landlord.

Sébastien Bachollet raised the question of whether more efforts shouldn't have gone into looking into a purchase opportunity. He noted that he would really like to keep open the possibility to purchase office space near Marina del Rey.

The Chief Operating Officer noted that it is important to have the real estate decisions worked out sufficiently in advance of the end of lease, given the launch of New gTLD applications and the CEO transition.

R. Ramaraj then moved and Bruce Tonkin seconded the following resolution:

Whereas, ICANN's current lease in Marina del Rey expires 30 June 2012.

Whereas, ICANN's primary operations and staff are located in the greater Los Angeles area.

Whereas, current and future office space needs for primary operations will be at least 27,000 square feet.

Whereas, ICANN has an organizational benefit being located in and about a primary technology center.

Resolved (2011.09.17.03), the ICANN Board authorizes the CEO and COO to negotiate for and finalize a lease for office space in Southern California [REDACTED]

Thirteen Board members in attendance approved of Resolution 2011.09.17.03. Sébastien Bachollet abstained from voting on the resolution. Rod Beckstrom and Cherine Chalaby unavailable to vote on the resolution. The resolution carried.

Sébastien Bachollet noted that his abstention is based upon his prior remarks that a purchase option was not presented.

Resolved (2011.09.17.04), the Board approves the redaction of the details of the Resolution 2011.09.17.03 and corresponding rationale pending completion of negotiations.

All Board members in attendance approved of Resolution 2011.09.17.04. Rod Beckstrom and Cherine Chalaby were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolution 2011.09.17.03

ICANN's lease for office space in Marina del Rey is expiring 30 June 2012. In addition to the expiration of the lease, the amount of space ICANN has been leasing is insufficient to meet anticipated future needs, particularly with the launch of the New gTLD program. Alternatives considered included purchasing a building, leasing additional space (if available) in the current location, and leasing space in an alternative location. [REDACTED]

This Board action should not have any impact on accountability and transparency or any effect on the public, except that ICANN staff members should have more and sufficient space within which to perform their duties in furtherance of the public interest. There will not be any significant variance to pre-planned expenditures. Annual expenses for any new lease will be included in future annual budgets and reported in future annual financial reports. This Board action will have no impact on security, stability or resiliency of the domain name system.

5. Approval of ICANN Brussels Real Estate

R. Ramaraj provided an update on the current state of the Brussels office real estate situation, where ICANN occupies offices operated by Regus, and the identification of office space for ICANN to lease directly from the landlord.

The Chief Operating Officer provided some historical context on ICANN's 2010 research into purchasing a building in Brussels. However, no purchase decision

was taken at that time because ICANN did not have a finalized globalization strategy.

The Board and staff discussed the specific space requirements and lease terms that should be considered for the Brussels office. The Board provided specific guidance to staff regarding items to be included in the negotiations. As that guidance modified the resolution as recommended to the Board, Ray Plzak moved and George Sadowsky seconded the modification, with all Board members in approval.

Ray Plzak then moved and Kuo-Wei Wu seconded the following resolution as amended:

Whereas, ICANN's currently leases space on a temporary basis from Regus at 6 Rond Schuman, Brussels;

Whereas, ICANN is committed to maintaining and expanding an office in Brussels;

Whereas, current and future office space needs for primary operations will be at least 450 square meters,

Whereas, ICANN has an organizational benefit being located in the central European district of Brussels,

Resolved (2011.09.17.05), the ICANN Board authorizes the CEO and COO to negotiate for and finalize a lease for office space [REDACTED].

All Board members in attendance approved of Resolution 2011.09.17.05. Rod Beckstrom and Cherine Chalaby Board Members were unavailable to vote on the resolution. The resolution carried.

Resolved (2011.09.17.06), the Board approves the redaction of the details of the Resolution 2011.09.17.05 and corresponding rationale pending completion of negotiations.

All Board members in attendance approved of Resolution 2011.09.17.06. Rod Beckstrom and Cherine Chalaby were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolution 2011.09.17.05

ICANN leases space through a full service office suite (Regus) in Brussels. Lease terms can be month to month or for longer periods of time. The office suite environment means ICANN has private offices but shares many common amenities including conference rooms, mail/shipping/receiving center, copier, reception area and more. Rent includes many services (whether used or not) and certain services (such as conference room use) are on a “pay as used” basis. ICANN wishes to continue to build its global presence and the Brussels office is part of that plan. It is anticipated that additional staff will be hired to work out of the Brussels office. This will require additional space.

[REDACTED]

This Board action should not have any impact on accountability and transparency or any effect on the public, except that ICANN staff members should have more and sufficient space within which to perform their duties in furtherance of the public interest. There will not be any significant variance to pre-planned expenditures. Annual expenses for any new lease will be included in future annual budgets and reported in future annual financial reports. This Board action will have no impact on security, stability or resiliency of the domain name system.

6. Appointment of Chief Financial Officer

Prior to considering this item, all members of the Board confirmed that they are free from a conflict in voting on the appointment of the CFO.

Bruce Tonkin moved and Sébastien Bachollet seconded the following resolution:

Whereas, the attraction and retention of high calibre staff is essential to ICANN's operations and ICANN desires to ensure competitive compensation for staff.

Whereas, Xavier J. Calvez has been identified through a vigorous global search and senior management agrees that he is the right candidate to fill the role of Chief Financial Officer.

Whereas, independent market data provided by outside compensation consultants indicates that the compensation, including at-risk compensation, for a Chief Financial Officer would fall between [REDACTED] at the 50th percentile and [REDACTED] at the 75th percentile.

Whereas, the Compensation Committee has recommended that the Board approve this compensation package for Xavier J. Calvez.

Resolved (2011.09.17.07), the Board hereby appoints Xavier J. Calvez as an Officer of the Company in the position of Chief Financial Officer effective 17 September 2011.

Resolved (2011.09.17.08), the Board authorizes a starting compensation package for Xavier J. Calvez to consist of: (i) a base salary of US \$250,000 per year; (ii) an at-risk compensation opportunity of 30% of base salary per year to be paid in a manner consistent with other U.S. based staff and in accordance with the company's bonus program; and (iii) the standard benefit programs made available to all other regular full time U.S. based staff.

All Board members in attendance approved of Resolutions 2011.09.17.07-08. Rod Beckstrom and Cherine Chalaby were unavailable to vote on the resolutions. The resolutions carried.

Rationale for Resolutions 2011.09.17.07 – 2011.09.17.08

ICANN has been without a full time Chief Financial Officer (CFO) for several months. In order to fill the CFO position, ICANN engaged a global search firm and conducted a global search. The search firm

screened dozens of applicants, several of whom were interviewed by senior management, and two were interviewed by one or more Board members.

Mr. Calvez is an experienced finance professional with extensive international experience. Born in France, Mr. Calvez has had a progressive career with KPMG (France), Deloitte (France and USA), and most recently for the past nine years with Technicolor (France and the USA where he most recently served as Chief Financial Officer, Network Services Division and then Chief Financial Officer, Creative Services Division.

Mr. Calvez is fluent in French and English, has a degree in Finance & Accounting from Université de Bretagne Occidentale, a Masters in Business, Finance & Accounting from Université du Maine, and is an Expert Comptable Memorialiste (the French equivalent to a CPA in the United States).

Hiring such a highly qualified individual to serve the role of CFO will have a positive impact on the organization's ability to serve the public interest. While this engagement will have a fiscal impact on the organization, the level of compensation called for within this resolution is contemplated in the current budget. This action will not have any impact on the stability, security or resiliency of the domain names system.

7. CEO Succession Planning

Bruce Tonkin presented a resolution to the Board reflected discussion during the Board workshop for the creation of a CEO Search Process Management Work Committee and the Board engaged in a discussion surrounding the need to identify skill sets for the members of the work committee within the resolution.

Bruce then moved the resolution and Ray Plzak seconded the following resolution:

Whereas, ICANN's CEO and President announced his intention to leave ICANN at the conclusion of his term, on 1 July 2012.

Whereas the Board has initiated planning for the CEO succession process.

RESOLVED (2011.09.17.09) the Board Governance Committee is directed to recommend a slate of Board members to comprise a CEO Search Process Management Work Committee for the Board to consider at its next meeting.

All Board members in attendance approved of Resolution 2011.09.17.09. Rod Beckstrom and Cherine Chalaby were unavailable to vote on the resolution. The resolution carried.

Rationale for Resolution 2011.09.17.09

The ICANN Board has begun a process for planning for the CEO succession process, to assist in transition of the leadership. The establishment of a work committee will allow the Board to coordinate this process with regular reporting to the Board as a whole, as well as reviewing opportunities for involvement in the community in the CEO succession process. Timely succession of the ICANN CEO will assist the organization in maintaining its work in overseeing the security and the stability of the DNS. The establishment of the work committee will not have a financial impact on ICANN, though resources are likely to be required at later points in the process.

8. Board-GAC JWG Final Report Recommendations

Jamie Hedlund provided an update to the Board on the work of the Board/GAC Joint Working Group and the posting of the final report, as well as the need to identify an entity to guide the implementation of the GAC-related Accountability and Transparency Review Team Recommendations. Jamie noted that this resolution recommends the formation of a group of Board members designated to consult with the GAC and oversee the implementation of the ATRT recommendations.

Chris Disspain moved and Katim Touray seconded the following resolution:

Whereas after review of the public comment on the Final Report of the Board-GAC Joint Working Group (JWG), the Board agrees that the recommendations within the Final Report should be implemented in complement to the GAC-related recommendations from the Accountability and Transparency Review Team (ATRT).

Whereas the Board and the GAC have continued work to do to oversee the implementation the recommendations in the Final Report and the GAC-related recommendations from ATRT.

Whereas the JWG was previously tasked with the oversight of the GAC-related recommendations from the ATRT.

Whereas the JWG was dissolved after the Board received the Final Report.

Resolved (2011.09.17.10) the Board directs the Board Governance Committee to recommend the composition of a working group of the Board to lead the Board's coordination with the GAC on the implementation of recommendations of the JWG and the GAC-related recommendations of the ATRT.

Resolved (2011.09.17.11) the CEO is directed to provide staff support as necessary to complete implementation of the recommendations.

All Board members in attendance approved of Resolutions 2011.09.17.10-.11. Rod Beckstrom and Cherine Chalaby were unavailable to vote on the resolutions. The resolutions carried.

Rationale for Resolutions 2011.09.17.10 – 2011.09.17.11

The work of the Board-GAC Joint Working Group and the Accountability and Transparency Review Team are both important to enhancing the relationship between the Board and the GAC. This resolution will provide a formal mechanism to oversee the implementation of the recommendations. This action will not impact

the security and stability of the Internet, and is not expected to have an impact on ICANN's resources.

9. Process for Board Chair and Vice-Chair Selection, and Board Committee Slating (Discussion Only)

The Chair introduced the topic of planning for the selection of the Board Chair and Vice-Chair at an Organizational Meeting in Dakar.

Bruce Tonkin noted that the Chair/Vice-Chair selection, as well as committee slating work were scheduled, and noted anticipated refinements in the Board Governance Committee processes for slating and leadership selection. Bruce confirmed that there would be a period for nominations for leadership positions and the process would be run similar to the process run in Singapore. For committee slating, Bruce noted that the BGC would be circulating a request to Board members to identify skills to assist the BGC in slating. Bruce noted that there would also be a new process for identification of committee leadership, including the identification of skills needed to chair any particular committee.

10. Any Other Business

Sébastien Bachollet raised a question regarding announcements of community meetings on the ICANN website. The Chair noted that questions of this type would be forwarded to management.

Katim Touray mentioned the follow-up to review the feasibility of coordination of a summit on developing countries and additional information needed to continue that conversation. The Chair requested management assistance in achieving resolution.

11. Executive Session

The Board conducted an Executive Session in confidence, with no staff present. No actions were taken in Executive Session.

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2011-10-11-01-Board Submission-Delegation-sx

ICANN BOARD SUBMISSION NO. 2011-10-11-01

TITLE: Delegation of the .SX domain representing Sint Maarten (Dutch part)

PROPOSED ACTION: For Board Review and Approval on Main Agenda

IANA REFERENCE: 449610

EXECUTIVE SUMMARY

The ICANN Board is asked to consider and vote on the request to delegate the .SX top-level domain, comprised of the ISO 3166-1 code representing Sint Maarten.

Sensitive Delegation Materials

PROPOSED RESOLUTION

Resolution Not Considered

PROPOSED RATIONALE

Rationale Statement Not Considered

Rationale Statement Not Considered

Submitted by: Kim Davies
Position: Manager, Root Zone Services
Date Noted: 3 October 2011
Email and Phone Number kim.davies@icann.org; Contact
Information

2011-10-11-02-Board Submission-Delegation-cw

ICANN BOARD SUBMISSION NO. 2011-10-11-02

TITLE: Delegation of the .CW domain representing Curaçao; and transitional arrangements for the .AN domain formerly representing Netherlands Antilles

PROPOSED ACTION: For Board Review and Approval on Main Agenda

IANA REFERENCE: 468146

EXECUTIVE SUMMARY

The ICANN Board is asked to consider and vote on the request to delegate the .CW top-level domain, comprised of the ISO 3166-1 code representing Curaçao. In conjunction with this request, and another pending request to delegate the .SX top-level domain, the Board is asked to consider the disposition of the .AN top-level domain, reflecting the former ISO 3166-1 code for the Netherlands Antilles.

Sensitive Delegation Materials

PROPOSED RESOLUTION

Whereas, CW is the ISO 3166-1 two-letter country-code designated for Curaçao;

Whereas, ICANN has received a request for delegation of .CW to the University of the Netherlands Antilles;

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 (___), that the proposed delegation of the .CW top-level domain to the University of the Netherlands Antilles is approved.

Whereas, the .AN top-level domain was delegated on the basis of its former listing as an ISO 3166-1 two-letter country code designated for the Netherlands Antilles;

Whereas, the ISO 3166-1 standard has removed the “AN” code, and the ISO 3166 Maintenance Agency recommends its use be discontinued;

Whereas, ICANN is not responsible for deciding what is or is not a country, and adheres to the ISO 3166-1 standard for guidance on when to add, modify and remove country-code top-level domains;

Whereas, the .AN top-level domain is still the primary domain used by parties in the countries and municipalities that comprised the former Netherlands Antilles;

Whereas, there is a transition plan to move registrations from the .AN domain to new domains .CW and .SX, with the University of the Netherlands Antilles continuing to act as manager of the .AN domain until transition is complete,

Resolved (___), that the University of Netherlands Antilles be instructed to report their progress on decommissioning the .AN domain every six months to ICANN against a relevant set of metrics,

Resolved (___), that the University of Netherlands Antilles work to complete the transition of the .AN domain to the .CW domain, the .SX domain, and any other relevant domain; so that it may be removed from the DNS root zone no later than 31 October 2014.

Resolved (___), that the .AN domain be removed from the DNS root zone on 31 October 2014, if not requested earlier by the manager of the domain.

PROPOSED RATIONALE

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.

The matter of the timeline for the transition from the .AN domain to its successor domains is being addressed in conjunction with the evaluation of the delegation of the .CW and .SX domains, in order to give clarity to the communities involved the timeline upon which the transition will occur. This will allow the communities to prepare and plan appropriately for the transition.

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.

The proposal also considers a plan proposed to retire the .AN domain from service, after an appropriate transition period that will allow for existing registrants to migrate their services to appropriate new domains.

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.

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:	3 October 2011
Email and Phone Number	kim.davies@icann.org; Contact Information

Ombudsman performetrics 17-Sept-11

Employment Information

Employment Information

CEO-Objectives-2011-2012-6Oct2011

