

# 2011-12-08-NoticeBDMtg

Directors and Liaisons,

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

8 December 2011 - Special Meeting of the ICANN Board of Directors --  
at 3:00 UTC – This Board meeting is estimated to last 2.5 hours.

Some other time zones:

7 December 2011 – 7:00 PM PST Los Angeles

8 December 2011 – 4:00 AM CEST Brussels

7 December 2011 – 10:00 PM EST Washington, D.C.

8 December 2011 – 2:00 PM Sydney

<http://www.timeanddate.com/worldclock/fixetime.html?iso=20111208T03&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) <<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 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.**

**John Jeffrey**

**General Counsel & Secretary, ICANN**

Contact Information Redacted

Contact Information Redacted

## **2011-12-08-board-resolutions**



**Board Resolutions**  
8 December 2011  
Special Meeting of the ICANN Board

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\* 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 22 October 2011 ICANN Board Meeting**

Resolved (2011.12.08.xx), 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.xx), 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.xx), 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.xx), 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.xx*

*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#_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://gns0.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, 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://gns0.icann.org/resolutions/#201110>).

*Rationale for Resolution 2011.12.08.xx*

*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 [PDF, 1.51 MB]. 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.xx), 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.xx*

*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.xx) that the Board appoints Rod Rasmussen and Don Blumenthal to the SSAC.

#### *Rationale for Resolution 2011.12.08.xx:*

*The SSAC is a diverse group of individuals whose expertise in specific subject matters enables the SSAC to fulfil 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.*

## **2. ATRT Recommendation 5: Board Compensation**

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.xx), 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.

Resolved (2011.12.08.xx), the Board approves the limited changes to ICANN's Bylaws needed to allow all voting Board members to receive compensation for services provided.

Resolved (2011.12.08.xx), 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)."

Resolved (2011.12.08.xx), 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.

Resolved (2011.12.08.xx), compensation for all voting Board members who choose to accept the compensation approved herein, shall be effective on [INSERT DATE HERE].

*Rationale for Resolution 2011.12.08.xx:*

*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#aatr-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.

### **3. New gTLDs**

#### **3.1. Board Member Rules on Conflicts of Interest for New gTLDs (To be provided before the Board Meeting at direction of BGC)**

#### **3.2. Applicant Support**

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.xx), 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.

Resolution Text Superseded

*Rationale for Resolution 2011.12.08.xx*

*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.*

### **3.3.     Batching**

Resolution Text Superseded

#### *Rationale for Resolution 2011.12.08.xx*

*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.*

## 2011-10-22-Board-Minutes



**Minutes**  
22 October 2011  
Special Meeting of the ICANN Board

**A Special Meeting of the ICANN Board of Directors was held on 22 October 2011 in Dakar, Senegal.**

**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, Rod Beckstrom (CEO and President), Cherine Chalaby, Chris Disspain, Bill Graham, Bertrand de La Chapelle, Erika Mann, Gonzalo Navarro, Ray Plzak, R. Ramaraj, George Sadowsky, Mike Silber, Bruce Tonkin, Katim Touray and Kuo-Wei Wu.**

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

**Thomas Roessler, incoming TLG Liaison, and Judith Vazquez, incoming Board member, attended at the Board’s invitation.**

**Heather Dryden, GAC Liaison; Thomas Narten, IETF Liaison; and Reinhard Scholl, TLG Liaison were not present during the meeting.**

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The Chair called the meeting to order and reviewed the agenda.

**1. Membership of Board-Governmental Advisory Committee Working Group**

Bruce Tonkin, the Chair of the Board Governance Committee (BGC) provided a brief update to the Board on the BGC’s work to recommend a slate of Board members (including Judith Vazquez as an incoming Director) to serve on a committee to oversee the implementation of the GAC-related ATRT recommendations and further recommendations arising out of the Board-GAC Joint Working Group’s Final Report. Bruce proposed that the Board consider the composition at this special meeting to allow the Working Group to formally engage with the GAC during the Dakar meeting.

The Chair confirmed that though Judith is not yet a member of the Board, there is no issue if she serves on the Working Group prior to the beginning of the term, and requested that she participate as a member designated by the Board.

Steve Crocker moved and Sébastien Bachollet 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 agreed 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.

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Whereas on 17 September 2011 the Board directed the Board Governance Committee to recommend the composition of a working group to lead the Board's coordination with the GAC on the implementation of the JWG recommendations and the GAC-related recommendations from the ATRT.

Whereas, the Board Governance Committee recommended that the Board establish the working group, consisting of the following persons:

Chris Disspain

Bill Graham – Co-Chair (with GAC-identified Co-Chair)

Bertrand de La Chapelle

Ram Mohan

Ray Plzak

Mike Silber

Judith Vasquez

**Resolved** (2011.10.22.01), the Board approves the recommended membership of the Board GAC Recommendation Implementation Working Group.

**Resolution 2011.10.22.01 was approved by the fifteen voting members in attendance. Mike Silber was unavailable to vote on the resolution. The resolution carried.**

*Rationale for Resolution 2011.10.22.01*

*Implementing recommendations from both the Board-GAC Joint Working Group and the Accountability and Transparency Review Team is important to enhancing the relationship between the Board and the GAC and the accountability and transparency of both. This working group provides a formal*

*mechanism to oversee the implementation of the recommendations. As required for assessment within the Affirmation of Commitments, there is no security and stability impact on the DNS nor any affect on ICANN's fiscal resources as a result of this action.*

## 2. Officer Compensation

**Prior to considering this item, all members of the Board confirmed that they are free from a conflict in voting on these resolutions relating to Officer Compensation.**

The Board conducted a confidential discussion on this topic. The officers identified in the resolutions were not present for the Board's discussions.

The Board then took the following action:

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

Whereas, Akram Atallah, as the COO, and John Jeffrey, as the General Counsel and Secretary, are each considered critical to the successful continuity of the organization, including key projects that are currently underway.

Whereas, independent market data provided by outside compensation consultants indicates that current compensation for both Akram Atallah and John Jeffrey is below ICANN's target of the 50th to 75th percentile of relevant comparable organizations.

Whereas, the Compensation Committee has reviewed the independent market data and has recommended that the Board pass these resolutions.

Resolved (2011.10.22.02), the Board authorizes the CEO to make compensation adjustments (effective 1 September 2011) for Akram Atallah, Chief Operating Officer in accordance with the independent study on comparable compensation received, subject to a limitation

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that his annual base salary shall not increase by more than 15% per annum from its current rate.

Resolved (2011.10.22.03), the Board authorizes the CEO to make compensation adjustments (effective 1 September 2011) for John Jeffrey, General Counsel in accordance with the independent study on comparable compensation received, subject to a limitation that his annual base salary shall not increase by more than 15% per annum from its current rate.

*The Board also conducted a confidential portion of the meeting during which it passed other resolutions (2011.10.22.C1 and 2011.10.22.C2) that shall remain confidential as an “action relating to personnel or employment matters”, pursuant to Article III, section 5.2 of the ICANN Bylaws.*

**Fourteen Board members voted in favor of Resolutions 2011.10.22.02, 2011.10.22.03, 2011.10.22.C1 and 2011.10.22.C2. Sébastien Bachollet opposed the resolutions and Bertrand de La Chapelle abstained from voting. The resolutions carried.**

Sébastien Bachollet offered the following statement regarding his vote: My vote against this resolution is not a comment on the officers, but rather about the process regarding this issue. I have asked for a full plan to retain staff, and I hope that ICANN is not using the level of salary as the only tool to address retention issues. I have also asked if there is any plan to retain volunteers. ICANN needs to be careful about the image we send to our community.

*Rationale for Resolutions 2011.10.22.02 – 2011.10.22.03*

Attracting and retaining high calibre staff by providing a competitive compensation package is crucial to the organization. An improving job market will make more opportunities available for high calibre performers outside of ICANN. ICANN has consulted with independent compensation experts to obtain comparable market data, which indicates that some current officers are earning less than market rates, i.e. what they could earn at another employer.

ICANN is in a critical transition phase that calls for continuity of certain skill and expertise, particularly with ongoing key projects including new gTLDs, Affirmation of Commitments reviews, expanding compliance, and globalization, among many others. Each of these projects requires knowledgeable and skilled executives to ensure ICANN's operational goals and objectives are met while ensuring that risk is mitigated to the greatest extent possible. Adhering to ICANN's employment philosophy and providing competitive compensation will help ensure these goals are achieved.

Continuity and retention of key personnel during key organization transition phases is beneficial to all aspects of the organization. Thus, the salary adjustments called for in these resolutions likely will have a positive impact on the organization and its effort to serve the public interest, as well as on the transparency and accountability of the organization. There will be some fiscal impact to the organization, but that impact will not have an effect on the overall current fiscal year budget. These resolutions will not have any direct impact on the security, stability and resiliency of the domain name system.

### **3. Approval of Ombudsman Objectives**

Bruce Tonkin introduced this item, and noted that the Board had an opportunity to review the performance metrics since September, and had been modified in line with member comments regarding measuring satisfaction of all parties involved in an Ombudsman investigation, and not just the complainants.

Bruce Tonkin then moved and Chris Disspain seconded the following resolution:

Whereas, on 28 July 2011, the Board appointed Chris LaHatte as ICANN's new Ombudsman.

Whereas, the Ombudsman reports directly to the Board.



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Whereas, the Compensation Committee has discussed a set of objectives with the Ombudsman that the Board expects the Ombudsman to work toward, in order to be entitled to all or any portion of the at-risk component of his compensation.

Resolved (2011.10.22.04), the Board approves the set of objectives as discussed by the Compensation Committee for the Ombudsman to work toward in order to be entitled to all or any portion of the at-risk component of his compensation.

**All voting members in attendance unanimously approved of Resolution 2011.10.22.04. The resolution carried.**

*Rationale for Resolution 2011.10.22.04*

*Setting objectives to be measured against success for completion of goals of employment is a regular practice. Placing a portion of compensation at-risk, conditioned upon meeting of objectives, is further recognized as a valuable tool in achieving those objectives. The Board, through the Compensation Committee, has identified a set of objectives for the Ombudsman to meet to achieve, and will consider the extent of completion of those objectives when evaluating the performance of the Ombudsman and whether he should be entitled to any portion of the at-risk portion of his compensation. As required for assessment within the Affirmation of Commitments, there is no security and stability impact on the DNS as a result of this action. The complete portion of the potential at-risk component of the Ombudsman's compensation has been included within ICANN's budget.*

#### **4. Approval of CEO Objectives**

Prior to any discussion of this item, the President and CEO excused himself from the meeting.

Bruce Tonkin noted that the Board had an opportunity to provide additional input on the CEO performance metrics.

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The Chair then moved the resolution, and Chris Disspain seconded.

The Board then took the following action:

Whereas, on 26 June 2009, the Board appointed Rod Beckstrom as ICANN's CEO and President.

Whereas, the CEO reports directly to the Board.

Whereas, the Compensation Committee has discussed a set of objectives with the CEO that the Board expects the CEO to work toward, in order to be entitled to all or any portion of the at-risk component of his compensation.

Resolved (2011.10.22.05), the Board approves the set of objectives as discussed by the Compensation Committee for the CEO to work toward in order to be entitled to all or any portion of the at-risk component of his compensation.

**All voting members in attendance unanimously approved of Resolution 2011.10.22.05. The resolution carried.**

*Rationale for Resolution 2011.10.22.05*

*Setting objectives to be measured against success for completion of goals of employment is a regular practice. Placing a portion of compensation at-risk, conditioned upon meeting of objectives, is further recognized as a valuable tool in achieving those objectives. The Board, through the Compensation Committee, has identified a set of objectives for the CEO to meet to achieve, and will consider the extent of completion of those objectives when evaluating the performance of the CEO and whether he should be entitled to any portion of the at-risk portion of his compensation. As required for assessment within the Affirmation of Commitments, there is no security and stability impact on the DNS as a result of this action. The complete portion of the potential at-risk component of the CEO's compensation has been included within ICANN's budget.*

**5. Executive Session**

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

# 2011-10-28-Board-Minutes-Regular-meeting



**Minutes**  
28 October 2011  
Regular Meeting of the ICANN Board

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A Regular Meeting of the ICANN Board of Directors was held on 28 October 2011 in Dakar, Senegal.

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, Rod Beckstrom (CEO and President), Cherine Chalaby, Chris Disspain, Bill Graham, Bertrand de La Chapelle, Erika Mann, Gonzalo Navarro, Ray Plzak, R. Ramaraj, George Sadowsky, Mike Silber, Bruce Tonkin, 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; Reinhard Scholl, TLG Liaison; and Suzanne Woolf, RSSAC Liaison.

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## 1. Consent Agenda

The Chair of the Board welcomed the meeting attendees and provided an overview of the agenda structure, including the use of the consent agenda. He explained that there will be two separate Board meetings, one to get substantive work completed. The departing members of the Board will then leave the stage, and the new members of the Board will formally start their terms. The Board will also slate committees and elect officers.

The Chair noted that the Board will not read much of the consent agenda into the record, with the exception of some resolutions of thanks. The rationales presented with the resolutions will not be read into the record.

The Chair then invited Sébastien Bachollet to formally present item 1.11 (Thanks to Departing ALAC Volunteers), Bruce Tonkin to formally present item 1.12 (Thanks to Departing GNSO Volunteers), and Chris Disspain to formally present item 1.13 (Thanks to Departing ccNSO Volunteers). The Chair then formally presented resolutions 1.14 and 1.15 (Thanks to Departing SSAC Volunteers). Kuo-Wei Wu formally presented items 1.16 and 1.17, (Thanks to Reinhard Scholl and Katim Touray).

Prior to his presentation of item 1.11, Sébastien Bachollet commented that he hopes those who are identified as “departing” are not departing from ICANN and will continue to participate, and that “departing” only noted the departure from a particular seat within the ICANN organization.

After formal presentation of the selected resolutions, the Chair then called for a vote.

The Board took the following action:

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

### 1.1. Approval of Minutes of 11 October 2011 ICANN Board Meeting

Resolved (2011.10.28.01), the Board approves the minutes of the 11 October 2011 ICANN Board Meeting.

## **1.2. Endorsement of IDN Guidelines Revision**

Whereas, the IDN Guidelines were initially adopted by the ICANN Board in 2003, and subsequently updated in 2005, 2006 and 2007 to reflect best practices and protocol updates through the IETF.

Whereas, the current version was published prior to the IDNA2008 revision of the IDNA Protocol and is now over four years old.

Whereas, an IDN Guidelines Revision Working Group, made up of experts from ccTLD and gTLD registries, met in Singapore to establish a plan for updating the IDN Guidelines.

Whereas, Version 3.0 of the IDN Guidelines was published for public comment from 27 July 2011 to 26 August 2011.

Whereas, a public comment summary and analysis was completed and published on 2 September 2011.

Whereas, the IDN Guidelines Revision Working Group incorporated inputs received during the comment period and published a final update to Version 3.0 of the IDN Guidelines on 2 September 2011 for consideration by the ICANN Board.

Resolved (2011.10.28.02), the ICANN Board of Directors endorses the Version 3.0 of the IDN Guidelines and agrees that the President and CEO is authorized to implement the Guidelines by authorizing registration of IDNs on the basis of those Guidelines.

### *Rationale for Resolution 2011.10.28.02*

*Under the Affirmation of Commitments signed by ICANN and the US Department of Commerce on 30 September 2009, the importance for global Internet users to be able to use the Internet in their local languages and character sets was recognized. ICANN has followed an open and transparent process in publishing a revised IDN Guidelines.*

*This update to the IDN Guidelines is necessary to bring the Guidelines into current practice with IDNA2008. This is also*



*needed so that new IDN registries that are being launched through the IDN ccTLD Fast Track Process and current gTLD registries offering IDN registrations adopt the most current version of the Guidelines.*

*A Board paper detailing the process for updating Version 3.0 of the IDN Guidelines and comments received between 27 July 2011 and 26 August 2011 has been provided to the Board.*

*There are no anticipated fiscal impacts on ICANN from this decision. ICANN staff will continue to work with the Revision Working Group on future updates to the IDN Guidelines that may be necessary based on the outcomes of the IDN Variant Project and other developments to the IDNA Protocol.*

### **1.3. Approval of SSAC Member Reappointments**

Whereas, Article XI, Section 2, Subsection 2 of the Bylaws governs the Security and Stability Advisory Committee (SSAC).

The Bylaws impose three-year terms for SSAC members, require staggering of terms, and obligate the SSAC chair to recommend the reappointment of all current SSAC members to full or partial terms to implement the Bylaws revisions.

Whereas, in July 2011 the SSAC Membership Committee initiated an annual review of SSAC members whose terms are ending 31 December 2011 and submitted to the SSAC its recommendations for reappointments.

Whereas, on 7 September 2011, the SSAC members voted to approve the reappointments.

Resolved (2011.10.28.03), the Board accepts the recommendation of the SSAC and reappoints the following SSAC members to three-year terms beginning 1 January 2012 and ending 31 December 2014: KC Claffy, Steve Crocker, Rodney Joffe, Mark Kosters, Russ Mundy, Mark Seiden, Bruce Tonkin, Stefano Trumpy and Paul Vixie.

*Rationale for Resolution 2011.10.28.03*

*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 above-mentioned individuals provide the SSAC with the expertise and experience required for the Committee to fulfill its charter and executive its mission. This decision should have no fiscal impact on the organization or the community.*

**1.4. Approval of SSAC Member Appointments**

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 Greg Aaron and Lyman Chapin to the SSAC for three-year terms.

Resolved (2011.10.28.04), the Board appoints Greg Aaron and Lyman Chapin to the SSAC for three-year terms beginning 1 January 2012 and ending 31 December 2014.

*Rationale for Resolution 2011.10.28.04*

*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. Greg brings expertise on abuse and impacts that currently are not covered completely in the SSAC membership. In addition, Greg contributed on the work party for SAC048: SSAC Comment on the Orphan Glue Records in the Draft Applicant Guidebook. See <http://www.icann.org/en/committees/security/sac048.pdf>. Lyman has been an Invited Guest to the SSAC for the last 5 years. In that capacity he has contributed to many SSAC reports, discussions, and work parties. In particular, Lyman was a key contributor to the SSAC's recommendations on root scaling. See <http://www.icann.org/en/committees/security/sac046.pdf>.*

*This decision should have no fiscal impact on the organization or the community.*

#### **1.5. Recommendations on Post Expiration Domain Name Recovery**

Whereas, a GNSO Issues Report on Post-Expiration Domain Name Recovery was issued upon request of the At-Large Advisory Committee.

Whereas, on 7 May 2009, the GNSO Council launched a Policy Development Process (PDP) on Post-Expiration Domain Name Recovery (PEDNR) addressing five charter questions, set forth at <https://community.icann.org/display/gnsopednr/3.+WG+Charter>.

Whereas, the PDP followed the prescribed PDP steps as stated in the Bylaws, resulting in a Final Report delivered on 14 June 2011.

Whereas, the PEDNR 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 PEDNR WG, and adopted the Recommendations on 21 July 2011 by a unanimous (Supermajority) vote (see <http://gnso.icann.org/resolutions/#201107>).

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/pednr-board-recommendations-15aug11-en.htm>).

Resolved (2011.10.28.05), the Board adopts the GNSO Council Policy Recommendations on Post-Expiration Domain Name Recovery.

Resolved (2011.10.28.06), the President and CEO is to develop and complete an implementation plan for these Recommendations and continue communication with the community on such work.

Resolved (2011.10.28.07), the President and CEO is directed to undertake the promotion of best practices and development of educational materials as identified by the GNSO Council in Resolved Clauses B and C of the GNSO Resolution (<http://gns0.icann.org/resolutions/#201107>).

Resolved (2011.10.28.08), the President and CEO shall cause ICANN's Contractual Compliance Department to provide updates to the GNSO Council on a regular basis in relation to the implementation and effectiveness of the proposed recommendations, either in the form of a report that details the number of complaints received in relation to renewal and/or post-expiration related matters, or in the form of audits that assess if the policy has been implemented as intended.

*Rationale for Resolutions 2011.10.28.05 – 2011.10.28.08*

***Why the Board is addressing the issue now?***

*The Post-Expiration Domain Name Recovery (PEDNR) Policy Development Process (PDP) was initially raised by the At-Large Advisory Committee (ALAC) with the GNSO Council. The ALAC*

*raised a number of questions in relation to the predictability and transparency of existing expiration and renewal policies and practices. In addition to those issues, the PEDNR WG also addressed questions like: do registrants have adequate opportunity to redeem their domain name registration following expiration and is there adequate notice that a domain name registration is about to expire. The PEDNR Final Report received unanimous consensus support from the PEDNR Working Group as well as the GNSO Council. Following the closing of the public comment period on 15 September 2011, 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:*

*Define "Registered Name Holder at Expiration" (RNHaE) as the entity or individual that was eligible to renew the domain name registration immediately prior to expiration. If the domain name registration was modified pursuant to a term of the Registration Agreement authorizing the modification of registration data for the purposes of facilitating renewal but not at the explicit request of the registrant, the RNHaE is the entity or individual identified as the registrant immediately prior to that modification.*

*For at least eight consecutive days, at some point following expiration, the original DNS resolution path specified by the RNHaE, at the time of expiration, must be interrupted by the registrar, to the extent that the registry permits such interruptions, and the domain must be renewable by the RNHaE until the end of that period. (DNS interruption is defined as total Internet service interruption except for an informational web page, only one IP on which only port 80 is active.) This eight-day period may occur at any time following expiration. At any time during the eight-day period, the Registered Name Holder at Expiration may renew the domain with the Registrar, and the Registrar, within a commercially reasonable delay, will restore the domain name to resolve to its original DNS resolution path prior to expiration. Notwithstanding, the Registrar may delete the domain at any time during the Auto-renew grace period.*

*If at any time after expiration when the Registered Name is still renewable by the RNHaE, the Registrar changes the DNS resolution path to effect a different landing website than the one used by the RNHaE prior to expiration, the page shown must explicitly say that the domain has expired and give instructions on how to recover the domain. Wording in the policy must make clear that "instructions" may be as simple as directing the RNHaE to a specific web site.*

*The RNHaE cannot be prevented from renewing a domain name registration as a result of WHOIS changes made by the Registrar that were not at the RNHaE's request.*

*The registration agreement must include or point to any fee(s) charged for the post-expiration renewal of a domain name. If the Registrar operates a website for registration or renewal, it should state, both at the time of registration and in a clear place on its website, any fee(s) charged for the post-expiration renewal of a domain name or the recovery of a domain name during the Redemption Grace Period.*

*The registration agreement and Registrar web site (if one is used) must clearly indicate what methods will be used to deliver pre- and post-expiration notifications, or must point to the location where such information can be found. What destination address/number will be used must also be specified, if applicable.*

*Registrar must notify Registered Name Holder of impending expiration no less than two times. One such notice must be sent one month or 30 days prior to expiration ( $\pm 4$  days) and one must be sent one week prior to expiration ( $\pm 3$  days). If more than two alert notifications are sent, the timing of two of them must be comparable to the timings specified.*

*Unless the Registered Name is renewed or deleted by the Registrar, at least one notification to the RNHaE, which includes renewal instructions, must be sent after expiration.*

*Notifications of impending expiration must include method(s) that do not require explicit registrant action other than standard e-mail receipt in order to receive such notifications.*

*With the exception of sponsored gTLDs, all gTLD Registries shall offer the Redemption Grace Period (RGP). (An unsponsored TLD operates under policies established by the global Internet community directly through the ICANN process, while a sponsored TLD is a specialized TLD that has a sponsor representing the narrower community that is most affected by the TLD. It should be noted that this distinction is no longer used in the New gTLD Program.) For currently existing unsponsored gTLDs that do not currently offer the RGP, a transition period shall be allowed. All new gTLDs must offer the RGP. As part of the implementation, ICANN Staff should consider the Technical Steering Group's Implementation Proposal (<http://www.icann.org/en/meetings/bucharest/redemption-topic.htm>.)*

*If a Registrar offers registrations in a gTLD that supports the RGP, the Registrar must allow the Registered Name Holder at Expiration to redeem the Registered Name after it has entered RGP.*

*A transfer of a domain name during the RGP should not be allowed.*

*In the event that ICANN gives reasonable notice to Registrars that ICANN has published web content as described in recommendation #15 below:*

*Registrars, who have a web presence, must provide a link to the ICANN content on any website it may operate for domain name registration or renewal clearly displayed to its Registered Name Holders at least as clearly as its links to policies or notifications required to be displayed under ICANN Consensus Policies. Registrars may also host similar material adapted to their specific practices and processes.*

*Registrar must point to the ICANN material in a communication sent to the registrant immediately following initial registration as well as in the mandated annual WHOIS reminder.*

*The GNSO Council recommends the following best practices for promotion by ICANN and the Registrar Stakeholder Group: If post-expiration notifications are normally sent to a point of contact using the domain in question, and delivery is known to have been interrupted by post-expiration actions, post-expiration notifications should be sent to some other contact point associated with the registrant if one exists.*

*The notification method explanation should include the registrar's email address from which notification messages are sent and a suggestion that registrants save this email address as a 'safe sender' to avoid notification emails being blocked by spam filter software.*

*Registrars should advise registrants to provide a secondary email point of contact that is not associated with the domain name itself so that in case of expiration, reminders can be delivered to this secondary email point of contact.*

*The GNSO Council recommends that ICANN, in consultation with Registrars, ALAC and other interested parties, develop educational materials about how to properly steward a domain name and how to prevent unintended loss. Such material may include registrant responsibilities, the gTLD domain life-cycle and guidelines for keeping domain name records current.*

*The ICANN Contractual Compliance Department is requested to provide updates to the GNSO Council on a regular basis in relation to the implementation and effectiveness of the proposed recommendations, either in the form of a report that details amongst others the number of complaints received in relation to renewal and/or post-expiration related matters or in the form of audits that assess if the policy has been implemented as intended.*



*The GNSO Council shall convene a PEDNR Implementation Review Team to assist ICANN Staff in developing the implementation details for the new policy should it be approved by the ICANN Board. The Implementation Review Team will be tasked with evaluating the proposed implementation of the policy recommendations as approved by the Board and is expected to work with ICANN Staff to ensure that the resultant implementation meets the letter and intent of the approved policy.*

*If the PEDNR Implementation Review Team identifies any potential modifications to the policy or new PEDNR policy recommendations, the PEDNR Implementation Review Team shall refer these to the GNSO Council for its consideration and follow-up, as appropriate. Following adoption by the ICANN Board of the recommendations, the GNSO Secretariat is authorized to issue a call for volunteers for a PEDNR Implementation Review Team to the members of the PEDNR Working Group.*

**Which stakeholders or others were consulted?**

*Public comment forums were held on the initiation of the policy development process, the Initial Report and the Proposed Final Report, 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). Constituency statements were submitted (see <https://community.icann.org/display/gnsopednr/Constituency+Statements>). All the comments received were reviewed and considered by the PEDNR Working Group (see section 7 of the PEDNR 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?**

*A summary and analysis of comments received can be found here:*

*<http://www.icann.org/en/public-comment/report-comments-pednr-board-recommendations-23sep11-en.pdf>. None of the comments submitted during this public comment period raised issues that were not already considered and addressed by the PEDNR Working Group.*

***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, improvements to expiration and renewal related practices 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?***

*The proposed recommendations are expected to require significant changes on the part of registrars and to a lesser extend registries, even though the proposed recommendations are considered to be in line with current registrar and registry practices. Such changes may include:*

- Updates to the registration agreement*
- Updates to information on the registrar web-site*
- Offer Redemption Grace Period*
- Ensure that notices are sent at certain times*
- Technical adjustments to ensure compliance with the requirements*

*However, it is anticipated that the benefits are expected to*

*outweigh the costs of adjusting existing practices as these proposed recommendations are expected to bring predictability and transparency to expiration and renewal related practices for gTLD registrants. As stated by the PEDNR Working Group “these recommendations represent the compromise that has been found between the different viewpoints that existed amongst the WG members and the WG is confident that these recommendations will provide additional guarantees to registrants; will improve registrant education and comprehension, and; are in line with current registrar practices and will have minimal impact on most registrars and other affected stakeholders.”*

***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 and registries 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.*

#### **1.6. At-Large Review Implementation Interim Report**

Whereas, on 26 June 2009, the Board resolved to direct ICANN Staff to assist the At-Large community in developing a proposed implementation plan and timeline for the recommendations in the ALAC Review Final Report (except for the recommendation to provide At-Large with voting seats) and to submit these to the Structural Improvements Committee (SIC) for review and Board approval. (Resolution 2009.06.26.12.)

Whereas, at its 19 June 2010 meeting, the SIC acknowledged receipt from Staff and the At-Large community of an implementation plan, with timeline, "ALAC/At-Large

Improvements Implementation Project Plan", dated 7 June 2010, and resolved to recommend it to the ICANN Board for consideration.

Whereas, at its 25 June 2010 Meeting, the Board directed ICANN's President and CEO to provide the Board with a summary of the "ALAC/At-Large Improvements Implementation Project Plan" dated 7 June 2010, for consideration at the next Board meeting, if practicable. (Resolution 2010.06.25.10.)

Whereas, at its 5 August 2010 Meeting, the Board approved the ALAC/At-Large Improvements Project Plan and directed ICANN's President and CEO to take action according to the ALAC/At-Large Improvements Implementation Project Plan and report back on the progress at the 2010 Annual General Meeting. (Resolution 2010.08.05.12.)

Whereas, on 10 December 2010, during ICANN's 2010 Annual General Meeting, the Chair of the ALAC provided an update on the ALAC/At-Large Improvements Implementation Project Plan in her Chair's Report, prepared in collaboration with Staff.

Whereas, at its 23 October 2011 Meeting, the SIC acknowledged receipt from staff of the ALAC/At-Large Improvements Project Milestone Report, dated 9 October 2011, and resolved to transmit this report to the ICANN Board.

Resolved (2011.10.28.09), the Board acknowledges receipt of the ALAC/At-Large Improvements Project Milestone Report, dated 9 October 2011, which provides an update on the implementation of the recommendations in the ALAC Review Final Report; and the Board recognizes the substantial amount of work done thus far by the ALAC and At-Large community toward implementing these recommendations.

*Rationale for Resolution 2011.10.28.09*

*As the ALAC and the At-Large Community approach the conclusion of the implementation of recommendations arising out of the ALAC Review Working Group Final Report,*

*receiving regular updates documenting the status of the work is helpful to the Board and the community as a whole. The Board notes that additional discussion is required in the Board Structural Improvements Committee to determine what further implementation work is necessary to declare the implementation of the recommendations complete. To that end, the full financial implication of the further recommendations are not yet fully identified, nor are the impacts on ICANN and the other portions of the ICANN community. However, there is no immediate financial or resource impact on ICANN from the receipt of this Report, nor is there any impact on the security, stability or resiliency of the DNS.*

#### **1.7. Technical Relations Working Group Final Report**

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 submitted its final report, "Final Report from the Board Technical Relations Working Group ", dated 22 August 2011, to the ICANN Board for consideration.

Whereas, on 25 August 2011, the Board acknowledged receipt of the Final Report and directed the SIC to analyze the report and propose a course of action. (Resolution 2011.08.25.06.)

Whereas, the Structural Improvements Committee at its meeting 23 October 2011 found it advisable to have the Final Report posted for public comments to provide further basis for actions and recommended that the Board request such posting.

Resolved (2011.10.28.10), the Board directs that the "Final Report from the Board Technical Relations Working Group", dated 22 August 2011, be posted for public comments and a summary of comments received be provided to the SIC.

*Rationale for Resolution 2011.10.28.10*

*The proposed actions are intended to fulfill transparency requirements and to inform further work. 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. The decision to post the Final Report from the Board Technical Relations Working Group will have no impact on the security, stability and resiliency of the domain names system.*

**1.8. DNS Risk Management Framework Working Group**

Whereas on 18 March 2011, the Board directed the Board Governance Committee (BGC) to recommend to the Board a working group to oversee the development of a risk management framework and system for the DNS as it pertains to ICANN's role as defined in the ICANN Bylaws.

Whereas, the BGC has recommend members of the working group, as well as a charter for the working group.

Resolved (2011.10.28.11), the following individuals shall serve as members of the DNS Risk Management Framework working group: Bill Graham - Chair, Patrik Fälström, Roelof Meijer, Ram Mohan, Ray Plzak, Bill Woodcock, and Suzanne Woolf.

*Rationale for Resolution 2011.10.28.11*

*The development of a risk management framework is intended to fulfill the Board's expressed desire to develop a security framework for Internet naming and address allocation services that defines the key focus areas, and*

*identifies where the responsibilities for each area lie. The Board has established this working group of individuals with expertise in the relevant topic area to oversee the development of such a risk management framework and system for the DNS as it pertains to ICANN's role as defined in the ICANN Bylaws. The progress reflected by the establishment of this working group will assist ICANN in continuing to work to maintain security, stability and resiliency of the DNS.*

*The results of the work overseen by this group should have a positive affect on the community in that it shall help define focus areas and responsibility. The establishment of the working group should not have a fiscal impact on the organization or the community.*

#### **1.9. Membership of Board-Governmental Advisory Committee Working Group**

Whereas, on 22 October 2011, the Board approved the initial membership of the Board-Governmental Advisory Committee Working Group, which was formed to lead the Board's coordination with the GAC on the implementation of the JWG recommendations and the GAC-related recommendations from the ATRT.

Whereas, the Board Governance Committee recommends that Erika Mann should be added to the membership of the Working Group.

Resolved (2011.10.28.12), the Board approves Erika Mann as a member of the Board-Governmental Advisory Committee Working Group.

*Rationale for Resolution 2011.10.28.12*

*Implementing recommendations from both the Board-GAC Joint Working Group and the Accountability and Transparency Review Team is important to enhancing the relationship between the Board and the GAC and the*

*accountability and transparency of both. This working group provides a formal mechanism to oversee the implementation of the recommendations. As required for assessment within the Affirmation of Commitments, there is no security and stability impact on the DNS nor any affect on ICANN's fiscal resources as a result of this action.*

#### **1.10. Posting of Expert's Report on Board Compensation**

Whereas on 25 August 2011, after several years of consideration, including the most recent Accountability and Transparency Review Teams' recommendation to compensate Directors, the Board directed ICANN's General Counsel and Secretary to retain Towers Watson as the Board's Independent Valuation Expert to evaluate and report on the appropriateness of compensation for ICANN's voting Board members.

Whereas, Towers Watson has conducted its evaluation and has determined that compensating the ICANN voting Board members is reasonable.

Whereas, Towers Watson has also recommended a particular level of compensation for ICANN's voting Board members and has presented a Report to ICANN for its consideration.

Whereas, the Board Governance Committee has recommended that the Board post the Independent Valuation Expert's Report.

Whereas, the Board is committed to transparency of the process relating to Board member compensation.

Resolved (2011.10.28.13), the Independent Valuation Expert's Report shall be publicly posted.

#### *Rationale for Resolution 2011.10.28.13*

*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.*

*On 25 August 2011, the Board began taking the steps necessary to consider compensation for the voting Board members, including posting a revised conflicts of interest policy as well as revised Bylaws that would be required if the Board ultimately approves compensation for voting Board members.*

*Publicly posting the Independent Valuation Expert Report should have a positive impact on the community as it will provide more transparency into the Board's process. 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 has had a small fiscal impact on ICANN as it did cost some to engage the Independent Valuation Expert, however that eventually was budgeted for when the Board adopted the ATRT Recommendations. Taking these steps, including publishing the Independent Valuation Expert Report, will not negatively affect the security, stability or resiliency of the domain name system.*

#### **1.11. Thanks to Departing At-Large Volunteers**

Whereas, ICANN wishes to acknowledge the considerable energy and skills that members of the stakeholder community bring to the ICANN process.

Whereas, in recognition of these contributions, ICANN wishes to acknowledge and thank members of the community when their terms of service on Supporting Organizations and Advisory Committees end.

Whereas, seven (7) members of the At-Large Advisory Committee have left their positions since the Singapore meeting:

- Mohamed El Bashir, ALAC Member from the AFRALO - March 2007 to October 2011
- Sylvia Herlein Leite, ALAC Member from the LACRALO – October 2009 to October 2011
- Dave Kissoondoyal, ALAC Member from the AFRALO - October 2009 to October 2011
- Cheryl Langdon-Orr, ALAC Member from the APRALO – 2007 to 2009 and 2009 to 2011, ALAC Vice-Chair – 2010-2011
- James Seng, ALAC Member from the APRALO elected by the Nominating Committee – October 2009 to October 2011
- Gareth Shearman, ALAC Member from the NARALO – October 2009 to October 2011

- Patrick Vande Walle, ALAC Liaison to the SSAC – November 2009 to October 2011

Resolved (2011.10.28.14), Mohamed El Bashir, Sylvia Herlein Leite, Dave Kissoondoyal, Cheryl Langdon-Orr, James Seng, Gareth Shearman and Patrick Vande Walle have earned the deep appreciation of the Board for their terms of service, and the Board wishes them well in their future endeavors.

### **1.12. Thanks to Departing GNSO Volunteers**

Whereas, ICANN wishes to acknowledge the considerable energy and skills that members of the stakeholder community bring to the ICANN process.

Whereas, in recognition of these contributions, ICANN wishes to acknowledge and thank members of the community when their terms of service on Supporting Organizations and Advisory Committees end.

Whereas, eleven (11) members of the GNSO have left their positions since the Singapore meeting:

- Olga Cavalli – GNSO Council Member from the Nominating Committee – November 2007 to October 2011
- Mason Cole – Chair of the Registrar Stakeholder Group – through October 2011
- Avri Doria – Chair of the Non-Commercial Stakeholder Group – through October 2011
- J. Scott Evans – Chair of the Intellectual Property Constituency – through October 2011
- Debbie Hughes – GNSO Council Member from the Non-Commercial Stakeholders Group – October 2009 to October 2011
- Adrian Kinderis, GNSO Council Member from the Registrar Stakeholder Group – July 2007 to October 2011

- Andrei Kolesnikov – GNSO Council Member from the Nominating Committee – October 2009 to October 2011
- Kristina Rosette – GNSO Council Member from the Intellectual Property Constituency – October 2009 to October 2011
- Tim Ruiz, GNSO Council Member from the Registrar Stakeholder Group – November 2007 to October 2011
- Rosemary Sinclair – GNSO Council Member from the Non-Commercial Stakeholder Group – October 2009 to October 2011
- Jaime Wagner – GNSO Council Member from the Internet Service Providers and Connectivity Providers (ISPCP) – October 2009 to October 2011

Resolved (2011.10.28.15), Olga Cavalli, Mason Cole, Avri Doria, J. Scott Evans, Debbie Hughes, Adrian Kinderis, Andrei Kolesnikov, Kristina Rosette, Tim Ruiz, Rosemary Sinclair and Jaime Wagner have earned the deep appreciation of the Board for their terms of service, and the Board wishes them well in their future endeavors.

### **1.13. Thank You to Departing ccNSO Volunteers**

Whereas, ICANN wishes to acknowledge the considerable energy and skills that members of the stakeholder community bring to the ICANN process.

Whereas, in recognition of these contributions, ICANN wishes to acknowledge and thank members of the community when their terms of service on Supporting Organizations and Advisory Committees end.

Whereas, one (1) member of the ccNSO has left her position since the Singapore meeting:

Jian Zhang, ccNSO Council Member, elected by the Nominating Committee - November 2008 to October 2011

Resolved (2011.10.28.16), Jian Zhang has earned the deep appreciation of the Board for her term of service, and the Board wishes her well in her future endeavors.

**1.14. Thank You to Patrick Vande Walle (SSAC)**

Whereas, Patrick Vande Walle was appointed to the ICANN Security and Stability Advisory Committee on 26 June 2009.

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

Resolved (2011.10.28.17), Patrick Vande Walle 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 Patrick Vande Walle well in all future endeavours.

**1.15. Thank You to Harald Alvestrand (SSAC)**

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

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

Resolved (2011.10.28.18), Harald Alvestrand 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 Harald Alvestrand well in all future endeavours.

**1.16. Thank You to Reinhard Scholl**

Whereas, Reinhard Scholl was appointed to serve as TLG Group Liaison on the ICANN Board in December 2010.

Whereas, Reinhard previously served as the TLG Group Liaison in 2008.

Whereas, Reinhard concludes his term as the TLG Liaison to the ICANN Board on 28 October 2011.

Whereas, Reinhard has served as:

- Member of the Structural Improvements Committee
- Member of the Technical Relations Working Group

Resolved (2011.10.28.19), Reinhard has earned the deep appreciation of the Board for his term of service as TLG Liaison to the ICANN Board, and the Board wishes Reinhard well in all future endeavors.

#### **1.17. Thank You to Katim Seringe Touray**

Whereas, Katim Seringe Touray was appointed by the Nominating Committee to the ICANN Board in November 2008.

Whereas, Katim concludes his term as a member of the Board of Directors on 28 October 2011.

Whereas, Katim has served as:

- Member of the Board Global Relationships Committee
- Member of the Board IANA Committee
- Member of the Board Public Participation Committee
- Member of the Board-GAC Joint Working Group on the Role of the GAC
- Member of the Board ATRT Working Group
- Team Leader on Support to Applicants from Developing Countries during the Board-GAC Consultations in Brussels

Resolved (2011.10.28.20), Katim has earned the deep appreciation of the Board for his term of service as a Director, and the Board wishes Katim well in all future endeavors.

**Resolutions 2011.10.28.01, 2011.10.28.02, 2011.10.28.03, 2011.10.28.04, 2011.10.28.05, 2011.10.28.06, 2011.10.28.07, 2011.10.28.08, 2011.10.28.09, 2011.10.28.10, 2011.10.28.11, 2011.10.28.12, 2011.10.28.13, 2011.10.28.14, 2011.10.28.15, 2011.10.28.16, 2011.10.28.17, 2011.10.28.18, 2011.10.28.19, and 2011.10.28.20 were approved in a single vote approving the consent agenda items. All Board members present unanimously approved these resolutions.**

The Chair provided Reinhard Scholl and Katim Touray with a token of the Board's appreciation, and invited each with the opportunity to address the community with some parting words.

Reinhard Scholl made the following comments in thanks to the community:

Let me add a couple of words regarding the relations between ITU and ICANN. I've often said this, but I would like to say this in an open public meeting. The relations between ITU and ICANN are somewhat rocky at times or perceived to be rocky at times. But I never had the impression when I was on the Board that I was treated differently than anyone else. I would very much like to thank the Board for that. I very much appreciate that.

I think quite a few of the, perhaps, misconceptions having to do with matters regarding ITU are often misunderstood or misrepresented, especially in the Internet community. That may have to do with the very diverse membership that the ITU has.

We have governments as members. We have for-profit companies as members. We have not-for-profit organizations as members. That's a pretty good example of a multistakeholder model, if you so wish. So you have a very diverse range of opinions.

And often things are represented as the ITU opinion, whereas, in fact, it is just a proposal that one or several members have made into the ITU. One example is the proposal that ITU be an Internet registry for IPv6 address allocation. That never was an ITU proposal. The correct way of saying it is that some members brought this proposal into the ITU to be discussed, but there was never an agreement on that. You can imagine a topic like that. There are very controversial opinions on that.

So the common opinion of the ITU that's reflected in its resolutions are in its standards. We do have a resolution on IPv6, but it doesn't say that ITU should become an IPv6 Internet registry. It says that ITU should study that issue. If you could make the distinction between what is an ITU opinion and what is just the input of some of the members that would be very helpful.

One item that is an ITU resolution and agreement is that ITU and ICANN should collaborate. That was made very clear at the ITU Plenipotentiary conference, the highest decision-making organ of the ITU, about a year ago. And the text that most of you are familiar with was negotiated, and was a difficult text to arrive at. But everyone within the ITU signs on to that text. ICANN and ITU need to collaborate and talk to each other.

One good way of building trust is to join work regarding capacity-building such as IPv6. If you have other things where you think ITU could be helpful within capacity-building, such as training engineers, organizing workshops, those can be joint efforts. I think that's a good way of building trust. ICANN and the ITU need to talk more to each other. Thanks very much.

The Chair thanked Reinhard for his remarks.

The Chair then introduced Katim Touray, noting that he has been a pleasure to work with and the Board will miss him very much.

Katim made a presentation to the community, speaking in both English and Wolof. Speaking along with a slide presentation, Katim stated:

It started in 2008 when I got on a horse cart to come to Dakar for a meeting. And it was at that fateful meeting that I actually went to attend a workshop on root servers that was given by Mouhamet Diop, a former ICANN Board member from Senegal and also Anne-Rachel Inne, ICANN's regional liaison to Africa (based in Brussels).

It was at that workshop we were talking about ICANN wanting people to volunteer to serve on the Board of Directors. I said I have been volunteering all my life anyway, so I'm going to go for this. And, also, I was interested about what's going on and remembering, recalling, when ICANN itself, as well as ISOC was being formed and talked about.



So this is, basically, where it all started.

I'm from a village in The Gambia called Bolonara.

Just to give you an idea that the Internet is much more than the New Yorkers or the Berliners or Sydneysiders. It also includes villagers like me who are also intimately affected by what is happening on the Internet and how the technology is evolving.

Since I joined the Board, ICANN has taken me to places, one of which, of course, is Mexico City. And ICANN does not only take you to places, it does a lot of things with your mind. It expands it. It broadens it. And ICANN gives you an opportunity to work with an incredibly talented pool of people from all over the world.

I have been most fortunate. For me, from the get-go, what has been of concern to me is to ensure that ICANN understands that the developing countries also have a stake in the process, have a stake in the function of the Internet and even beyond that, have something to bring to the table.

I think it's going to be very important that we consider this as we move forward.

As I said in 2009 in Sydney, Australia, I think we need to move the paradigm from thinking of the Internet as a network of computers -- we all speak TCP/IP -- to a network of people. It is a network of people. And I think once we make that transition, we'll be in good position to move things forward.

Number two, as I've said before, we must understand that is that the world is only a better place if it's better for everyone. It is not going to be a better world, at least in my book if there are people who are enjoying the fruits and benefits of the progress we made as a human race and others are wallowing in deprivation and squalor and poverty.

I wanted to take the opportunity to say thank you very much to quite a number of very special people, including my son and my daughter, and my nephew who is named after me, Katim. They have been part of the entire team of very supportive people that have been behind me with all

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John Mohan declared that, as his employer is interested in the New gTLD process and intends to support applicants, he remained out of the room as the Board considered details of the JAS-WG Report.

John Tonkin declared that, as his employer is involved in providing advice in Africa. And also my beautiful and loving wife.

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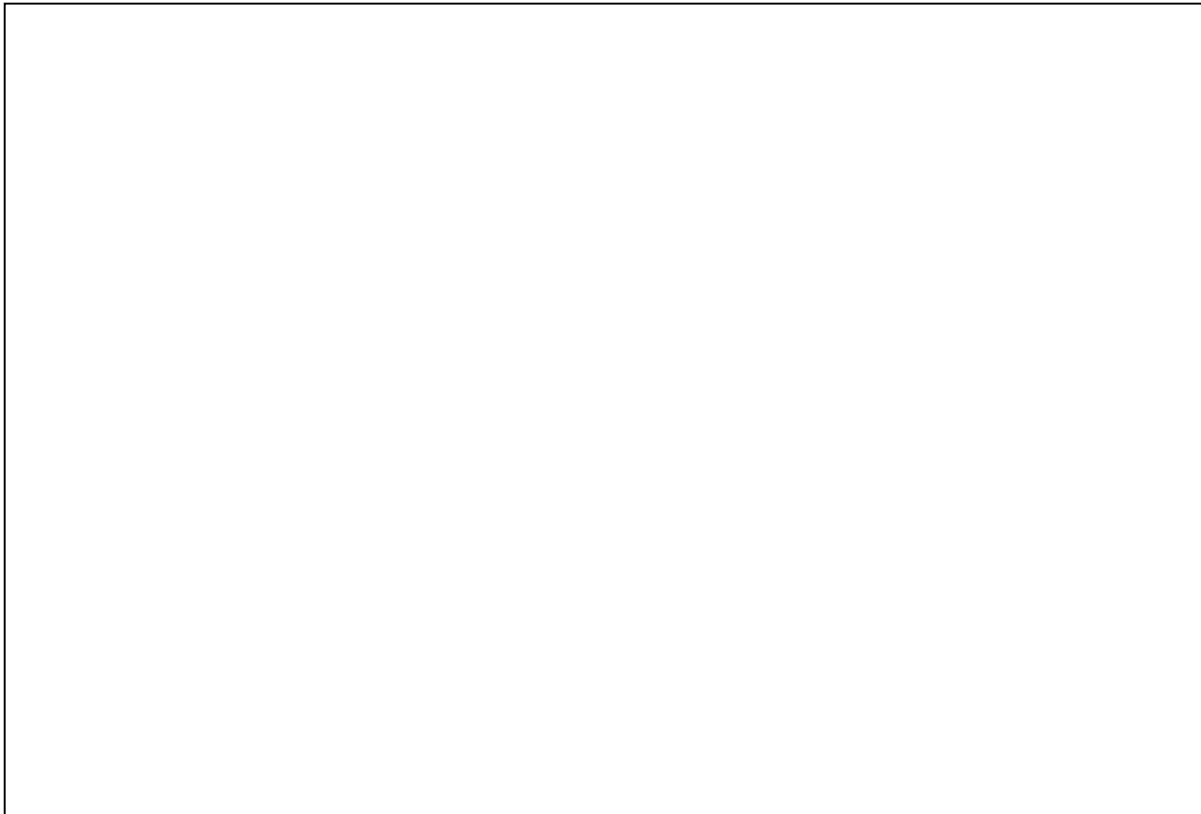
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Again, it has been a pleasure working with you. On that note, I want to wish you all the very best. I will continue to do all the best that I can, and I wish you all the very best. And safe travels back home.

**Main Agenda**

**2. Joint Applicant Support**



Katim Touray noted his pride and honor to read this resolution, as it should make everyone proud. It is the culmination of an incredible effort put forward by the community and a lot of tough decision making for the Board. Katim invited the Board and the community to give a round of applause for the community effort that contributed to the creation of the Joint Applicant Support Working Group report.

Katim then read the proposed resolution into the record.

Bill Graham introduced a friendly amendment to the resolution, noting that it is important to send a signal to those around the world who are interested in this program that the Board is committed to doing this quickly by adding a direct reference to the first round of the New gTLD program. Bill provided his proposed language.

Bertrand de La Chapelle noted his support for the amendment, as that is the message the Board should send. Bertrand also expressed, on his personal behalf, his extreme appreciation for the work that has been done in the JAS group, and the quality of work and the dedication of everyone in the group and the support staff.

The President and CEO commented that he's supportive of Bill's amendment, but wanted to clarify that in order to implement the applicant support program in time for the first round, it is essential that the report be completed, number one. And secondly, that the Board approve the very clear requirements that are the final requirements of the program for applicant support and that those be requirements implementable within the very limited time frame that we have.

He noted that he thinks that that should be possible, but the requirements have to be identified well in advance of the program launch; if they are not, another date would need to change.

The Chair noted, on behalf of the Board, that it will do everything it can be responsive and timely in the process.

Regarding the identification of conflicts of interest, the Chair commented that a high degree of sensitivity to these concerns are engrained in the Board's

processes, and the bias of the Board is to be ultra sensitive to these concerns. This includes identifying potential conflicts, excusing people from the room for conversations, and drawing careful lines around the Board members with interests.

The Chair then called for a vote on Bill's proposed amendment to the resolution. Fifteen members of the Board approved of the proposed amendment, and Kuo-Wei Wu abstained from voting on the amendment. The amendment was adopted, and the Board then took the following action:

Whereas, the Board has received the Final Report of the Joint Applicant Support Working Group (JAS WG), appreciates the work of the JAS WG created in April 2010 by the ALAC and GNSO, and thanks the entire ICANN community for the constructive dialogue leading up to and during this week in Dakar.

Whereas, the Board expresses its appreciation to the GAC and ALAC for their joint statement on the JAS WG report.

Whereas, the Board is committed to ensuring that the implementation of a support program for deserving applicants will be done in a manner to enable those applicants to effectively participate in and benefit from the first round of the New gTLD Program.

Resolved (2011.10.28.21), the Board takes the JAS WG Final Report seriously, and a working group of Board members has been convened to oversee the scoping and implementation of the recommendations arising out of that Report, as feasible.

Resolved (2011.10.28.22), the President and CEO is expected to commence work immediately and provide a detailed plan for consideration. If the plan is complete sufficiently in advance of its next scheduled Board Meeting set for 8 December 2011, the Board will seek to add a special meeting to its schedule prior to that date.

**Fifteen members of the Board voted in favor of Resolutions 2011.10.28.21 and 2011.10.28.22. Kuo-Wei Wu abstained from voting. The Resolutions carried.**

Conflict of Interest Identifications:

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Ruce Tonkin declared that, as his employer is involved in providing advice and services to potential New gTLD applicants and is providing its own communications on this subject, he did not participate in the discussion at the Board level on the expenditure, and will abstain from voting.

*Rationale for Resolutions 2011.10.28.21 – 2011.10.28.22*

*In Singapore, the Board resolved that it would consider the report and recommendations of the Joint Applicant Support Working Group. The Board takes seriously the assertions of the ICANN community that applicant support will encourage diverse participation in the New gTLD Program and promote ICANN's goal of broadening the scope of the multi-stakeholder model. In its deliberations, the Board is balancing its fiscal responsibility in launching the New gTLD Program, the desire to provide a support program in the first round, and the time required to obtain additional funding. While the Board solution is not complete, there is a vision for accomplishing each of those three goals. As required for assessment within the Affirmation of Commitments, there is no security and stability impact on the DNS. Part of the further work required through this resolution will assess the affect of this work; however there is no affect on ICANN's fiscal resources as a result of this immediate action.*

The Chair thanked the Board and noted that this is a step forward, and everyone is now awaiting the details that will breathe life into this effort. The Chair confirmed that he understood the President and CEO's concern, and the last thing that anyone wants is another load of requirements at the last minute. Nonetheless, the applicant support effort is important, and the Chair noted his confidence that everyone will pull together.

**3. Budget Request – New gTLD Communications Plan**



R. Ramaraj presented the resolution, and Ray Plzak seconded the resolution.

Cherine Chalaby offered the following comment:

Whilst I'm supportive of this resolution and I will vote for it, I wish to make a comment regarding a specific area of the new gTLD communication plan itself.

As stated in the resolution that was just read, I am in full agreement that the communication plan is, one, neutral in its presentation; two, not promoting applications for new gTLDs, and, three, raising awareness of opportunities and risks.

It is, however, in this very specific area of risk awareness where I believe that improvements are needed to the communication plan.

This is particularly important in light of the issues expressed by the ICANN community during this week in Dakar, regarding critical processes of the new gTLD program which have not yet been designed nor approved. For example, batching, clearinghouse, et cetera, et cetera, just to name a few.

I suggest, therefore, that the communication plan should be expanded to, one, highlight all key outstanding issues; two, set target dates for the resolution of these issues; and, three, explain the implications if certain issues are not resolved by their target dates. Unless these suggestions are adopted, I believe the communication plan will be doing a disservice to the community, and also to the Board and staff who are working flat out to answer all of these questions.

We are less than three months away from launch, and ICANN communication with its community and beyond should not only be open and transparent, but also complete and comprehensive.

Mike Silber noted that he intends to vote against this motion, and provided the following statement in support of his vote:

Some people might think from previous votes that this is a principle objection to new gTLD program. On the contrary, it's because I believe in the new gTLD program as a logical extension from the creation of ICANN, and more importantly in the bottom-up multistakeholder model that I intend to vote in this way.

There are three primary reasons for my vote. The first, the current communications plan ignores the board resolution of March 2010 in Nairobi and specifically community input. The Nairobi resolution states, and I will just read the relevant part, "ICANN will work with the SOs and ACs to leverage the," or I believe that's a typo and it should be "their networks and design the timeline around the actual launch."

Public comment on the communications plan, both formal and informal as well as GAC guidance, all called for the use and inclusion of the community and the regional inclusiveness of the communications plan.

This has not occurred, and instead, a top-down English dominated program has resulted with a single figurehead representing the entirety of the massive amount of community work on the program.

None of the community, and for that matter, the board's input appears to have been taken into account.

The second reason, the current budget request is in my view an attempt to rescue a communications plan which has been badly designed and executed. Despite repeated and ongoing assurances of the readiness of the organization with regards communications, up to Singapore and beyond it, few of the plan's objectives in the current plan appear to have been made.

The current budget of approximately \$805,000 has seen the development of a new gTLD microsite and related materials and the attendance primarily of the CEO at events around the world. These have included ICANN-hosted events as well as attendance at various technology events and, with a few notable exceptions, these have taken place in developed countries.

Outreach in Africa is claimed as comprising three events: the IGF Nairobi, this meeting, and attendance at Highway Africa in Grahamstown, South Africa, not Cape Town, an event that ICANN has attended consistently for many years. All three events are budgeted for elsewhere within the ICANN budget.

It accordingly appears that not a single extra cent has been spent on outreach to Africa. This is in spite of a budget item of \$500,000 of that

\$805,000 for outreach in the five regions, which one would expect would be apportioned equally or at least fairly across the five regions. I have been advised that this may be a budget reference from a version prior to the proposed revision; however, this does not detract from the fact there if had been no spend on regional outreach in Africa and no plan to do so as currently appears, there would be at least \$100,000 U.S. dollars or more available to be spent on consultants.

Furthermore, outreach involving the appearance of one or more North Americans standing on a podium undermines the involvement of this volunteer community on these issues, and a bottom-up process which may have seen more direct engagement if it had been trusted to assist with communications in the same way it had been trusted to actually develop the policy that this grand world tour is now trying to promote.

The third reason, the current neglect of African countries developing in Africa in particular will be perpetuated even with the additional budget. The consultants that the additional budget will pay, Burson Marsteller, as well as the advertising agencies that they will subcontract, most likely the same agency which in turn owns Burson Marsteller, have a significant reputation and have been touted as ideal to provide worldwide coverage.

In fact, the list of offices and affiliates on their Web site is impressive, particularly coverage in Africa, until one digs a little deeper and finds out that there are two offices in Africa, one in Cairo covering Egypt and one in Johannesburg covering South Africa as well as the entire African continent.

I am a proud South African but doubt I could do a better job of engaging the media and the community in Morocco, Mozambique or Malawi as a local could.

This is a broken new gTLD communications plan.

The Chair thanked Mike for his comments and noted that the Board has had long debates on this issue.

Kuo-Wei Wu noted his agreement with Cherine Chalaby and Mike Silber. At the same time, Kuo noted, the new gTLDs will be launched soon and ICANN



must have some kind of official message to deliver to the global community. If ICAN does not deliver a centralized message, then communities around the world will be exposed to inconsistent messaging, and that is not good. Kuo stated that though he does not like the process, he will vote yes because the plan is important to the community. Kuo expressed his hope that the team will take Mike and Cherine's advice in the implementation.

Sébastien Bachollet noted his strong support for Cherine and Mike, and that he is in full agreement with their views. Sébastien recalled that he has been in consistent support of receiving and taking into account community input on this plan. Sébastien stated that he will be voting in favor of the motion because it will result in better performance. In addition, if the program does not go as expected, Sébastien does not want it to be because the Board did not supply ICANN with the appropriate tools.

Ray Plzak commented that Cherine and Mike's comments were well stated and represent a good deal of thought and deliberations on their part. Ray intends to vote for this resolution, and that the plan should be implemented in the correct manner. Ray urged the President and CEO to pay attention to the Board member comments on this issue.

Bill Graham stated that while he intends to vote in favor of this resolution, it is with the same reservations as expressed by Kuo.

Katim Touray expressed his support for Mike's statements, in particular regard to the implications for the communication program for Africa. Katim noted the contrast between spending nearly \$900,000 on this plan in three months and the challenges faced in convincing people of the need for a program to support needy applicants. Katim suggested that this will be seen as yet another signal that some things are more important to ICANN than others, though not necessarily in the right order to a lot of people. Katim stated that he did not want to be in the position of rejecting this resolution and finding that the organization is without the resources needed, so along the lines of what other Board members said, we have to buckle down and approve this resolution to give the staff the full support needed, while learning from this effort in the future.

Erika Mann noted her concern during the Board discussions that using a global corporation to send out messages takes care that the messages are being appropriately tailored to local needs and environments. Erika noted that

ICANN will be in control of the messages that are sent, and is not handing over control of the messaging to the firm that is being engaged. Erika confirmed that she will be voting in favor of this resolution.

The Chair then called for a vote, and the Board took the following action:

Whereas, at the Paris ICANN meeting in 2008, the Board adopted the GNSO policy recommendations to introduce new Generic Top-Level Domains (new gTLDs), including at least a four-month communications period to raise global awareness.

Whereas, the Draft New gTLD Communications Plan <http://www.icann.org/en/topics/new-gtlds/new-gtlds-communications-plan-30may11-en.pdf> describes the global outreach and education activities that will be conducted in each of the ICANN geographic regions.

Whereas, the FY 12 budget allocates US \$805,000 to fund this effort.

Whereas, planning and subsequent execution of the Communications Plan has indicated the need for a full service global public relations firm to ensure ICANN effectiveness in this effort.

Whereas, funds can be re-allocated in the adopted ICANN Budget to support the augmented communications effort without materially affecting performance in other areas.

Whereas, at its 22 October 2011 meeting the Board Finance Committee approved a recommendation that the Board approve an additional expenditure of US\$900,000 for the execution of the Communications Plan.

Resolved (2011.10.28.23), the Board approves an additional expenditure of up to US \$900,000 for the remaining three months of the Communications Plan, to be used for the retention of Burson-Marsteller, a global public relations firm, to work towards the goal of raising global awareness of new Generic Top Levels Domains consistent with the terms of the Communications Plan.

Resolved (2011.10.28.24), the Board authorizes the President and CEO to enter into any contracts necessary to fulfill the objectives of the New

gTLD Communications Plan to the extent those contracts do not exceed the budget for the Communications Plan.

**Fourteen members of the Board approved of Resolutions 2011.10.28.23 and 2011.10.28.24. Mike Silber opposed the Resolutions. Bruce Tonkin abstained from voting on the Resolutions. The Resolutions carried.**

After the vote, the President and CEO made the following comment:

I want to thank the board for supporting this important initiative to further expand the communications program which responds to the community feedback that they want to see even more coverage and also respond to the GAC communiqué issue here in Dakar calling for more communications.

And I want to appeal to the community again. First, to clarify, we have had members and even leaders of the different SOs and ACs involved in this road show on the panels. Whether that's the chair of the ccNSO, Lesley Cowley, or members of ALAC or the GNSO, they have fully participated. And in almost all the cities, community members have played a vital role in helping to organize the events and activities.

We're very appreciative of that and I want to make the same appeal that I made in Nairobi, that I made in Singapore, that I made in Dakar at different meetings, and I am going to make it again. We would appreciate your help with this program. If there are any events that you have in your regions that are taking place where you feel new gTLD information sharing should be included, we're happy to either provide you with the materials, do our best to provide an ICANN expert or resource, or provide a call-in or any other materials to support you.

We have had multiple events here in Africa. We have had them in other geographies, and we will continue. Also, we're measuring this program. We are have the third-party communications experts measuring the program with different metrics, and we will be reporting on that in the future as well as on the expenditures in the program.

But again, we really appeal for your help and support.

And I also want to respond to Cherine's comment about the batching process, for example. As we stated when the program was approved and thereafter, there are still administrative aspects of the program that are in the process of resolution. That includes the GAC participation and the early warning process and things related to that. It also includes batching, which has important legal and technical issues involved.

The commitment that we make to the community is that we will come to a final decision on this batching process before the end of the year and communicate that openly so that applicants are aware of that before the application window opens.

I also want to mention there have been numerous other people from the ICANN staff as well as the community on the panels and speaking around the world, and I want to thank all of them.

Again, thank you for approving this important program.

The Chair expressed confidence that all of the advice offered is understood and taken on Board, and that there will be a vigorous and effective communication program.

*Rationale for Resolution 2011.10.28.23 – 2011.10.28.24*

*The budget for the Board-mandated new gTLD communications program is currently US \$805,000. That figure was based on an earlier draft communications plan.*

*The current plan is more expansive and ambitious. It is based on the premise that every potential applicant should be aware of the program's opportunities and risks, and thus it is aimed at building maximum awareness through multiple communications channels. It also focuses more strongly on developing countries.*

*The Plan is built on four principal efforts:*

- 1. Regional "road shows" and public events;*
- 2. Earned media – broadcast, online and print;*
- 3. Social media; and*

*4. Global information through paid advertising, and multiplying these efforts through the community.*

*The New gTLD Communications Plan is neutral in its presentation. ICANN is not promoting applications for new gTLDs or advocating that any organization apply for one. Rather, ICANN is providing essential information and raising awareness of the New gTLD Program.*

*The current efforts limited in scope. ICANN has determined that retaining a full-service worldwide public relations firm to further coordinate ICANN's efforts will assure that ICANN is able to attain the goal of the New gTLD Communications Plan.*

*ICANN has identified a well-respected global public relations firm, Burson-Marsteller, that can provide a broad range of awareness-raising services. ICANN will have access to the firm's extensive network with an established presence in 91 countries, over 40 of them developing nations. These local and regional assets are invaluable. ICANN also will benefit from the firm's expertise in digital and social media. ICANN will retain editorial control over all implementation aspects of the New gTLD Communications Plan.*

*Securing a global public relations firm of this caliber will contribute greatly toward ensuring success of the New gTLD Communications Plan. And as the first deliverable of the New gTLD Program, success of the New gTLD Communications Plan is critical.*

*Approval of this resolution will positively affect ICANN's accountability and transparency by globally maximizing the spread of information about ICANN itself. This action will have no effect on the security, stability and resiliency of the domain name system.*

*The New gTLD Communications Plan will be conducted within the existing ICANN budget. This effort will be funded out of contingency funds, so the expenditure will not affect ICANN's ability to perform and accomplish its other goals and objectives.*

#### **4. Adoption of Revised Investment Policy**

George Sadowsky presented the resolution, and R. Ramaraj seconded.

With no Board members calling for discussion, the Board took the following action:

Whereas, the Board Finance Committee requested that an outside expert review the Investment Policy to ensure it is appropriate for ICANN.

Whereas, the outside expert completed a review of the ICANN Investment Policy and concluded that overall the Investment Policy is comprehensive and well-written.

Whereas, the outside expert recommends a few modifications of the Investment Policy be made to ensure that it is as strong as possible.

Resolved (2011.10.28.25), the Board endorses the ICANN Investment Policy and adopts the recommended modifications to the Investment Policy.

#### **All Board members in attendance unanimously approved of Resolution 2011.10.28.25.**

##### *Rationale for Resolution 2011 10.28.25*

*In furtherance of its due diligence in regards to ICANN's Investment Policy, the Board Finance Committee requested staff to engage an investment consulting firm to review the Policy. ICANN staff selected Bridgebay Investment Consultant Services to perform such review. As a result of its review process, Bridgebay recommended a few modifications to the Policy intended to enhance consistency with the investment strategy, add institutional, commingled funds as eligible investment vehicles, and further differentiate the allowable investments for the Operating and Reserve Funds. Bridgebay also reviewed other policy issues including: segregation of duties and responsibilities, risk controls, monitoring and reporting and procedures for policy exceptions. These modest clarifications will enable the investment*

*manager to optimize its asset allocation strategy for the Reserve Fund in a conservative, risk-controlled manner.*

*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.*

## **5. Recommendations from Security and Stability Advisory Committee Report on Whois Terminology & Structure (SAC051)**

Mike Silber presented the resolution, and Chris Disspain seconded.

With no Board members calling for discussion, the Board took the following action:

Whereas, WHOIS service has been an important information service for the Internet community, and is part of all ICANN TLD contracts.

Whereas, the shortcomings of the WHOIS protocol have been known for some time.

Whereas, on 20 September 2011, ICANN's Security and Stability Advisory Committee (SSAC) published a report "SSAC Report on Domain Name WHOIS Terminology and Structure" (SAC 051), including specific recommendations aimed at clarity of terminology and structure with regard to discussions regarding WHOIS.

Resolved (2011.10.28.26), the Board hereby acknowledges the receipt of SAC 051, and thanks SSAC and other contributors for their efforts in the creation of the report.

Resolved (2011.10.28.27), the Board directs staff to produce, in consultation with the community, a roadmap for the coordination of the technical and policy discussions necessary to implement the recommendations outlined in SAC 051.

Resolved (2011.10.28.28), the Board directs staff to forward SAC 051 to ICANN's Advisory Committees and Supporting Organizations for their advice, if any, with regards to implementing the SSAC recommendations, and to forward SAC 051 to the Whois Review Team.

**All Board members in attendance unanimously approved of Resolutions 2011.10.28.26, 2011.10.28.27 and 2011.10.28.28.**

*Rationale for Resolutions 2011.10.28.26 – 2011.10.28.28*

*The issue of Whois protocol has been a longstanding topic of conversation within the ICANN community. The Board's action in acknowledging the SSAC's important work on this topic is a productive step forward for the coordination of future work on Whois, and is also demonstrative of the Board's accountability to the work of ICANN's Supporting Organizations and Advisory Committees. Further, the Board is now seeking broader advice from the community on the recommendations of the SSAC. This action by the Board will have minimal fiscal impact on the organization due to the staff work directed. The acknowledgment of this report and furthering the consideration of the recommendations are anticipated to further ICANN's mission of protecting the security and the stability of the Internet.*

**6. Review of ICANN Conflicts of Interest Policy and Ethics**

Bill Graham presented the resolution and Ray Plzak seconded.

Bruce Tonkin commented that the Board is fairly advanced in its progress in making a statement on how interested directors in specific new gTLD applications would be restricted from participating in deliberations. The Board is working to conclude on a statement in December.

The Board then took the following action:

Whereas, ICANN seeks to attain a higher ethical standard to ensure the legitimacy and sustainability of the multi-stakeholder model as enshrined in ICANN.

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, ICANN's objective is to meet the following timeline:

- Research and analysis, and initial review by BGC - fourth quarter 2011
- Public Comment postings by January 2012
- Summaries provided to BGC for consideration and discussion, and any required revisions in February 2012
- Board approval in March 2012

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 (2011.10.28.29), the Board is working on a statement of how Directors interested in specific new gTLD applications will be restricted from participation in the deliberations and decisions regarding the New gTLD Program.

Resolved (2011.10.28.30), the Board directs the President and CEO to provide direction on a clearly-defined proposal to facilitate the Board's taking further action on such a statement at the 8 December 2011 meeting of the Board.

**All Board members in attendance unanimously approved of Resolutions 2011.10.28.29 and 2011.10.28.30.**

The Chair noted that this resolution is an important step for the organization, and there will be further steps down this path.

*Rationale for Resolutions 2011.10.28.29 – 2011.10.28.30*

*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 single 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 and will take further action in December 2011.*

*Taking this action will positively impact the ICANN community by addressing these issues with urgency, and committing to continue these enhancements to ensure the legitimacy and sustainability of the multi-stakeholder model as enshrined in ICANN. Further, this resolution will have a fiscal impact to the extent that ICANN is*

## **Conflict of Interest Identifications:**

ICANN Minutes – Regular Meeting

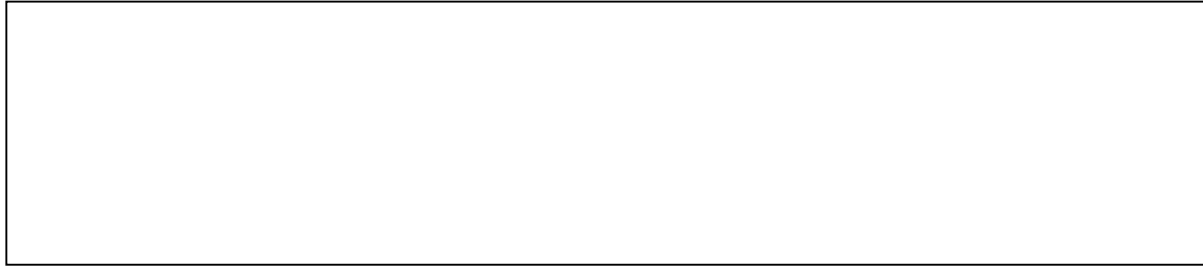
28 October 2011

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Luca Tonkin declared that, as his employer is an ICANN-accredited registrar and this motion relates to negotiations of the accreditation agreement, he will abstain from voting on this motion.

*required to pay the expert reviewers. This action will not have any impact on the security, stability and resiliency of the domain name system.*

## **7. Registrar Accreditation Agreement Amendments**



Bertrand de La Chapelle presented the resolution and George Sadowksy seconded.

With no Board members calling for discussion, the Board took the following action:

Whereas the GNSO Council resolved on 4 March 2009 to support Registrar Accreditation Agreements (RAA) amendments as documented in <http://gns0.icann.org/drafts/current-list-proposed-raa-amendments-16dec08.pdf>, recommend to the Board that they be adopted, and to form a Drafting Team to discuss further amendments to the RAA and to identify those on which further action may be desirable.

Whereas the Council provided a report from that working group that prioritized recommendations for RAA amendment topics.

Whereas law enforcement representatives have met on several occasions to develop and deliver recommendations for Registrar Accreditation Agreement amendment topics and those recommendations have been endorsed by ICANN's Governmental Advisory Committee.

Whereas the GNSO has extensively debated the process for developing and approving amendments to the RAA.

Whereas continuing to evolve the RAA is an important element in a program to protect registrants and safeguard the stability of a single interoperable Internet.

Whereas the gTLD registrars and ICANN are entering into negotiations to consider existing recommendations and deliver a proposed set of meaningful amendments in the global public interest with the twin goals of registrant protection and stability in mind.

Resolved (2011.10.28.31), the ICANN Board directs negotiations to commence immediately, resulting in proposed amendments to be provided for consideration at ICANN's meeting in Costa Rica in March 2012.

Resolved, (2011.10.28.32), the subject of the negotiations should include law enforcement and GNSO working group recommendations as well as other topics that would advance the twin goals of registrant protection and DNS stability.

Resolved (2011.10.28.33), the Board also requests the creation of an Issue Report to undertake a GNSO policy development process (PDP) as quickly as possible to address remaining items suited for a PDP.

**Fifteen Board members in attendance approved of Resolutions 2011.10.28.31, 2011.10.28.32 and 2011.10.28.33. Bruce Tonkin abstained from voting on the Resolutions. The Resolutions carried.**

*Rationale for Resolutions 2011.10.28.31 – 2011.10.28.33*

*The Board wishes to convey its sense of urgency on this issue. Law enforcement agencies and a GNSO working group have developed a list of specific recommendations for amending the RAA to provide greater protections for registrants and reduce abuses. Yet no action has been taken on these recommendations. The Board requires action. Direct negotiations between the contracted parties is seen as a way to rapidly develop a set of amendments for consideration.*

*For the benefit of the ICANN community, the Board is also requesting an issues report to explore the Policy alternatives for developing and making binding changes to the RAA. The Board also recognizes and accepts the GAC Communiqué statement that the ICANN Board to take the necessary steps to ensure that*

*ICANN’s multi-stakeholder process effectively addresses these GAC-endorsed proposals as a matter of extreme urgency.*

*This resolution will have no fiscal impact, nor will it have any impact on the security, stability and resiliency of the domain name system.*

## **8. GNSO PDP Recommendations**

Ray Plzak presented the resolution and Erika Mann seconded.

With no Board members calling for discussion, the Board took the following action:

Whereas, a GNSO Policy Development Process Work Team (PDP-WT) has been working to develop a new policy development process within the GNSO that is more effective and responsive to ICANN’s policy development needs.

Whereas, on 26 October 2011 the GNSO Council considered the Final Report of the PDP-WT and unanimously approved the recommendations within the Final Report.

Whereas, the implementation of the GNSO PDP improvements require amending Annex A of the ICANN Bylaws, and public comment is necessary prior to Board consideration.

Resolved, (2011.10.28.34), the Board approves the initiation of a public comment period of not less than 30 days on the proposed amendments to Annex A of the ICANN Bylaws.

### **All Board members in attendance unanimously approved of Resolution 2011.10.28.34.**

*Rationale for Resolution 2011.10.28.34*

*This resolution is necessary to allow the Board to consider community input prior to approving amendments to the ICANN Bylaws. The proposed revisions are presented through the GNSO Council and are the result of a community working team’s work. As required for assessment within the Affirmation of*

*Commitments, there is no security and stability impact on the DNS nor any affect on ICANN's fiscal resources as a result of this action.*

## **9. Receipt of Communiqué from the African Union**

The Chair presented the resolution and Sébastien Bachollet seconded.

The Chair noted his opinion that it was important not only that the ministers met, but that the communiqué included very pointed, substantive and meaningful requests that were not broadly addressing ICT issues, but a number that were pointed directly toward ICANN. This is the opening of a door for very important communications.

The President and CEO made the following comment:

I want to acknowledge some of the milestones we are passing as an organization and community. I think that was either the first or one of the first ministerial meetings ever to take place contiguous with an ICANN meeting and was organized here because the ICANN meeting was going to take place.

I feel they worked on very substantive issues and issued a very clear and constructive communiqué with their views on a number of issues. That's an important milestone.

In addition, I think this was perhaps the first time in ICANN history at this meeting that we were not only addressed by a head of state -- which has occurred before -- but by a head of state engaging very deeply and very directly on ICANN policy issues in an extremely constructive process. It is wonderful to see this progress here in Senegal and in sub-Saharan Africa, in an important developing region of the world. Thank you.

Mike Silber also acknowledged the time taken by the African Union Commission to come and brief the Board on the communiqué and their willingness to engage about it. Mike noted that even where there was debate about the ability of implementation of some of the recommendations, there was constructive open dialogue in the hopes of identifying feedback and proposals for different approaches. Mike stated that this dialogue is a fantastic alternative to receiving a set of directives.

Bertrand de La Chapelle highlighted an interesting element, that the communiqué was prepared in an interactive manner, and congratulated all that were involved, both from governments and civil society. Bertrand noted that there are many who spread the multistakeholder model, but its worth noting the promotion of the model to the ministers within this process. Bertrand also expressed appreciation for the quality of the document and its usefulness as an interaction tool between ICANN and the African Union Commission. The multistakeholder model benefits everyone, including governments.

Katim Touray noted that as he has been trying to push for ICANN engagement with the developing countries, especially Africa, he's happy that ICANN has followed up on its decisions to hold meetings in Africa, and have always been pleasantly surprised. Katim recognized that at both the Dakar and Nairobi meetings, the local host work was spearheaded by women, and that sends a strong message to Africa and the world. In addition, ICANN is really starting to realize the potential of its remote participation technologies since the Nairobi meeting. Now ICANN is moving the bar further with the active and informed participation of the ministerial meeting and the Senegalese President Maitre Abdoulaye Wade, and in a constructive manner. ICANN needs to continue to go out and engage people and then learn lessons as we move forward.

Cherine Chalaby added his acknowledgment and congratulations to the ICT ministers and the quality of the communiqué, which was clear and crisp and contained clear recommendations. ICANN became engaged. Cherine thanked the African Union Commission for this work.

The Board then took the following action:

Whereas, African ICT Ministers, under the auspices of the African Union and the government of Senegal held a ministerial meeting in Dakar, Senegal, from 19-21 October 2011 to prepare for the ICANN 42 meeting in Dakar.

Whereas the African ICT Ministers deliberated on Internet governance issues of concern to them and the people of Africa.

Whereas the African ICT Ministers, at the conclusion of their meeting issued a communiqué which included requests to the ICANN Board, and

pledged the support of Africa for ICANN's work and the multi-stakeholder model.

Resolved (2011.10.28.35), the Board commits to reviewing and considering each of the 12 requests presented within that Communiqué.

**All Board members in attendance unanimously approved of Resolution 2011.10.28.35.**

The Chair called for any other business, and hearing none, formally adjourned the meeting.



# 2011-10-28-Board-Minutes-Organizational-Meeting



**An Organizational Meeting of the ICANN Board of Directors was held on 28 October 2011 in Dakar, Senegal.**

**Steve Crocker promptly called the meeting to order.**

**In addition to Steve Crocker the following Directors participated in all or part of the meeting: Sébastien Bachollet, Rod Beckstrom (CEO and President), Cherine Chalaby, Chris Disspain, Bill Graham, Bertrand de La Chapelle, Erika Mann, Gonzalo Navarro, Ray Plzak, R. Ramaraj, George Sadowsky, Mike Silber, Bruce Tonkin, Judith Vazquez 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; Thomas Roessler, TLG Liaison; and Suzanne Woolf, RSSAC Liaison.

<b>1. Election of Board Chairman .....</b>	<b>1</b>
<b>2. Election of Board Vice-Chairman.....</b>	<b>2</b>
<b>3. Appointment of Membership of Board Committees.....</b>	<b>2</b>
<b>4. Confirmation of Officers of ICANN .....</b>	<b>4</b>
<b>5. Thanks to Sponsors.....</b>	<b>6</b>
<b>6. Thanks to Scribes, Interpreters, Staff, Event and Hotel Teams.....</b>	<b>6</b>
<b>7. Thanks to Local Hosts .....</b>	<b>6</b>

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**1. Election of Board Chairman**

Steve Crocker requested Bruce Tonkin, as the Chair of the Board Governance Committee, to act as an organizing chair.

Bruce then presented the resolution, and George Sadowsky seconded.

The Board took the following action:

Resolved (2011.10.28.36), Steve Crocker is elected as Chairman of the Board.

**All members of the Board unanimously approved of Resolution 2011.10.28.36.**

The Chair thanked the Board and noted what a pleasure its been to work with the Board and the entire community. He thanked the staff for their support. The Chair commented that everyone is focused on ICANN's mission, and he is humbled at the opportunity to serve.

**2. Election of Board Vice-Chairman**

The Chair presented the resolution, and Cherine Chalaby seconded.

The Board then took the following action:

Resolved (2011.10.28.37), Bruce Tonkin is elected as Vice-Chairman of the Board.

**All members of the Board unanimously approved of Resolution 2011.10.28.37.**

The Chair commented that Bruce has been a good partner to work with, particularly with the enormous workload before the Board. The Chair congratulated Bruce and thanked him for his work.

**3. Appointment of Membership of Board Committees**

Bruce Tonkin, as Chair of the Board Governance Committee, presented the resolution and noted that the Board now has committee chairs from six continents.

Chris Disspain seconded the resolution.

The Board took the following action:

Resolved (2011.10.28.38), membership of the following Board committees be established:

**Audit**

Erika Mann (Chair)  
Bill Graham  
Gonzalo Navarro  
Judith Vazquez

**Compensation**

R. Ramaraj (Chair)  
Steve Crocker  
George Sadowsky  
Bruce Tonkin

**Executive**

Steve Crocker (Chair)  
Rod Beckstrom  
Cherine Chalaby  
Bruce Tonkin

**Finance**

Cherine Chalaby (Chair)  
Sébastien Bachollet  
Chris Disspain  
George Sadowsky

**Governance**

Bruce Tonkin (Chair)  
Cherine Chalaby  
Bill Graham  
Ram Mohan (Liaison)  
Ray Plzak  
R. Ramaraj  
Mike Silber

**Global Relationships**

Gonzalo Navarro (Chair)  
Chris Disspain  
Bertrand de La Chapelle  
Erika Mann  
George Sadowsky  
Kuo-Wei Wu

**Conflict of Interest Identification:**

Minutes

President and CEO noted that he will be abstaining from the vote on resolution because it relates to his employment with ICANN.

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**IANA**

Kuo-Wei Wu (Chair)  
Bill Graham  
Bertrand de La Chapelle  
Thomas Narten (Liaison)  
Suzanne Woolf (Liaison)

**Public Participation**

Sébastien Bachollet (Chair)  
Chris Disspain  
Thomas Narten (Liaison)  
Gonzalo Navarro  
Mike Silber  
Kuo-Wei Wu

**Risk**

Mike Silber (Chair)  
Steve Crocker  
Ray Plzak  
R. Ramaraj  
Thomas Roessler (Liaison)  
Bruce Tonkin  
Judith Vazquez  
Suzanne Woolf (Liaison)

**Structural Improvements**

Ray Plzak (Chair)  
Sébastien Bachollet  
Bertrand de La Chapelle  
Thomas Roessler (Liaison)  
Judith Vazquez

**All members of the Board unanimously approved of Resolution 2011.10.28.38.**

**4. Confirmation of Officers of ICANN**



Erika Mann presented the resolution and Judith Vazquez seconded.

After the Chair called for discussion on the resolution, the Erika man welcomed Xavier Calvez to the team.

The Chair then provided explanation that the election of key position within ICANN are required to be confirmed by the Board as officers in order to perform certain functions on behalf of the organization. The Chair noted that there are other senior positions within the organization that are also of great weight, but do not require Board appointment because they do not exercise the authority granted to officers.

The President and CEO noted that though he is abstaining from the vote as it is in regards to his position, he wanted to commend the other four officers for their outstanding service to the organization and their professional qualifications.

The Board then took the following action:

Resolved (2011.10.28.39), Rod Beckstrom is elected as President and Chief Executive Officer.

Resolved (2011.10.28.40), Akram Atallah is elected as Chief Operating Officer.

Resolved (2011.10.28.41), John Jeffrey is elected as General Counsel and Secretary.

Resolved (2011.10.28.42), Kurt Pritz is elected as Senior Vice President, Stakeholder Relations.

Resolved (2011.10.28.43), Xavier Calvez is elected as Chief Financial Officer.

**Fifteen members of the Board approved of Resolutions 2011.10.28.39, 2011.10.28.40, 2011.10.28.41, 2011.10.28.42 and 2011.10.28.43. Rod Beckstrom abstained from voting. The Resolutions carried.**

## **5. Thanks to Sponsors**

Bertrand de La Chapelle presented the resolution. Mike Silber seconded the resolution.

The Board then took the following action:

The Board wishes to thank the following sponsors:

VeriSign, Sonatel Orange, .ORG, The Public Interest Registry, Afiliat Limited, Neustar, InterNetX, China Internet Network Information Center, siter, CORE Internet Council of Registrars, GMO Registry, Inc., AFNIC, TANGO Registry Services, African Registry Consortium, DotConnectAfrica, ironDNS, JSU RU-CENTER, Iron Mountain, ICANNWiki, Groupe Promo Consulting, Senecartours, AfriNIC, TIGO, Loment, NICSN, La francophonie, and NEXT Global Solutions.

**All Board members present unanimously approved of this resolution.**

The Chair expressed his thanks to the sponsors on behalf of the entire organization.

## **6. Thanks to Scribes, Interpreters, Staff, Event and Hotel Teams**

The President and CEO presented the resolutions of Thanks to Scribes, Interpreters, Staff, Event and Hotel Teams and the Thanks to Local Hosts. The Chair seconded both resolutions.

The Board expresses its appreciation to the scribes, the interpreters, technical teams, and to the entire ICANN staff for their efforts in facilitating the smooth operation of the meeting.

The Board would also like to thank the management and staff of the Le Meridien President for the wonderful facility to hold this event. Special thanks are given to Rachid Tahiri, Frederic Mariani, and Ismaela Seck.

## **7. Thanks to Local Hosts**

The Board wishes to extend its thanks to the local host organizer, The Ministry of Communication, Telecommunications and Information Technology and Communication (MICOMTELTIC) and the Regulatory

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Authority for Telecommunications and Post (ARTP) for their support. Special thanks are given to Mme Ndéye Maimouna DIOP DIAGNE, Directrice des TIC, Ministère en charge des Technologies de l'Information et de la Communication, and Adama Sow.

The Board extends thanks to the President of Senegal, Abdoulaye Wade and Senegal's Minister of Communication and Telecommunications, Moustapha Guirassy, for their support and participation during the meeting.

**All members of the Board unanimously approved both resolutions of thanks.**

The Chair called the meeting to a close.



# **2011-12-08-01-Board Submission-FT Implementation Plan Amendment**

## ICANN BOARD SUBMISSION NO. 2011-10-28-01

**TITLE:** Approval of ccNSO resolution 68-02

**PROPOSED ACTION:** For Board Approval

### **EXECUTIVE SUMMARY:**

During the ccNSO Council meeting in Dakar, Senegal in October 2011, the Council passed a resolution to provide an amendment to the IDN ccTLD Fast Track. The resolution provides guidance to ICANN for handling cases within the Fast Track where the requested IDN ccTLD Fast Track string is a meaningful representation of the territory and is only confusingly similar with the two-letter ASCII country code that is associated with the same territory. Under the ccNSO recommendations, in such a case the DNS Stability Panel Evaluation should now deem the string to be valid under the string similarity evaluation rules in the IDN ccTLD Fast Track Implementation Plan. The proposed operator of the string would be required to commit to certain conditions to confirm the security and stability of the Internet and the reduction of user confusion in operation of both an IDN and ASCII ccTLD for the country and territory. Under the current rules, no strings that are deemed confusingly similar are valid within the IDN ccTLD Fast Track, even if they are only confusingly similar to the ASCII country code associated with the same string or territory, whether or not the operators are willing to agree to conditions for the safe operation of the strings.

### **STAFF RECOMMENDATION:**

Staff recommends approval of the amendment to the Fast Track Implementation Plan as described in the ccNSO Council resolution to the Board from 27 October 2011.

### **PROPOSED RESOLUTION:**

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.xx.xx.\_\_[to be assigned by Secretary]), 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:**

##### **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.

Submitted by:	Naela Sarras
Position:	Manager, IDN Fast Track
Date Noted:	29 November 2011
Email and Phone Number	naela.sarras@icann.org, Contact

# 2011-12-08-02-Board Submission - New GNSO PDP

**ICANN BOARD SUBMISSION NO. 2011-12-08-02**

**TO:** ICANN Board of Directors  
**TITLE:** New Annex A / GNSO Policy Development Process  
**PROPOSED ACTION:** Board Action to Approve

**EXECUTIVE SUMMARY:**

As part of the GNSO Improvements Process, which was mandated by the ICANN Board, the GNSO Council unanimously recommended the adoption of a revised GNSO Policy Development Process. This new Policy Development Process is described in the proposed Annex A to the ICANN Bylaws, and PDP Manual as outlined in the PDP Updated Final Report (see <http://gns0.icann.org/improvements/updated-final-report-pdpwt-28sep11.pdf>).

The new GNSO Policy Development Process was developed by the Policy Development Process Work Team (PDP-WT), which was tasked with developing a new policy development process that incorporates a working group approach and makes it more effective and responsive to ICANN's policy development needs. The proposed recommendations seek to:

- Codify existing practices and procedures already utilized by the GNSO community in policy development processes (PDPs);
- Clarify existing rules, methods and procedures set forth in the ICANN Bylaws and GNSO Council's Operating Procedures;
- Suggest new approaches, methods and procedures to be used in the new policy development process.

The new GNSO Policy Development Process, if adopted by the ICANN Board, would replace the existing Annex A to the ICANN Bylaws in its entirety.

**Further Information**

- Proposed New Annex A - GNSO Policy Development:  
<http://www.icann.org/en/general/proposed-bylaws-revision-annex-a-clean-04nov11-en.pdf> (See Annex I)

- For ease of comparison, a redline showing the changes from the Current Annex A is provided:  
<http://www.icann.org/en/general/proposed-bylaws-revision-annex-a-redline-04nov11-en.pdf> (See Annex II)
- PDP Manual (see Annex III)

**STAFF RECOMMENDATION:**

Staff recommends that the ICANN Board adopts the new Annex A, thereby replacing the existing Annex A in its entirety. As directed by the ICANN Board, the proposed new GNSO Policy Development Process 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. The new PDP is expected to be more effective and responsive to ICANN's policy development needs.

Of note, the GNSO Council has already formed a Standing Committee on Improvement Implementation, which is tasked to review on a regular basis adopted recommendations stemming from GNSO Improvements, as well as address issues that may arise following implementation. Should the ICANN Board identify any issues within the new GNSO PDP that may warrant further consideration, the Board might consider directing those to the Standing Committee on Improvement Implementation (SCI).

**PROPOSED RESOLUTION:**

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#_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://gns0.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, 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://gns0.icann.org/resolutions/#201110>).

## **RATIONALE FOR RESOLUTION:**

### ***Why the Board is 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](#) [PDF, 1.51 MB]. 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.

Submitted by:	David Olive; Marika Konings
Position:	Vice President Policy Support; Senior Policy Director
Date Noted:	
Email and Phone Number	Contact Information Redacted

**Board Cover Letter SSAC New-Departing Members 23  
November 2011**



23 November 2011

To: ICANN Board  
From: The SSAC Chair  
Via: The SSAC Liaison to the ICANN Board

The purpose of this letter is to bring you up-to-date on proposed changes to the membership of the Security and Stability Advisory Committee (SSAC) and to provide an explanation for the attached requests for Board actions. These changes are the result of ongoing new member evaluations conducted by the SSAC Membership Committee and approved by the SSAC. In addition, these changes reflect the departure of one SSAC member.

The SSAC Membership Committee considers new member candidates and makes its recommendations to the SSAC. The SSAC has agreed with the Membership Committee's recommendation to appoint two new members: Don Blumenthal and Rod Rasmussen. Don is a Senior Policy Advisor with the Public Interest Registry. Don would bring to the SSAC wide experience from government and law enforcement. Rod 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. Thus, the SSAC Membership Committee respectfully requests that the Board appoint Don Blumenthal and Rod Rasmussen to the SSAC. Attached are their resumes for your reference.

In addition, on 12 October 2011 John Schnizlein resigned from the SSAC. The Board appointed John to the SSAC on 26 June 2009. We are grateful for John's service to the SSAC and wish him well in his professional endeavors. We request the Board to extend an expression of thanks to John on behalf of the SSAC.

The SSAC welcomes comments from the Board concerning these requests.

Patrik Fältström, SSAC Chair

**2011-12-08-03-Board Submission - Thank You to  
Departing SSAC Member**

## ICANN BOARD SUBMISSION NO. 2011-12-01-03

**TITLE:** Thank You from Security and Stability Advisory Committee to John Schnizlein

**PROPOSED ACTION:** For Consent Agenda

### **EXECUTIVE SUMMARY:**

On 26 June 2009 the ICANN Board approved the appointment of John Schnizlein to the Security and Stability Advisory Committee (SSAC). On 12 October 2011 John resigned from the SSAC.

### **COMMITTEE RECOMMENDATION:**

The Committee wishes to formally thank John Schnizlein for his work while a member of the SSAC.

### **PROPOSED RESOLUTION:**

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.xx.xx.xx), 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.

### **PROPOSED RATIONALE:**

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



Submitted by: Ram Mohan  
Position: Liaison to the ICANN Board from the Security and  
Stability Advisory Committee  
Date Noted: 23 November 2011  
Email: [Ram.mohan@icann.org](mailto:Ram.mohan@icann.org)

**2011-12-08-04-Board Submission - SSAC Appointments  
Don Blumenthal and Rod Rasmussen 23 November 2011**

## **ICANN BOARD SUBMISSION NO. 2011-12-08-04**

**TITLE:** **Appointment of Don Blumenthal and Rod Rasmussen to the Security & Stability Advisory Committee**

**PROPOSED ACTION:** For Consent Agenda

### **EXECUTIVE SUMMARY:**

The Chair of the Security and Stability Advisory Committee respectfully requests the appointment of Rod Rasmussen and Don Blumenthal as new Committee members.

### **COMMITTEE RECOMMENDATION:**

The Committee desires the appointment of Rod Rasmussen and Don Blumenthal to the Security and Stability Advisory Committee.

### **PROPOSED RESOLUTION:**

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.

It is resolved (20XX.xx.xx.xx) that the Board appoints Rod Rasmussen and Don Blumenthal to the SSAC.

### **PROPOSED RATIONALE:**

The SSAC is a diverse group of individuals whose expertise in specific subject matters enables the SSAC to fulfil 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.

Submitted by: Ram Mohan, SSAC Liaison to the Board

Position: Liaison to the ICANN Board from the Security & Stability Advisory Committee

Date Noted: 23 November 2011

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# 2011-12-08-05-Board-Submission Board-Compensation

## ICANN BOARD SUBMISSION NO. 2011-12-08-05

**TITLE:** Board Compensation

**PROPOSED ACTION:** For Board Action

### **EXECUTIVE SUMMARY:**

*Background.* Over the past several years the Board has discussed the idea of compensation for voting Board members. Significant research, analysis and public comment has taken place relating to the appropriateness of such compensation. 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 had provided legal memo in June of 2008 discussing 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 specifically recommended that the Board should implement a compensation scheme for voting Board members; and (viii) public comment and/or feedback was sought on required changes to ICANN’s Conflicts of Interest Policy and Bylaws, as well as on the Independent Expert Report recommending voting Board member compensation.

*Preliminary Requirements.* If the Board determines to offer a compensation arrangement to one or more voting Directors for services to ICANN, other than to the President and CEO of ICANN or the Chair of the Board who are already being compensated, it is imperative that the Board has 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. The Board has followed particular steps throughout its consideration process to ensure establishment of Reasonable Compensation.

First, the Board sought a recommendation from an Independent Valuation Expert<sup>1</sup> 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 Independent Valuation Expert. TW is a leading global professional services company with expertise in compensation for non-profit organizations. TW had previously provided advice on the Board Chair compensation and was recommended by the National Association of Corporate Directors (NACD) to serve as an independent evaluation expert.

Second, in the event that the Independent Valuation Expert recommended a compensation arrangement for voting directors and the Board intended to vote on that recommendation, ICANN's Conflicts of Interest (COI) Policy had to be revised. Currently, the COI 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 Redline of COI Policy, Attachment A to Annex.)

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<sup>1</sup> An “Independent Valuation Expert” means a person retained by ICANN to value compensation arrangements that: (i) holds itself out to the public as a compensation consultant; (ii) performs valuations regarding compensation arrangements on a regular basis, with a majority of its compensation consulting services performed for persons other than ICANN; (iii) is qualified to make valuations of the type of services involved in any engagement by and for ICANN; (iv) issues to ICANN a Reasoned Written Opinion regarding a particular compensation arrangement; and (v) includes in its Reasoned Written Opinion a certification that it meets the requirements set forth in (i) through (iv) of this definition.

Third, in the event that the Independent Valuation 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* Redline of Article VI, section 22 of Bylaws, Attachment B to Annex.)

Finally, in order to ensure transparency, after having received and reviewed the Independent Valuation Expert Report, that report was posted for feedback. (*See* Independent Valuation Expert Report, Attachment C to Annex.)

***Public Comment Summary and Feedback.*** The public comment period on the proposed revisions to the COI Policy and Bylaws closed on 3 October 2011. Seven comments were received. (*See* Report on Public Comments, Attachment D to Annex.) Four of those comments generally were in favor of the proposed revisions to the COI Policy and Bylaws, as they were deemed necessary to complete voting Board member compensation as recommended by the ATRT. The other three commenters did not express specific views on the proposed changes to the COI Policy and Bylaws. One specific joint comment from AIPLA, COA AND INTA asked for clarification as to whether compensation will be uniform across all directors or on an individual director-by-director basis and further suggested that any increase in director compensation only take effect after expiration of the given director's term.

Several of the commenters did suggest a broader review of ICANN's Conflicts of Interest Policy, Code of Conduct, and or Ethics considerations, which is presently underway.

Public feedback on the Independent Valuation Expert Report was asked for by 4 December 2011. As of the drafting of this paper, no feedback has been received. If feedback is received between now and the Board meeting, the General Counsel will provide an update.



**INDEPENDENT VALUATION EXPERT RECOMMENDATION:**

The Independent Valuation Expert recommended, “it would be reasonable to offer director compensation at ICANN based on a review of applicable market data and time commitment, skills and experience required for Board service at ICANN.” (*See* Independent Valuation Expert Report, Attachment C to Annex.) Further, the Independent Valuation Expert recommended that ICANN “[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).”

**PROPOSED 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.xx), 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.

Resolved (2011.12.08.xx), the Board approves the limited changes to ICANN’s Bylaws needed to allow all voting Board members to receive compensation for services provided.

Resolved (2011.12.08.xx), 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).”

Resolved (2011.12.08.xx), 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.

Resolved (2011.12.08.xx), compensation for all voting Board members who choose to accept the compensation approved herein, shall be effective on [INSERT DATE HERE].

**PROPOSED RATIONALE:**

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.

Submitted by:	John O. Jeffrey; Amy A. Stathos
Positions:	General Counsel and Secretary; Deputy General Counsel
Date Noted:	30 November 2011
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# **2011-12-08 Board Member Rules on Conflicts of Interest for New gTLDs**

**Board Member Rules on Conflicts of Interest for New gTLDs (To be provided before the Board Meeting at direction of BGC)**



# 2011-12-08-06-Board Submission-Applicant Support

## ICANN BOARD SUBMISSION NO. 2011-12-08-06

**TITLE:** Applicant Support Program  
**PROPOSED ACTION:** For Board Review and Discussion

### Attachments:

1. Draft Applicant Support Process
2. Draft Applicant Support Criteria
3. Graphic: Applicant Support Process Flow

### Executive Summary

The Board resolution in Dakar the Board noted that a working group of Board members had been convened to oversee the scoping and implementation of the recommendations arising out of the JAS Report, and resolved that ICANN staff are "expected to commence work immediately and provide a detailed plan for consideration."

That work was undertaken with the oversight of the Board working group. The result is two documents that describe a *Process* and *Criteria* for evaluating candidates for support and providing support where merited. The work follows the plan outlined in the Board discussion in Dakar. Support would be provided in the form of fee reductions from \$185K to \$47K for qualified applicants. Total awards would be limited to the \$2MM Board created fund plus whatever else is collected in the interim. More detail is below.

A call is scheduled among the Board working group members and representatives of the JAS to review the latest proposals. The call will occur before the Board meeting and results will be reported.

### Recommendation

At its earliest convenience after considering the complete set of information, the Board should adopt the "*Process*" and "*Criteria*" (attached) developed by the Board working group as the *program* for providing assistance to needy and worthy applicants. The Board should also direct the completion of the remaining program elements:

- publication of a brief handbook and application form describing the rules for applying for and receiving aid (complete by Jan 2012),
- recruitment of an evaluation panel (complete by June 2012),

- soliciting additional funds (complete by November 2012 – the date the funding notifications are made),
- and development of an amended communications campaign.

### **Current Situation and Recent Developments**

During its 20 June 2011 meeting in Singapore the Board resolved to implement a program to ensure support for applicants from developing countries including:

- (a) consideration of the GAC recommendation for a fee waiver corresponding to 76% of the \$185,000 evaluation fee (to \$47,000),
- (b) consideration of recommendations of the Joint Applicant Support (JAS) Working Group,
- (c) designation of a budget of up to \$2 million for seed funding, and creating opportunities for other parties to provide matching funds, and
- (d) the review of additional community feedback.

The JAS issued its set of final recommendations on 13 September 2011, (reported to the Finance Committee and the Board more fully in earlier meetings) including:

- Applicants demonstrating need and a plan for operating in the public benefit should receive assistance.
- Assistance will include:
  - a fee reduction to \$47K, and
  - additional financial assistance in the form of payments to deserving registries.
- Evaluation criteria should be created to: verify applicants' need, operation in the public interest, and avoid gaming and abuses.
- Applications for assistance should be considered prior to the opening of the new gTLD application window.

A Board working group to develop a program met in Dakar and in conference calls thereafter after, recommending:

- The timing of financial support evaluations should be held after the opening of the application window and should occur at the same time the first batch of non-financial aid applications is being evaluated. Those passing the financial aid criteria would then be evaluated as new gTLD candidates in a later batch. (Financial assistance applicants will submit both their completed financial assistance application, completed new gTLD application, and \$47K fee during the 12 January – 12 Apr application window.)
- The criteria for receiving financial aid should be strict: there should be a fairly high threshold for qualifying; and those applying for financial

assistance and failing to qualify would be excluded altogether from the new gTLD process.

- There should be a fee reduction from \$185K to \$47K. The number of fee reductions awarded would be limited by available funds. E.g., if there is only \$2MM available at the time awards are made, then 14 applicants will be provided assistance. Therefore, there will be some that qualify but will not receive financial assistance. They can elect to pay the full fee or withdraw. ICANN will seek to provide non-financial support to these candidates.

Other key elements of the proposed program model include:

- Eligible candidates should demonstrate (1) service in the public interest; (2) financial need; (3) minimum financial capabilities.
- The program excludes candidates that are: (1) applying for a gTLD string that is intended to reference a trademarked brand; (2) a national or federal governmental entity or an entity with controlling interest by a national or federal government; (3) applying for a gTLD string that is a geographic name as described in the Applicant Guidebook.
- The criteria for receiving financial aid should be strict: there should be a fairly high threshold for qualifying; and those applying for financial assistance and failing to qualify would be excluded altogether from the new gTLD process. This will limit incentive for abuses.
- The evaluation, scoring and award decisions will be done by an independent Support Application Review Panel (SARP).
- Support for applicants that qualify but do not receiving a fee reduction due to funding limitations will include translation services and staggered fees.

### **Rationale for Recommendation**

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.

**PROPOSED 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 (20xx.xx.xx.\_\_[to be assigned by Secretary]), 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.

Resolution Text Superseded

Submitted by: Kurt Pritz  
Position: SVP, Stakeholder Relations  
Date Noted: 8 December 2011  
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# 2011-12-08-07-Board Submission Batching

**ICANN BOARD SUBMISSION NO. 2011-12-08-07**

**TO:** ICANN Board of Directors  
**TITLE:** Batching  
**PROPOSED ACTION:** Board Action to Approve

**EXECUTIVE SUMMARY:**

Processing of new gTLD applications will be done in batches of approximately 500. This number was selected to ensure consistency across evaluations by limiting the required number of evaluators, and to preserve root zone stability by limiting the delegation rate to less than 1000 per year.

Initially, it was determined that the batches would be selected in random fashion among the applicants. It provides the benefits of objectivity, low cost and not being susceptible to abuses such as gaming or attack. However, legal analysis demonstrated that the random selection method was not suitable. Privileged and Confidential

That analysis determined that a “secondary time stamp” will be the method of selection of batches. By secondary time stamp, it is meant that there be some prioritizing the applications, not based on chance and OTHER THAN FIRST-COME, FIRST-SERVED for forming batches of applications. First-come, first-served was not selected because it would incent rapid (i.e., not thorough), completion of applications and provide an advantage to those already well schooled in the process (i.e., those inside the ICANN community). Any random chance cannot be used because of the legal risk sited above.

**STAFF RECOMMENDATION:**

1. Use a secondary time stamp *after the time of the application window* to provide the priority. The batches would not be formed based on first-come, first-served. Rather the batches would be formed based on how close secondary registrations of some kind are time-stamped to a certain pre-determined



target.

2. The exact method will be released after the close of the application window. The method used will be de-centralized so that the place or region where the secondary time stamp is submitted is irrelevant.
3. Applicants will be advised of this mechanism after applications are submitted to ensure direct, one-to-one communication of the rules.
4. To ensure *diversity* in awarding preferences, batching preferences will be awarded to the top-rated applications (according to time stamp) from each of the five regions until there are no more in that region. I.e., the batching priorities will be rotated one to a region so long as there are applications in different regions.

Ex: The first five in the first batch will be one from each of the regions: Africa, Asia, Europe, Latin America and North America. This is so even if, say, Africa has the ten top-rated applications with respect to the secondary time stamp. That will continue with each set of five applications and regions until there are no more from one region. Then the ensuing set will be selected from each of the four regions until another region is exhausted and so on.

5. In the case of *contending applications*, application will be grouped in the earliest batch where any of the contending applications is placed. There is one exception. In the case where one of the contending applications requests financial aid (an “applicant support candidate”) the contending applications will be in the earliest batch as above, but no earlier than the second batch. This will allow time for the consideration of the financial aid application in parallel with the first round as is presently planned. (See Applicant Support Board submission paper.)
6. Applicants can *opt out* of the batching priority process and elect to be in the last round.

**PROPOSED RESOLUTION:**

Resolution Text Superseded

**RATIONALE FOR RESOLUTION:**

1. 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.
2. 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.
3. 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.
4. One key to any mechanism is *communications*. Communications can be facilitated through TAS since applicants will have registered through the system.
5. 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.

6. 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.

Submitted by: Kurt Pritz  
Position: SVP, Stakeholder Relations  
Date Noted: 8 December 2011  
Email and Phone Number [pritz@icann.org](mailto:pritz@icann.org); Contact  
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**2011-12-08-08-Board-Info Paper - PC-  
Paper\_Public\_Comments**

**ICANN BOARD SUBMISSION NO. 2011-12-08-08**

**TITLE:** **Public Comment Enhancements**

**PROPOSED ACTION:** **For Information**

**EXECUTIVE SUMMARY:**

The Public Participation Committee (PPC), in its role of oversight over the ATRT recommendations relating to ICANN's public comment cycles, has received a report (attached as an Annex) from Staff including final recommendations for the implementation of the public comment enhancements relating to ATRT Recommendations 15, 16, 17. Staff requested the PPC's recommendation on this final report so that the implementation phase can take place as targeted by 31 December 2011.

During July-August 2011, Staff collected feedback from a community Focus Group regarding the public comment enhancements, followed by a public comment period opened for wider community feedback during 31 August-15 October. The Annex to this submission provides a brief summary of the community feedback and Staff's final recommendations concerning the three major topics scheduled for implementation on or before 31 December 2011, to be in effect by 1 January 2012, as received by PPC.

The critical item requiring the PPC's recommendation (and subsequent Board approval) is about the institution of Comment/Reply Comment periods. The original recommendation to address the ATRT recommendation was to establish a minimum 30-day Comment period for all Public Comments followed by a minimum 15-day Reply cycle. Several community respondents commented that the Reply cycle duration is too short, especially recognizing that many groups need to develop consensus within their organizations before posting positions to a public forum. Another concern was expressed that extending the overall timeframe has the absolute effect of delaying ICANN decisions while possibly benefitting the process marginally. Nearly all participants commented that Public Comment periods should be "flexible" and adjust to the complexity of the issue as well as other related factors. In cases where a longer comment is requested, it is possible that those public comment periods may extend

beyond the minimum 42 days, say, a 45-day Comment period and 21 days for Reply so in total to 66 days.

In consideration of these perspectives and while staying true to the ATRT recommendation, the initially proposed periods with a minimum 30 days + 15 days reply, is now changed to minimum 21 comment + 21 days reply.

The Annex includes the rationale for this change.

**Staff RECOMMENDATION:**

Staff recommends the following minimum lengths for comment periods to be put into effect as of 1 January 2012 for all Public Comments:

- The official minimum Comment period is 21 days
- The official minimum Reply cycle is 21 days
- If no comments are received during the Comment period then there will be no Reply period.

Following Board approval, Staff will be able to reach the planned delivery date for the new system to be in effect by 1 January 2012. This will complete of the implementation of all the Public Comment related ATRT recommendations (15, 16, 17 and 21 - implementation of 21 was already completed in June 2011) as targeted.

Submitted by:	David Olive; Filiz Yilmaz
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# 2011-12-01-CEO Report

## **PRESIDENT & CEO'S REPORT – 1 DECEMBER 2011**

### **Updates on Activities across ICANN since the Dakar Meeting:**

#### **Policy:**

**gNSO - Meetings and Presentations** -- Staffed/supported over 36 formal, scheduled meetings, as well as numerous preparatory meetings and several important informal meetings (e.g. CEO briefing, preparatory meetings and coordination of the Forum on DNS Abuse, meeting with the Council of Europe representative to encourage greater participation, etc.) Multiple sessions were held on:

- o Details of the new GNSO PDP – overviews of highlights
- o Workshop on Discussion Paper on the development of best practices to curb registration abuse
- o Presentations on the current state of the UDRP, leading to deferral of a PDP
- o Workshop on Developing Metrics for Competition, Consumer Choice and Consumer Trust
- o Geographic Regions Working Group draft Final Report
- o GNSO drafting team meeting on Community Working Groups (CWGs), and presentation to the GNSO Council
- o Policy staff support/lead for meetings among the GAC/Board/GNSO Council/multiple SGs and Cs regarding the Law Enforcement RAA Recommendations and next steps
- o Whois Studies – status, cost and next steps
- o Seating of a new GNSO Council and election of GNSO leadership

**ccNSO** - At the ccNSO meetings, there were 130 participants from 44 different ccTLD's and other organizations. The majority of the 12 ccNSO Working Groups conducted one and in some cases two face-to-face meetings.

- o At the ccNSO Tech Day, topics a wide variety of topics were discussed ranging from African Payment Methods to DNSSEC Domain Cleanup and DNSSEC via PCH.

- o At the ccNSO meetings, sessions were held on the Geographic Regions, and the inclusion of IDN ccTLD in the ccNSO. Updates were presented on the activities of the ICANN Variant Issue Project, the Security and Stability review team, the Nominating Committee, and IANA. The IANA presentation focused on the automation of the root zone management.

Other ccNSO activities included:

- o Confusing similarity of IDN ccTLD strings with two letter ASCII ccTLD's  
The ccNSO Council requested the ICANN Board of Directors to instruct staff to amend the relevant sections of IDN ccTLD Implementation Plan to deal with the specific issue.

- o Selection of Mike Silber as ccNSO appointed Board member



- o ccNSO Membership – MN ( Mongolia) approved as newest member of the ccNSO; CNSO membership is now at 122.

**At Large** - During the 42nd ICANN Meeting, the At-Large community was represented by a total of 59 members from all five At-Large regions. These representatives included Members of the At-Large Advisory Committee (ALAC), officers of the five Regional At-Large Organizations (RALOs), representatives of At-Large Structures (ALSes), At-Large liaisons, At-Large delegates to the Nominating Committee (NomCom), At-Large representatives on the Whois and SSR of the DNS Review Teams, and representatives of the At-Large community.

For the first time, the ALAC and At-Large regional representatives in Dakar welcomed 17 representatives from African ALSes taking part in the AFRALO Dakar Events, including:

- o An AFRALO Showcase – This event was comprised of several presentations on the theme of Internet Development and African Participation;
- o An AFRALO Capacity Building Program - A week-long series of capacity building sessions for African ALS representatives;
- o An AFRALO General Assembly – This AFRALO General Assembly, the first since March 2009, provided an opportunity for AFRALO to discuss issues of fundamental importance to their RALO; and
- o An AFRALO/AfrICANN Meeting – This Meeting consisted of a gathering of all the ICANN African community to discuss and endorse a statement on the issue of cybercrime in Africa.

#### **SSAC Activities -**

**SSAC Private Meetings:** For the second time the SSAC held a full day of private meetings at an ICANN meeting. The purpose was to provide time for members to discuss current Work Party projects as well to meet in person with other groups on key security topics.

**SSAC Public Meeting:** The SSAC held its public meeting for 1 hour and provided updates on the status of the SSAC annual membership review, the key goals of SAC051 (WHOIS Taxonomy); and metrics and actions on measuring outcomes from SSAC reports, advisories, and comments.

**Session and Workshop:** The beginner session was the most successful we have held thus far. The audience participation was very robust, with many questions and comments provided by local participants, both in English and French. The same was true of the DNSSEC workshop, which had more than 100 attendees, 19 presentations, and numerous questions and comments from the audience — particularly during the African regional update. In both cases these sessions achieved an important goal of promoting the benefits of DNSSEC in Africa.

## **Participation and Engagement -**

**Remote participation:** All sessions were monitored and attended by RP Managers. This went very smoothly compared to previous meetings. All sessions were also broadcasted (i.e. were made available for remote participation), unless they were closed meetings. We also received a lot of supportive messages in the chat rooms.

**Newcomers Lounge & Newcomers Track:** The overall satisfaction level from the lounge is reported as 97.4%, and 39.5% of these reported to have used the Lounge more than 3 times through out the week. Newcomers' Track on Sunday was also very popular, topping to 110 people (87 in room, 23 remote) and with 92.5% satisfaction level.

**Public Comment related ATRT recommendation implementations:** Generally heard positive feedback for what we have done so far. ALAC was explicitly pleased with the developments and stated so during my reports to them. Also collected about 10 volunteers to take part in the wiki-testing environment for further technical improvements for the Public Forum.

**Focus on ICANN Meetings Working Group of the Public Participation Committee:** PPC met with community and Board members (we targeted Community Leaders in advance with a specific invite to the meeting) regarding ICANN Meetings, their formats, frequency and efficiency. The session went well, opening dialogue with various groups and individuals (including Newcomers). PPC collected feedback and will continue their work in the light of them.

**ICANN Academy:** Commented on ALAC proposal for ), a training and orientation program. At-Large formed a group to work on the refinements to the proposal. (<https://community.icann.org/display/Improve/ICANN+Academy+Proposal>)

**Public Forum:** Building the agenda in advance and with input from Community groups seems to be paying off. Received good feedback about the process and the Public Forum was well attended.

## **Contractual Compliance:**

Mr. Paul Redmond joined the Contractual Compliance team as the Senior Manager for Performance Measurement and Reporting; Paul brings over 30 years of experience in program management with focus on performance measurement and reporting, service level objectives, service governance model and management scorecards. In the short term, Paul will be responsible to assess and consolidate all current compliance reporting efforts; he will oversee the current statistical and reporting analysis on current Contractual Compliance data. In addition, he will oversee the effort to document the business requirements for a centralized complaint management and reporting system. In the long term, Paul will establish the methodology and process for Contractual Compliance measurement, analysis

and reporting mechanism via Key Performance Indicators, dashboard and executive summaries.

#### Confidential and Business Proprietary

Successfully completed an all-day Contractual Compliance Outreach activity in Dakar, Senegal. This was a new outreach initiative to allow focused discussions as well as open interactions with all interested members of the ICANN community. The agenda consisted of 4 sessions; two with a focused topic and two as an open forum for questions and answers from attendees. The focused sessions topics were the Registrar Self-Assessment Questionnaire Review and feedback and Registrar Data Escrow.

Silicon Valley Outreach – On 10 November 2011 Maguy Serad (Senior Director) and Khalil Rasheed (Senior Manager) met with representatives from Facebook, Symantec, Visa, Adobe, Apple and law firms at ICANN’s Palo Alto office. The Compliance team made a well-received presentation to the participants, followed by useful discussions and knowledge sharing in a number of key compliance areas: UPDR, Whois and inter-registrar transfers. Pam Little (Senior Director) and Stacy Burnette (Director) joined the session by phone.

#### **AOC Reviews:**

**ATRT Implementation** – A well-attended public forum on implementation of the Board-adopted Accountability & Transparency Review Team (ATRT) recommendations was held in Dakar last month, and Staff briefed the GAC and several constituency groups there on the community's progress on ATRT work. Communication and outreach also was advanced via the Accountability & Transparency webpage, which was updated with easy-to-access ATRT status reports and key information on ICANN’s Affirmation of Commitments’ responsibilities. Implementation of the ATRT recommendations (including supporting Board, GAC, NomCom and community work on ATRT implementation) is an ongoing priority. With guidance from Board Committees on various ATRT recommendations, Staff is moving forward with implementation projects, applying new approaches to communicating about the ATRT and related efforts to the community, and is developing proposed metrics for Board Committee consideration.

**WHOIS Policy Review Team** – The Team, which had working meetings in Dakar, expects to finalize their draft report and release it for an extended period of public comment shortly. The WHOIS consumer trust survey results from the selected

consultant, User Insight Inc., are incorporated in this report. Staff continues to provide the Team support, including briefings, research and information sharing, as well as meeting organization and administrative assistance.

**Security, Stability & Resiliency of the DNS Review Team** – The Team held working meetings and meetings with community groups, such as SSAC, in Dakar, and has conducted interviews with an array of respondents. Report drafting is ongoing, and the Team expects to have a draft report posted for community discussion and review in early 2012. Staff continues to provide the Team support, including briefings, research and information sharing, as well as meeting organization and administrative assistance.

**Finance:**

Budget process started officially in Dakar.

Further documentation and communication in progress on SO/AC requests and internal bottom-up processes.

**Security Team:**

We initiated a security review of the TLD Application System (TAS).

In Dakar we supported Joe Abley’s training on DNSSEC for African ccTLDs (also resulting in the announcement of the new L-root instance in Dakar at the end of the training).

We also conducted DNS training with Francopol for the Senegalese National Police and local law enforcement on the Thursday prior to the ICANN meeting, and conducted an all-day workshop with law enforcement representatives including Interpol.

We developed a beta TLD early warning tool (<http://www.dnssek.info/tews/tews.html> ). We are currently testing this tool and working on additional features for alerts on critical messages and warnings at TLDs.

John Crain, Dave Piscitello and Rick Lamb attended the DNS-EASY/ 3rd Global DNS SSR Symposium in Rome, Italy 18-20 Oct. John and Dave were both on the program committee with other community experts.

Patrick Jones and Jeff Moss are working with Jamie Hedlund on inputs to potential MOUs and ICANN participation in training initiatives with law enforcement & DNS Capability Building.

Patrick Jones provided support to the IDN variant project and served as Cyrillic case study liaison.

The team provided inputs to the Affirmation Review Team on Security prior to and after the Dakar meeting, and continues to work with the drafting team in the SSR RT on documentation.

Geoff Bickers supported the Meetings team in delivering a safe ICANN meeting in Dakar.

Rick Lamb provided assistance to several ccTLDs working on signing their zones with DNSSEC.

### **Nominating Committee 2012:**

The Committee has held its kick-off meeting in Dakar, established timeline, assigned preparatory tasks and reviewed selection criteria. Call for applications from candidates is in preparation, to be announced mid-December with 2 April 2012 as application deadline. Staff continues to provide the Committee support, including redrafting of guidelines in line with ATRT and NomCom Review outcomes, as well as meeting organization and administrative assistance.

### **Global Partnerships:**

GAC membership now at 111 members and 17 observers

ccNSO now has 122 members, Mongolia being the newest member that joined 15 November.

GP staff have given presentations trainings and briefings in Manila, Sydney, and Pago Pago American Samoa; Cairo Egypt, Yahounde Camaroon and Noumea New Caledonia and supported the new gtlds roadshow events in Bulgaria.

### **Human Resources:**

Completion/execution of lease for 30,300 square feet of space in Playa Vista to replace the Marina del Rey offices next spring.

### **IT Department:**

Completed migration of GAC website to WIKI and trained the GAC Secretariat  
Document Management System for Legal Department in production  
Completed upgrade to Marina del Rey phone system to new vendor  
Implementing security enhancement to the TAS system  
Deployed pilot version of new GTLD Application Comment Program

### **IANA Services:**

Implemented new User Interface for Private Enterprise Numbers Applications for IANA Functions

Defined Key Performance Indicators for the IANA Functions and posted measurement on internal ICANN WIKI  
Completed the Annual Security Report for delivery to NTIA as per the IANA Functions Contract  
Attendance and presentations at APNIC, AFRINIC, LACNIC, ARIN, RIPE and IETF meetings  
Accepted invitation to establish ISO liaison with TC46/WG2  
Approximately 75% of root zone requests being processed via RZM system

**IDN FAST Track:**

Announced successful IDN string application for Kazakstan in cryllic  
ccNSO action to amend Fast Track Implementation Plan with clarification on how to treat confusingly similar strings for the same country or territory

**DNS Ops:**

Two meetings with Technical Team from RIRs about Global Trust Anchor for RPKI  
Two DNSSEC training sessions in Africa; Kenya and Senegal

**gTLD Registries:**

Finalized .coop RSEP - Third Level Domain DNS Support for .coop  
EBERO:

- RFI posted on 14 September 2011
- Teleconference held on 16 November 2011; responses deadline expected by 30 November 2011
- To date 12 parties expressed interest with some geographic diversity (Asia, Europe, North America)

# CEO MonthlyOnepageMetrics November 292011v5BD



# CEO Monthly One - Page Metrics Report (Board)

Report date: 15 November 2011

(millions)

Actual Financial Data*4	Fiscal YTD 31 August 2011
Operating Revenues	\$ 11.6
Operating Expenses	\$ 6.8
Contribution from Operations	\$ 4.8

Actual Financial Data	As of 31 August 2011
Assets	\$ 100.5
Liabilities	\$ 17.4
Cash	\$ 32.5
Reserve Fund	\$ 50.3

IDN Fast Track Billing Activity*5	ITD
Requests processed	21
IDN fees billed	\$754k
IDN fees collected	\$132K

Staffing *6 (as of 30 September)	Now
# of Staff	129
Open Positions	24
Retained Searches	3

Hires/Terminations*6	Month	FYTD
New Hires	2	7
Voluntary Terminations	2	2
Total Terminations	2	2

Participation ICANN Meetings	Dakar - 42nd ICANN Meeting	% of Attendees
Participants	1,246	100%
Staff (w/Contractors and Vendors)	113	9.10%
Supported Travelers	156	12.50%

Support Services at Meetings	Dakar - 42nd ICANN Meeting	% of Sessions
Sessions Conducted	195	100.0%
Live Audio Streaming	125	64.1%
Telephone Conferencing	94	48.2%
Interpretation	78	40.0%
Live Scribing	48	24.6%
Audio Transcription	85	43.6%
Web Chat Rooms	125	64.1%

## \* Footnotes:

- 1) Data is FY 12 Trimester 1 - ending 31 October 2011
    - a) Includes community working groups, work teams, committees, task forces only
    - b) Includes At-Large advisories and statements to Board and SOs only
    - c) ASO global policy proposals "in progress" are those being tracked by ICANN staff
  - 2) Based on ICANN confidentiality restrictions, there is a 90 day lag of data available
  - 3) Data as of 30 September 2011; Identifies the Number of unique IDN Fast Track applications received to date.
  - 4) FY12 Data through 31 August 2011
  - 5) From inception January 2010 through 30 September 2011
  - 6) Data as of 30 September 2011; Key Hires – Xavier Calvez, CFO; Key Departures – none; Key promotions – none; Key Searches –VP Africa, VP Asia, Vice President, Europe, Vice President, Latin America
  - 7) Date for October 1-31, 2011, identifies the number of IANA Services requests during a given month
- \*These statistics include completed Private Enterprise Number registrations and modifications but do not include pending requests as the statistics do not currently provide this information.
- 8) Data is from 1 January 2011 through 31 March 2011
  - 9) This statistic is now calculated against the full ISO 3166-1 alpha 2 list of a total of 241 delegatd ccTLDs.
  - 10) No change from last month. However, there was a significant increase in the overall amount of both IPv4 and IPv6 traffic to our web sites. So IPv6 traffic is increasing in proportion with IPv4 traffic

Documents Produced	Trimester 1	FYTD Translations	Cost per word (in USD)
Public Comment Periods Opened	22		
Produced Documents	37		
Translation Requests	164	4.346 m words	\$0.10

Policy Development *1	T1 - Initiated	In Progress	Completed
ASO global policy proposals *c	0	1	0
ccNSO work groups *a	0	12	0
GNSO work groups *a	0	20	0
SSAC projects	1	3	3
At-Large statements *b	9	3	9

Growing Community Interest	Now
Number of ccNSO Members	121
Number of At Large Structures	137

Deployment IPv6 *10	Percentage of Total
IPv6 traffic to ICANN Sites	0.98%

IANA Services*7	Month Open	Month New	Month Closed	Outstanding
Root Zone Requests	17	118	98	37
IETF Requests*	151	267	382	80
RIR Requests	0	0	0	0

Domain name registrations in gTLD's *2 (as of April 2011)	New Registrations YTD	Net Change in Registrations	Total Registrations
gTLD Total	35,932,477	9,633,200	132,173,462

IDN FastTrack Requests *3	Month	Total
Total Requests	0	36
Number of countries/territories with IDNs in the RZ	0	20 (30 IDN ccTLD's)

ccTLD commitments*9	Trimester 3	Signed Total	% of Signed Total
New ccTLD Accountability Frameworks	0	64	27%

Registrar Data Escrow	Now	% of gTLD Registrations Protected
No. registrars enrolled	870	99.50%

Involuntary Terminated or Non- Renewed Registrars *8	YTD	% of Total Registrars
Terminated	4	0.41%

"L" Root Service	Month	YTD
Uptime	100%	100%
Requests Served	32 Billion	130 Billion
Average Requests per second	12,000	12,000



## **2011-11-29-01-Delegation of .SX**

**ICANN BOARD SUBMISSION NO. 2011-11-XX-XX**

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

**PROPOSED ACTION:** For Board Review and Approval

**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**

Whereas, SX is the ISO 3166-1 two-letter country-code designated for Sint Maarten (Dutch part);

Whereas, ICANN has received a request for delegation of .SX to SX Registry SA B.V.;

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 .SX top-level domain to SX Registry SA B.V. is approved.

## **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.

This specific proposal is being presented for consideration out of the regular Board consideration schedule, as there are only minor changes to the original application presented to the Board at its 11 October 2011 meeting, and earlier approval will help facilitate the local Internet community to migrate to the domain at the same time as they migrate to their new international telephony country code.

### **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. In this specific case, approval of the request in November will help facilitate plans within the country to execute migration in conjunction with migration to their new international telephony country code.

**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.

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Submitted by:	Kim Davies
Position:	Manager, Root Zone Services
Date Noted:	14 November 2011
Email and Phone Number	kim.davies@icann.org; Contact ..

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