

2011-08-25-NoticeBDMtg-final

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

Directors and Liaisons,

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

25 August 2011 - Special Meeting of the ICANN Board of Directors --
at 20:00 UTC – This Board meeting is estimated to last 2 hours.

Some other time zones:

25 August 2011 – 1:00 PM PDT Los Angeles

25 August 2011 – 10:00 PM CEST Brussels

25 August 2011 – 4:00 PM EDT Washington, D.C.

26 August 2011 – 6:00 AM Sydney

<http://www.timeanddate.com/worldclock/fixedtime.html?iso=20110825T20&ah=2>

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

The materials are all available in a summary document and two books on BoardVantage, if you are unable to access, it can be mailed to you directly.

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

The call information is also attached. If you require a call out to be brought into the meeting, because you are not in a location with a toll free dial-in, please let us know and we will have the call operators call you 5-10 minutes before the start of the meeting.

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

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2011-08-25-Agenda-Resolutions-Rationales[1]



Draft Board Resolutions
25 August 2011
Special Meeting of the ICANN Board

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

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1. Consent Agenda

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

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

Resolved (2011.08.25.xx), the Board approves the minutes of the 28 July 2011 ICANN Board Meeting.

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

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

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

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

Resolved (2011.08.25.xx), the Board adopts the recommendation of the BGC that Reconsideration Request 11-1 be denied.

Rationale for Resolution 2011.08.25.xx

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

Having a reconsideration process whereby the BGC reviews and makes a recommendation to the Board for approval positively affects the transparency and accountability of ICANN. It provides an avenue for the community to ensure that staff and the Board are acting in accordance with ICANN's policies, Bylaws and Articles of

Incorporation. Adopting the BGC's recommendation has no financial impact on ICANN and will not negatively impact the systemic security, stability and resiliency of the domain name system.

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

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

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

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

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

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

Whereas after the GNSO Council vote, a 30-day public comment period was held on the approved recommendations, and the comments have been summarized and considered (<http://www.icann.org/en/public-comment/irtp-b-recommendations-08jul11-en.htm>).

Resolved (2011.08.25.xx) the Board adopts the GNSO Council Policy Recommendations amending the Inter-Registrar Transfer Policy set forth at <http://www.icann.org/en/transfers/policy-en.htm>.

Resolved (2011.08.25.xx) the CEO is to develop and complete an implementation plan for these Recommendations and continue

communication with the community on such work.

Resolved (2011.08.25.xx) the CEO is directed to undertake the studies identified by the GNSO Council at [identify resolutions here] to facilitate further work on this issue.

Resolved (2011.08.25.xx) the Board encourages the GNSO, the ALAC and all other parts of the ICANN community to work together to promote the measures outlined in the SSAC's report A Registrant's Guide to Protecting Domain Name Registration Accounts (SAC 044), as identified within the GNSO Council Resolutions.

Rationale for Resolution 2011.08.25.xx

Why the Board is addressing the issue now?

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

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

What is the proposal being considered?

The following recommendations are being considered:

- *Requiring Registrars to provide a Transfer Emergency Action Contact (TEAC). To this end proposed language to modify section 4 (Registrar Coordination) and Section 6 (Registry Requirements) of the Inter-Registrar Transfer Policy has been provided (see Annex for further details). The Transfer*

Emergency Action Contact (TEAC) is a mechanism to facilitate urgent communications relating to transfers. The goal of the TEAC is to quickly establish real time communication between registrar representatives in case of emergency such as a transfer as a result of a domain name hijacking so that the registrar can take steps to resolving the issue. The TEAC only addresses establishing that communication not resolving any disputes that may arise for which other policies and procedures apply.

- *Modifying section 3 of the IRTP to require that the Registrar of Record/Losing Registrar be required to notify the Registered Name Holder/Registrant of the transfer out. The Registrar of Record has access to the contact information for the Registrant and could modify their systems to automatically send out the Standardized Form for Losing Registrars ("Confirmation FOA") to the Registrant. Requiring this notification would alert the registrant at an earlier stage that a transfer has been requested, which as a result would bring any potential conflicts to light before a transfer has been completed and therefore might reduce the number of conflicts between the admin contact and registrant that would require undoing a transfer.*
- *Modifying Reason for Denial #6 as follows: Express objection to the transfer by the authorized Transfer Contact. Objection could take the form of specific request (either by paper or electronic means) by the authorized Transfer Contact to deny a particular transfer request, or a general objection to all transfer requests received by the Registrar, either temporarily or indefinitely. In all cases, the objection must be provided with the express and informed consent of the authorized Transfer Contact on an opt-in basis and upon request by the authorized Transfer Contact, the Registrar must remove the lock or provide a reasonably accessible method for the authorized Transfer Contact to remove the lock within five (5) calendar days. The current language of denial reason #6 is not clear and leaves room for interpretation especially in relation to the term*

‘voluntarily’ and it is therefore recommended that this language is expanded and clarified to tailor it more to explicitly address registrar-specific (i.e. non-EPP) locks in order to make it clear that the registrant must give some sort of informed opt-in express consent to having such a lock applied, and the registrant must be able to have the lock removed upon reasonable notice and authentication.

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

Which stakeholders or others were consulted?

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

What concerns or issues were raised by the community?

The only concern raised as part of the public comment forum on the recommendations to be considered by the ICANN Board was with regard to the four hour response time required as part of the Transfer Emergency Action Contact (TEAC) recommendation. The commenter noted that it would put ‘too much burden on small and medium sized registrars’. However, the commenter seemed to assume that a resolution is required within four hours (‘A final solution/ settlement

can take place also after 1 or 2 days') instead of an initial response, which is the only requirement under the proposed TEAC. As the IRTP Part B PDP Working Group explained it in its Final Report 'the goal of the TEAC is to quickly establish real time communication between registrar representatives who can take steps to resolving the issue, but this policy only addresses establishing that communication not resolving any disputes that may arise'. With regard to the four hour response time, the IRTP Part B PDP Working Group noted that 'even the smallest of registrars can simply rotate this function among operational staff, just as they rotate other "emergency" aspects of their business. The number of TEAC requests is likely to be very small and quite infrequent, but when they occur there is a genuine emergency that needs to be dealt with quickly'. It should be noted that both small as well as big registrars participated in the deliberations of the IRTP Part B Working Group and supported the recommendations.

What significant materials did the Board review?

The Board reviewed the GNSO Council Report to the Board, as well as the summary of public comments and Staff's response to those comments.

What factors the Board found to be significant?

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

Are there positive or negative community impacts?

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

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

Apart from those changes required in process for registrars as outlined above, no other fiscal impacts or ramifications on ICANN; the community; and/or the public are expected.

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

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

1.4. Approval of Receipt of Report from TR-WG

Material to be provided before the Board meeting by the TR-WG.

2. Approval of NomCom Chair & Chair-Elect

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

Whereas, the BGC has interviewed certain candidates and recommended that that [INSERT NAME] be appointed as the 2012 NomCom Chair and [INSERT NAME] be appointed as the 2012 NomCom Chair-Elect.

Resolved (2011.08.25.xx), the Board adopts the recommendation of the BGC and hereby appoints [INSERT NAME] as the 2012 NomCom Chair and

[INSERT NAME] as the 2012 NomCom Chair-Elect.

Rationale for Resolution 2011-08-25-xx

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

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

3. Process Steps for Consideration of Board Remuneration

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

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

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

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

Resolved (2011.08.25.xx), the Board shall direct staff to take all steps necessary to consider the appropriateness of compensation for voting Directors.

Resolved (2011.08.25.xx), as part of the process of reviewing any Director compensation, the Board shall retain an Independent Valuation Expert, as that term is defined in §53.4958-1(d)(4)(iii)(C) of the Regulations (an “Expert”), to consult with and to advise the Board regarding the appropriateness and level of any Director compensation arrangements, and to issue to the Board a Reasoned Written Opinion, as that term is defined in §53.4958-1(d)(4)(iii)(C) of the Regulations (the “Opinion”), from such Expert regarding the ranges of Reasonable Compensation for any such services by a Director.

Resolved (2011.08.25.xx), the Expert's opinion shall include all factors the Expert determines to be appropriate regarding the appropriateness and the level of compensation to be paid a voting Director for services to ICANN as a Director, including offices held on the Board, attendance at Board and Committee meetings, the nature of service on the Board and on Board Committees, and Appropriate Data as to Comparability, as that term is defined in §53.4958-6(c)(2) of the Regulations, regarding director compensation arrangements for U.S.-based, nonprofit, tax-exempt organizations possessing a global employee base.

Resolved (2011.08.25.xx), after having reviewed the Expert's Opinion, the Board shall meet with the Expert to discuss the Expert's Opinion and to ask questions of the Expert regarding the Opinion, the Comparability Data obtained and relied upon, and the conclusions reached by the Expert.

Resolved (2011.08.25.xx), that the Board shall adequately document the basis for any determination the Board makes regarding Director compensation arrangements concurrently with making that determination.

Resolved (2011.08.25.xx), ICANN’s General Counsel is authorized and directed to retain Towers Watson as the Board’s Independent Valuation

Expert to consult with and to advise the Board regarding Director compensation arrangements and to issue to the Board the Reasoned Written Opinion described above regarding the appropriateness of and ranges of Reasonable Compensation for any such services by a Director.

Resolved (2011.08.25.xx), ICANN's staff is hereby directed to post for public comment a proposed revised Conflicts of Interest Policy and proposed revised Bylaws that will be required if the Board approves a recommendation that eligible Board members should be compensated for services to ICANN as Directors of ICANN.

Rationale for Resolution 2011-08-25-xx

Over the past several years, ICANN has been considering issues surrounding Board compensation. The Board has publicly discussed the matter and has reviewed independent analysis and advice on the matter. For example: (i) there were calls from the community in relation to ICANN Framework for Accountability and Transparency that the entire Board be compensated; (ii) budget contingency discussions since FY08 have involved the concept of possible Board remuneration; (iii) independent evaluation experts provided studies on other non-profit organizations and Board member remuneration; (iv) the Boston Consulting Group ("BCG") that conducted the Board Review suggested that relatively modest fees to compensate directors for time may be appropriate; (v) the Board Review working group acknowledged general support from BCG and community for director remuneration, but recommended further study in coordination with General Counsel; and (vi) the Accountability and Transparency Review Team specifically recommended that the Board should implement a compensation scheme for voting Directors.

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

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

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

4. Single Character IDN Update

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

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

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

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

Whereas, the Fast Track was designed to enable the introduction of a limited number of non-contentious IDN ccTLDs to meet near-term demand

while the overall policy is being developed, using methods that do not preempt the outcomes of the IDN ccPDP.

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

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

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

Resolved (2011.08.28.xx) the Board, on the issue of delegation of single character gTLDs:

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

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made available after the first gTLD application round and conclusion of IDN ccTLD policy work.

2011-07-28-Board-Minutes-bdfinal



Minutes
28 July 2011
Special Meeting of the ICANN Board

A Special Meeting of the ICANN Board of Directors was held on 28 July 2011 at 11:00 UTC.

Chairman Steve Crocker promptly called the meeting to order.

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

Erika Mann sent apologies.

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 Wolf, RSSAC Liaison.

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1. Consent Agenda

The Chair of the Board introduced the Consent Agenda items and moved the Consent Agenda resolution.

The Board then took the following action:

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

1.1. Approval of Minutes of 20 June 2011 ICANN Board Meeting

Resolved (2011.07.28.01), the Board approves the minutes of the 20 June 2011 ICANN Board Meeting.

1.2. Approval of Minutes of 24 June 2011 ICANN Board Meeting

Resolved (2011.07.28.02), the Board approves the minutes of the 24 June 2011 ICANN Board Meeting.

1.3. Approval of Minutes of 24 June 2011 ICANN Organizational Board Meeting

Resolved (2011.07.28.03), the Board approves the minutes of the 24 June 2011 ICANN Organizational Board Meeting.

1.4. Approval of Minutes of 25 June 2011 ICANN Board Meeting

Resolved (2011.07.28.04), the Board approves the minutes of the 25 June 2011 ICANN Board Meeting.

1.5. Approval of Redelegating of .om Domain Representing Oman

Whereas, OM is the ISO 3166-1 two-letter country-code designated for Oman;

Whereas, ICANN has received a request for redelegation of .OM to the Telecommunications Regulatory Authority.

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

It is hereby Resolved (2011.07.28.05), that the proposed redelegation of the .OM top-level domain to the Telecommunications Regulatory Authority is approved.

Rationale for Resolution 2011.07.28.05

Why the Board is addressing the issue now?

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

What is the proposal being considered?

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

Which stakeholders or others were consulted?

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

What concerns or issues were raised by the community?

Any concerns or issues are raised within the public report that will be published in conjunction with this action. This report will be published on the IANA website at <http://www.iana.org/> should the

root zone change request has successfully completed final processing, usually 1-2 months after the Board's decision.

What significant materials did the Board review?

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

What factors the Board found to be significant?

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

Are there positive or negative community impacts?

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

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

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

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

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

Resolutions 2011.07.28.01, 2011.07.28.02, 2011.07.28.03, 2011.07.28.04, and 2011.07.28.05 were approved in a single vote approving the consent agenda items. All Board members present unanimously approved these resolutions. Erika Mann and Mike Silber were not available to vote on the resolutions.

2. Receipt of Security, Stability & Resiliency Framework for FY12

Jeff Moss, the Chief Security Officer, provided a report regarding the SSR Framework, including a discussion of how community considerations raised in response to earlier SSR Frameworks were incorporated into the FY12 Framework. Jeff explained that, as a result of feedback received in Cartagena, the report is now more streamlined and draws greater distinction between the areas where ICANN has operational control such as DNSSEC and root zone operations, and those areas where ICANN is a collaborator and coordinator, and areas where ICANN is more of an observer of activities led by other groups. The 2012 SSR Framework was previewed with the SSAC and the At-Large, and has been the subject of public comment. The Framework was then discussed with various constituencies at the Singapore meeting, with generally positive feedback on the changes.

Jeff noted that there is still community concern that ICANN needs to be better in updating the community on how prior SSR Frameworks have been executed and implemented, as well as providing more budget detail. This same concern is under discussion with the Affirmations review team addressing Security and Stability, and efforts are already underway to meet these concerns.

The Chair confirmed that the Board is now being asked to acknowledge receipt of the Framework. The Chair then provided his view that this 2012 Framework is an improvement over the Frameworks previously presented, and thanked Patrick Jones and the staff for that work. The Chair also noted that any plan has to have criteria that will allow evaluation of measurable goals, and this Framework provides a better basis for reporting than prior Frameworks. Using this Framework as a baseline, the Chair commented that going forward, reporting against the Framework should be straightforward.

Jeff confirmed that transparency and the ability to report against the plan was very important to its design. Jeff also inquired about the Board's wishes for the next step in evolving the SSR plan.

Ram Mohan confirmed that he and Ray Plzak, through their work on the Board Governance Committee, are tasked with identifying a recommended composition for a DNS Working Group that will have oversight over the execution of the SSR plans, which may be ready for Board consideration at its next Board meeting. The charter and scope of the group's work will also have to be defined, such as whether this will be a standing group.

The Chair then inquired of the CEO as to his understanding of the purpose of the working group.

The CEO confirmed that the working group that is being formed will have a task to develop a process for reviewing and overseeing a DNS risk management system, and the oversight of the SSR Framework is one part of that. The CEO noted that the narrow focus of this new working group will hopefully lead to timely success and progress on these issues.

The Chair noted the CEO's earlier concerns in modifying the SSAC's charter to remove the security framework responsibility without having any compensating activity, while one of ICANN's primary obligations as an organization is to maintain the security, stability and resiliency of the DNS. The

Chair asked the CEO if this development of the pending working group was satisfactory to the CEO.

The CEO confirmed that he is pleased with this development, as the shift to having the DNS SSR issues considered under the Board's leadership will give ICANN the ability to be more proactive in developing rigorous risk measures and monitoring. The CEO shared that there is growing outside interest from experts in forming strategic relationships with ICANN to contribute ideas on developing risk frameworks.

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

Whereas, the FY 12 Security, Stability & Resiliency (SSR) Framework was posted for public comment from 2 May to 7 June 2011.

Whereas, a public comment summary and analysis was completed and published on 8 June 2011.

Whereas, staff conducted a community briefing during the Singapore meeting and is incorporating feedback into the operational priorities described in the SSR Framework, including benchmarks, objectives, milestones and a mechanism for assessing success in SSR activities.

Resolved (2011.07.28.06), the Board acknowledges receipt of the FY 12 SSR Framework.

Rationale for Resolutions 2011.07.28.06

Under the Affirmation of Commitments signed by ICANN and the US Department of Commerce on 30 September 2009, preserving the security, stability and resiliency of the DNS is recognized as a key commitment. The Affirmation acknowledges in Section 9.2 that ICANN has adopted a Security, Stability and Resiliency (SSR) Plan, which will be regularly updated to reflect emerging threats to the DNS, including unique identifiers. Previous SSR Plans were published in 2009 and 2010, and acknowledged by the ICANN Board at the international public meetings in Sydney, Australia (June 2009) and Cartagena, Colombia (December 2010).

This latest version of the SSR Framework has been updated in a

more streamlined and accessible format, and was published in May 2011 to bring ICANN's baseline documentation on SSR on schedule with the publication of the FY 12 ICANN Operating Plan and Budget cycle. The document provides guidance to the community on ICANN's role in SSR, describes areas in which ICANN has operational responsibility, areas in which ICANN is a collaborator, facilitator and contributor, and areas in which ICANN is an observer of activities led by others in the ecosystem. Community inputs received in the public comment period were generally supportive of the revised format, and asked for greater specificity and precision on definitions.

A Board paper detailing the SSR Framework and annex containing information on the comments received between 2 May and 7 June 2011 has been provided to the Board.

The document is separate from the overall ICANN Operating Plan and Budget and there are no anticipated fiscal impacts from this decision. The Framework serves as guidance on ICANN activities in SSR for the coming fiscal year.

Resolution 2011.07.28.06 was unanimously approved by all Board members present. Erika Mann and Mike Silber were unavailable to vote on the resolution.

3. Appointment of a New Ombudsman

John Jeffrey, General Counsel and Secretary, provided a report to the Board on the work of the Compensation Committee and the Board to identify a recommended candidate as the ICANN Ombudsman. The Board had identified two final candidates and conducted an board set of interviews during ICANN's Singapore Meeting. The Compensation Committee had recommended a selection of one of the candidates. The Compensation Committee and the General Counsel discussed a proposed compensation structure and on behalf of the Board, the General Counsel discussed the proposed compensation structure with the preferred candidate on behalf of the Board.

Bruce Tonkin confirmed that the Compensation Committee as it was comprised prior to meeting at the end of the Singapore Meeting [Peter Dengate Thrush, Rita Rodin Johnston, R. Ramaraj and Bruce] interviewed a number of candidates, and then interviews with the final candidates were open to all Board members.

Bertrand de La Chapelle requested that processes such as these be formalized or clarified for the future, so that the full Board has a better understanding of how these selections are made.

Katim Touray suggested additional formats for candidate interviews that may allow more members of the Board to more generally review and assess candidates.

The merits of the candidates were discussed, and then based upon the Compensation Committee's recommendation the following motion was moved by Bruce Tonkin and R. Ramaraj seconded the following resolution:

Whereas, on 31 January 2011 ICANN's then Ombudsman moved on to other endeavors.

Whereas, since 1 February 2011 an interim Ombudsman has been performing all of the Ombudsman functions and responsibilities.

Whereas, ICANN has conducted a thorough and global search for a new Ombudsman.

Whereas, the Board has identified a new Ombudsman, who has accepted the position.

Resolved (2011.07.28.07), in accordance with Article V, Section 1.2 of the ICANN Bylaws, the Board hereby appoints Chris LaHatte as the ICANN Ombudsman for an initial term of two years, effective 28 July 2011 through 27 July 2013, and authorizes the General Counsel & Secretary to execute an agreement with Mr. LaHatte.

Proposed Rationale for Resolution 2011.07.28.07:

ICANN's Bylaws require ICANN to maintain an Office of the

Ombudsman. See Article V of the Bylaws at <http://www.icann.org/en/general/bylaws.htm#V>. Having an ICANN Ombudsman positively affects the transparency and accountability of ICANN as the Ombudsman is one of the three main accountability mechanisms within ICANN. As there has been a budget for an ICANN Ombudsman since 2004 when the first Ombudsman was appointed, replacing the current interim Ombudsman will have a negligible financial impact on ICANN. Appointing a new Ombudsman will not negatively impact the systemic security, stability and resiliency of the domain name system.

Eleven Board members voted in favor of Resolution 2011.07.28.07. Sébastien Bachollet, Bertrand de La Chapelle and Katim Touray abstained from voting on the resolution, and Erika Mann and Mike Silber were unavailable to vote. The resolution carried.

4. CEO Report

The CEO provided a report to the Board on activities and achievements within the organization since Singapore. He noted Cherine Chalaby's and Ray Plzak's productive visits to the Marina del Rey offices and their input on financial items as well as Board training and other operations issues. The CEO also noted his work with the new Chair on items to prepare for the Board's upcoming workshop, as well as work with the executive team on work to establish clear metrics and goals for items in the strategic plan.

The CEO thanked the Board members for their contributions to ICANN's FNOI response to the Department of Commerce.

The CEO also noted Jeff Moss' work in integrating into the organization and strengthening the security group.

The CEO then provided an update on the planning for the October meeting in Dakar, Senegal, including remote participation items. The Chair and other members of the Board echoed their continuing support for hosting the meeting in Dakar.

The CEO wrapped up his report with recruitment information, including the status of recruitment of a new CFO and a VP of the Africa region, as well as

staffing the new gTLD group. The CEO also noted the work within ICANN to plan all the details of the new gTLD program, including supporting the Joint Applicant Support working group. Finally, the CEO noted that the FY2011 financials are looking better than anticipated.

Bertrand de La Chapelle provided some remarks regarding the CEO's report, including a request for the Board to be introduced to new hires during its workshop in Marina del Rey, and a correction to the status of an item regarding the IGF. Bertrand also requested more information on the status of the icann.org website redesign and the new gTLD communications plan, including staff analysis of the extent of the communication of the program to date.

The CEO noted the extensive and difficult planning process to lay out all the logistics for the communications plan after the Board approved the program in Singapore. He noted that outside consultants may be necessary at this time to provide the analysis requested by Bertrand because of the focus of the team in planning for conferences and events. There is, however, a clear need to measure the impact of events and communications as part of the program. One the website redesign, the sheer size of the website contributes to the long period of time needed to complete the redesign. The CEO offered to host an informational call for the Board on this item.

Sébastien Bachollet commented on the JAS item and thanked the CEO for his conversation on that issue. Sébastien also inquired about the communication program and noted that it's important for Board members to have messages to take to the community. Sébastien requested an informational Board call on this topic.

The CEO confirmed that a Board informational call could cover all three items: website design, Board communications on new gTLDs, and the overall communications plan.

5. Any Other Business

The Chair called for any other business from Board members.

Sébastien Bachollet inquired about the status of work on ATRT recommendation 5 regarding remuneration of Board members.

Bertrand de La Chapelle inquired about the status of the delegation that will be attending the IGF in Nairobi.

The Chair confirmed that messages will be sent to the Board regarding the status of each of these items.

The Chair then called the meeting to a close.

**2011-08-25-01-Board Submission-Reconsideration-
Request-11-1**

ICANN BOARD SUBMISSION NO. 2011-08-25-01

TITLE: **BGC Recommendation on Reconsideration 11-1**
PROPOSED ACTION: **For Board Approval**

EXECUTIVE SUMMARY:

On 15 June 2011, Michael F. Gende submitted Reconsideration Request 11-1 (“Request”) asking the Board Governance Committee (“BGC”) to reconsider ICANN Staff’s inaction on Mr. Gende’s request to allow his company, Zeta Music Systems, LLC, “to take over the domain zetamusic.com domain.” *See* Annex for Reconsideration Request.¹ Staff inaction may be reconsidered if it contradicts “established ICANN policy(ies).” *See* Bylaws, Article IV, section 2.2.a at <http://www.icann.org/en/general/bylaws.htm#IV>.

On 15 August 2011, the BGC reviewed the Request. The BGC found that because ICANN has no authority over, and is not responsible for, maintaining individual domain names or domain name registrations, ICANN Staff’s inaction relating to such matters cannot violate established ICANN policies. Thus, there is no basis for reconsideration of ICANN’s failure to involve itself in matters relating to Mr. Gende’s pursuit of the domain name zetamusic.com.

BGC RECOMMENDATION:

The BGC recommends that Reconsideration Request 11-1 be denied and that the Board adopt the BGC’s recommendation.

PROPOSED RESOLUTION:

Whereas, the BGC has reviewed Reconsideration Request 11-1 submitted by

¹ On 15 July, 30 days after Reconsideration Request 11-1 was submitted, and after consultation with the BGC Chair, the following message was sent to the Requestor: “Dear Mr. Gende - We are in receipt of your reconsideration request. Given the timing in which your reconsideration request was submitted, the Board Governance Committee (BGC) will be in a position to review your request at its next meeting presently scheduled in August. Once the BGC does have a chance to review your request and determine whether to consider it, you will be notified with the decision. Thank you.”

Michael F. Gende on 15 June 2011 concerning the domain name zetamusic.com.

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

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

Resolved (2011.08.25.xx), the Board adopts the recommendation of the BGC that Reconsideration Request 11-1 be denied.

PROPOSED RATIONALE:

ICANN's Bylaws require the Board Governance Committee to evaluate and make recommendations to the Board with respect to Reconsideration Requests. *See* Article IV, section 3 of the Bylaws

<http://www.icann.org/en/general/bylaws.htm#IV>. The Board has reviewed the BGC's recommendation and finds the analysis sound.

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

Submitted by:	Amy A. Stathos
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2011-08-25-02-Board Submission IRTP Part B PDP

ICANN BOARD SUBMISSION NO. 2011-08-25-02

TO: ICANN Board of Directors
TITLE: GNSO Council Recommendations IRTP Part B
PROPOSED ACTION: Board Action to Approve

EXECUTIVE SUMMARY:

The Generic Names Supporting Organization (GNSO) unanimously approved at its meeting on 22 June 2011 the following recommendations on the Inter-Registrar Transfer Policy (IRTP) Part B Policy Development Process (PDP):

- Requiring Registrars to provide a Transfer Emergency Action Contact (TEAC). To this end, proposed language to modify section 4 (Registrar Coordination) and Section 6 (Registry Requirements) of the Inter-Registrar Transfer Policy has been provided (see Annex for further details). The TEAC is a mechanism to facilitate urgent communications relating to transfers, with a goal to quickly establish real-time communication between registrar representatives in case of emergency (such as a transfer as a result of a domain name hijacking) so that the registrar can take steps to resolving the issue.
- Modifying section 3 of the IRTP (<http://www.icann.org/en/transfers/>) to require that the Registrar of Record/Losing Registrar be required to notify the Registered Name Holder/Registrant of the transfer out. Requiring this notification would alert the registrant at an earlier stage that a transfer has been requested, which would bring any potential conflicts to light before a transfer has been completed, potentially reducing the number of conflicts between the admin contact and registrant that would require undoing a transfer.
- Modifying Reason for Denial #6 (“Express written objection to the transfer from the Transfer Contact. (e.g. - email, fax, paper document or other processes by which the Transfer Contact has expressly and voluntarily objected through opt-in means”) to make the text clearer and reduce the potential for differing interpretations. The proposed replacement language tailors this Denial reason to explicitly address registrar-specific locks and make clear that the registrant must give some sort of informed opt-in express consent to having such a lock applied,

and the registrant must be able to have the lock removed upon reasonable notice and authentication.

- Deleting denial reason #7 (“A domain name was already in “lock status” provided that the Registrar provides a readily accessible and reasonable means for the Registered Name Holder to remove the lock status.”) as a valid reason for denial under section 3 of the IRTP, as it is technically not possible to initiate a transfer for a domain name that is locked, making this denial reason obsolete.

Under 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.

The policy recommendations above, if approved by the Board, will impose new obligations on certain contracted parties. The GNSO Council’s unanimous vote in favor of these items exceeds the voting threshold required at Article X, Section 3.9.f of the ICANN Bylaws regarding the formation of consensus policies.

Furthermore, the GNSO Council requested staff support for additional work on two other recommendations: one relating to standardizing and clarifying WHOIS status messages regarding Registrar Lock status, and; a second one relating to a new provision for the IRTP on when and how domains may be locked or unlocked. In addition, GNSO Council recommended the promotion by ALAC and other ICANN structures of the measures outlined in the recent report of the Security and Stability Advisory Committee on A Registrant's Guide to Protecting Domain Name Registration Accounts (SAC 044).

The Annex to this submission provides the background and further details with regard to these recommendations.

STAFF RECOMMENDATION:

Staff recommends that the Board adopts the GNSO Policy Recommendations as a Consensus Policy modification to the Inter-Registrar Transfer Policy (IRTP). The recommendations, if implemented, would usefully clarify and enhance the IRTP, to the advantage of all parties concerned.

Staff also recommends that the Board, in line with the GNSO recommendation of further work to guide the study of these issues, direct the CEO to have staff perform studies as requested in Resolved Clauses D and E of the GNSO Resolution (see <http://gns0.icann.org/resolutions/#201106>).

PROPOSED RESOLUTION:

WHEREAS on 24 June 2009, the GNSO Council launched a Policy Development Process (PDP) on the Inter-Registrar Transfer Procedure Part B (IRTP Part B) addressing five charter questions, set forth at <https://community.icann.org/display/gns0irtpb/3.+WG+Charter>;

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

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

WHEREAS the GNSO Council reviewed, and discussed the recommendations of the IRTP Part B WG, and adopted the Recommendations on 22 June 2011 by a Supermajority and unanimous vote (see: <http://gns0.icann.org/resolutions/#201106>);

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

WHEREAS after the GNSO Council vote, a 30-day public comment period was held on the approved recommendations, and the comments have been summarized and considered (<http://www.icann.org/en/public-comment/irtp-b-recommendations-08jul11-en.htm>).

RESOLVED (2011.xx.xx.__) the Board adopts the GNSO Council Policy Recommendations amending the Inter-Registrar Transfer Policy set forth at <http://www.icann.org/en/transfers/policy-en.htm>.

RESOLVED (2011.xx.xx__) the CEO is to develop and complete an implementation plan for these Recommendations and continue communication with the community on such work.

RESOLVED (2011.xx.xx.__) the CEO is directed to undertake the studies identified by the GNSO Council at [identify resolutions here] to facilitate further work on this issue.

RESOLVED (2011.xx.xx.__) the Board encourages the GNSO, the ALAC and all other parts of the ICANN community to work together to promote the measures outlined in the SSAC's report A Registrant's Guide to Protecting Domain Name Registration Accounts (SAC 044), as identified within the GNSO Council Resolutions.

RATIONALE FOR RESOLUTION:

Why the Board is addressing the issue now?

The Inter-Registrar Transfer Policy (IRTP) is a consensus policy that was adopted in 2004 which provides for a straightforward process for registrants to transfer domain names between registrars. The GNSO Council established a series of five Working Groups (Parts A through E) to review and consider various revisions to this policy. The IRTP Part B PDP is the second in a series of five scheduled PDPs addressing areas for improvements in the existing policy. The IRTP Part B Working Group has addressed five issues focusing on domain hijacking, the urgent return of an inappropriately transferred name, and lock status. The IRTP Part B PDP Final Report received unanimous consensus support from the IRTP Part B Working Group as well as the GNSO Council. Following the closing of the public comment period on 8 August, the next step as outlined in Annex A of the ICANN Bylaws is consideration by the ICANN Board of the recommendations.

What is the proposal being considered?

The following recommendations are being considered:

- Requiring Registrars to provide a Transfer Emergency Action Contact (TEAC).
To this end proposed language to modify section 4 (Registrar Coordination) and

Section 6 (Registry Requirements) of the Inter-Registrar Transfer Policy has been provided (see Annex for further details). The Transfer Emergency Action Contact (TEAC) is a mechanism to facilitate urgent communications relating to transfers. The goal of the TEAC is to quickly establish real time communication between registrar representatives in case of emergency such as a transfer as a result of a domain name hijacking so that the registrar can take steps to resolving the issue. The TEAC only addresses establishing that communication not resolving any disputes that may arise for which other policies and procedures apply.

- Modifying section 3 of the IRTP to require that the Registrar of Record/Losing Registrar be required to notify the Registered Name Holder/Registrant of the transfer out. The Registrar of Record has access to the contact information for the Registrant and could modify their systems to automatically send out the Standardized Form for Losing Registrars ("Confirmation FOA") to the Registrant. Requiring this notification would alert the registrant at an earlier stage that a transfer has been requested, which as a result would bring any potential conflicts to light before a transfer has been completed and therefore might reduce the number of conflicts between the admin contact and registrant that would require undoing a transfer.
- Modifying Reason for Denial #6 as follows: Express objection to the transfer by the authorized Transfer Contact. Objection could take the form of specific request (either by paper or electronic means) by the authorized Transfer Contact to deny a particular transfer request, or a general objection to all transfer requests received by the Registrar, either temporarily or indefinitely. In all cases, the objection must be provided with the express and informed consent of the authorized Transfer Contact on an opt-in basis and upon request by the authorized Transfer Contact, the Registrar must remove the lock or provide a reasonably accessible method for the authorized Transfer Contact to remove the lock within five (5) calendar days. The current language of denial reason #6 is not clear and leaves room for interpretation especially in relation to the term 'voluntarily' and it is therefore recommended that this language is expanded and clarified to tailor it more to explicitly address registrar-specific (i.e. non-EPP) locks in order to make it clear that the registrant must give some sort of

informed opt-in express consent to having such a lock applied, and the registrant must be able to have the lock removed upon reasonable notice and authentication.

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

Which stakeholders or others were consulted?

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

What concerns or issues were raised by the community?

The only concern raised as part of the public comment forum on the recommendations to be considered by the ICANN Board was with regard to the four hour response time required as part of the Transfer Emergency Action Contact (TEAC) recommendation. The commenter noted that it would put ‘too much burden on small and medium sized registrars’. However, the commenter seemed to assume that a resolution is required within four hours (‘A final solution/ settlement can take place also after 1 or 2 days’) instead of an initial response, which is the only requirement under the proposed TEAC. As the IRTP Part B PDP Working Group explained it in its Final Report ‘the goal of the TEAC is to quickly establish real time communication between registrar representatives who can take steps to resolving the issue, but this policy only addresses establishing that communication not resolving any disputes that may arise’. With regard to the four hour response time, the IRTP Part B PDP Working Group noted that ‘even the smallest

of registrars can simply rotate this function among operational staff, just as they rotate other “emergency” aspects of their business. The number of TEAC requests is likely to be very small and quite infrequent, but when they occur there is a genuine emergency that needs to be dealt with quickly’. It should be noted that both small as well as big registrars participated in the deliberations of the IRTP Part B Working Group and supported the recommendations.

What significant materials did the Board review?

The Board reviewed the GNSO Council Report to the Board, as well as the summary of public comments and Staff’s response to those comments.

What factors the Board found to be significant?

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

Are there positive or negative community impacts?

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

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

Apart from those changes required in process for registrars as outlined above, no other fiscal impacts or ramifications on ICANN; the community; and/or the public are expected.

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

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

Submitted by:	David Olive; Marika Konings
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**2011-08-25-03-Board Submission-Nominating-
Committee-Chair**

ICANN BOARD SUBMISSION NO. 2011-08-25-03

TITLE: **BGC Recommendation on Nominating Committee Chair/Chair-Elect**

PROPOSED ACTION: **For Board Approval**

EXECUTIVE SUMMARY:

On, 25 June 2011, ICANN posted a call for expressions of interest (EOI) for the Nominating Committee (“NomCom”) Chair and Chair-Elect. Six EOIs were received. On 15 August 2011, the Board Governance Committee, in accordance with its charter (*see* <http://www.icann.org/en/committees/board-governance/charter.htm>), reviewed the EOIs, and selected some candidates with whom to conduct telephonic interviews. The BGC is hoping to be in a position at or before the Board meeting on 25 August 2011 to make a specific recommendation to the Board for selection of a NomCom Chair and NomCom Chair-Elect.

BGC RECOMMENDATION:

The BGC recommends that the Board appoint [INSERT NAME] as the 2012 NomCom Chair and [INSERT NAME] as the 2012 NomCom Chair-Elect.

PROPOSED RESOLUTION:

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

Whereas, the BGC has interviewed certain candidates and recommended that that [INSERT NAME] be appointed as the 2012 NomCom Chair and [INSERT NAME] be appointed as the 2012 NomCom Chair-Elect.

Resolved (2011.08.25.xx), the Board adopts the recommendation of the BGC and hereby appoints [INSERT NAME] as the 2012 NomCom Chair and [INSERT NAME] as the 2012 NomCom Chair-Elect.

PROPOSED RATIONALE:

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

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

Submitted by:	Amy A. Stathos
Position:	Deputy General Counsel
Date Noted:	17 August 2011
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2011-08-25-04-Board Submission-Board-Remuneration

ICANN BOARD SUBMISSION NO. 2011-08-25-04

TITLE: Next Steps in Considering Board member Remuneration

PROPOSED ACTION: For Board Approval

EXECUTIVE SUMMARY:

The Board has previously discussed the idea of remuneration for Board members. Some research, analysis and public comment has taken place relating to the appropriateness of such Board remuneration. 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) outside counsel had provided legal memo in June of 2008 discussing the ramifications of Board remuneration, 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 remuneration; (v) the Boston Consulting Group (“BCG”) that conducted the Board Review suggested that relatively modest fees to compensate directors for time may be appropriate; (vi) 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 (vii) the Accountability and Transparency Review Team specifically recommended that the Board should implement a compensation scheme for voting Directors.

If the Board determines to offer a compensation arrangement to one or more Directors, other than the President and CEO of ICANN, for services to ICANN as Directors, it is important that the Board follows 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. Accordingly, the Board must follow particular steps throughout its consideration process.

First, the Board must seek a recommendation from an Independent Evaluation Expert as to the reasonableness of, and if so, the amount of compensation.¹ At the BGC's request, staff has received a proposal from Towers Watson (TW) to serve as the Independent Evaluation Expert that the BGC has found to be acceptable. TW is a leading global professional services company with expertise in compensation for non-profit organizations. TW has previously provided advice on the Board Chair remuneration 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 does recommend a compensation arrangement for voting directors and the Board approves that recommendation, ICANN's Conflicts of Interest (COI) Policy must 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>.) Voting on Board compensation would be a direct conflict of interest. Accordingly, the BGC has reviewed and approved proposed 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.)

Third, in the event that the Independent Valuation Expert does recommend 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."

¹ 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.

See <http://www.icann.org/en/general/bylaws.htm#VI>. The BGC has reviewed and approved proposed revisions to the Bylaws that would be required if the Board does determine to compensate voting directors. (See Redline of Article VI, section 22 of Bylaws, Attachment B to Annex.)

BGC RECOMMENDATION:

The BGC recommends that the Board: (i) authorize the General Counsel to engage Towers Watson as the Independent Valuation Expert; (ii) direct staff to post the proposed revisions to the Conflicts of Interest Policy for public comment; and (iii) to direct staff to post the proposed revisions to the Bylaws for public comment.

PROPOSED RESOLUTION:

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

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

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

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

Resolved (2011.08.18.xx), the Board shall direct staff to take all steps necessary to consider the appropriateness of compensation for voting Directors.

Resolved (2011.08.18.xx), as part of the process of reviewing any Director compensation, the Board shall retain an Independent Valuation Expert, as that term is defined in §53.4958-1(d)(4)(iii)(C) of the Regulations (an “Expert”), to consult with and to advise the Board regarding the appropriateness and level of any Director compensation

arrangements, and to issue to the Board a Reasoned Written Opinion, as that term is defined in §53.4958-1(d)(4)(iii)(C) of the Regulations (the “Opinion”), from such Expert regarding the ranges of Reasonable Compensation for any such services by a Director.

Resolved (2011.08.18.xx), the Expert's opinion shall include all factors the Expert determines to be appropriate regarding the appropriateness and the level of compensation to be paid a voting Director for services to ICANN as a Director, including offices held on the Board, attendance at Board and Committee meetings, the nature of service on the Board and on Board Committees, and Appropriate Data as to Comparability, as that term is defined in §53.4958-6(c)(2) of the Regulations, regarding director compensation arrangements for U.S.-based, nonprofit, tax-exempt organizations possessing a global employee base.

Resolved (2011.08.18.xx), after having reviewed the Expert's Opinion, the Board shall meet with the Expert to discuss the Expert's Opinion and to ask questions of the Expert regarding the Opinion, the Comparability Data obtained and relied upon, and the conclusions reached by the Expert.

Resolved (2011.08.18.xx), that the Board shall adequately document the basis for any determination the Board makes regarding Director compensation arrangements concurrently with making that determination.

Resolved (2011.08.18.xx), ICANN’s General Counsel is authorized and directed to retain Towers Watson as the Board’s Independent Valuation Expert to consult with and to advise the Board regarding Director compensation arrangements and to issue to the Board the Reasoned Written Opinion described above regarding the appropriateness of and ranges of Reasonable Compensation for any such services by a Director.

Resolved (2011.08.18.xx), ICANN’s staff is hereby directed to post for public comment a proposed revised Conflicts of Interest Policy and proposed revised Bylaws that will be required if the Board approves a recommendation that eligible Board members should be compensated for services to ICANN as Directors of ICANN.

PROPOSED RATIONALE:

Over the past several years, ICANN has been considering issues surrounding Board compensation. The Board has publicly discussed the matter and has reviewed independent analysis and advice on the matter. For example: (i) there were calls from the community in relation to ICANN Framework for Accountability and Transparency that the entire Board be compensated; (ii) budget contingency discussions since FY08 have involved the concept of possible Board remuneration; (iii) independent evaluation experts provided studies on other non-profit organizations and Board member remuneration; (iv) the Boston Consulting Group (“BCG”) that conducted the Board Review suggested that relatively modest fees to compensate directors for time may be appropriate; (v) the Board Review working group acknowledged general support from BCG and community for director remuneration, but recommended further study in coordination with General Counsel; and (vi) the Accountability and Transparency Review Team specifically recommended that the Board should implement a compensation scheme for voting Directors.

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

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

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

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2011-08-25-05-Board Submission-Single-character IDNs

ICANN BOARD SUBMISSION NO. 2011-08-25-05

TO: ICANN Board of Directors

TITLE: SINGLE-CHARACTER IDN TLDS

PROPOSED ACTION: For Board Discussion

EXECUTIVE SUMMARY:

The JIG (Joint ccNSO-GNSO IDN Working Group) has recommended that single-character IDNs be delegated in the New gTLD program and the IDN ccTLD Fast Track. Informal discussions with some SSAC and Board Variant Working Group members have provided direction on some technical matters regarding such delegations.

These discussions led to the recommendation here that: the report be provided to the SSAC to provide specific advice on the technical aspects of the issue; to the GAC to provide specific advice on the public policy aspects of the issue; and to ALAC to provide specific advice on the end-user/consumer aspects of the issue; and that staff be tasked with consulting with appropriate and knowledgeable community participants across various languages/scripts.

The Board and community will be provided a report that reflects this input, to enable the Board consideration on issues concerning delegation of single character IDN TLDS.

Given the anticipated time necessary for the consideration of issues and the compilation of reports, it is recommended that process for delegating single-character TLDs be made available *after* the first gTLD application round. Alternatively, the launch of the first round could be delayed but this alternative is strongly discouraged.

Background

The JIG Recommendation

Throughout the discussions on delegation of IDNs at the top level, some parties have indicated that one-character TLDs are necessary for particular language communities to realize the full benefit of IDN delegations.

During its policy development process on new gTLDs, the GNSO's Reserved Names WG concluded that, for IDNs, there should not be a general restriction on single-character U-labels, and recommended a case by case analysis of the applied-for string.¹ The gTLD Applicant Guidebook requires that IDN strings consist of two or more characters (relying on the IDN Implementation Working Team report of December 2009). With regard to possible one-character IDN TLDs, the Implementation Working Team's report noted that:

- 3.1 The team does not recommend the banning of one-character gTLDs.
- 3.2 The team recommends that further ramifications of this issue be addressed by policy bodies such as the ccNSO and GNSO.

The report also established that: "There seem to be no technical reasons for restricting one-character IDN TLD labels."²

The JIG (Joint ccNSO-GNSO IDN Working Group) was created to discuss issues of common interest between the ccNSO and GNSO on IDNs, especially IDN TLDs. The JIG identified three issues of common interest, including Single-Character IDN TLDs. Building on prior work, the JIG considered the issues around single-character IDN TLDs from a policy standpoint and made the following recommendations:

- A. Single Character IDN TLDs should be acceptable under the IDN ccTLD Fast Track Process and as part of the recommendations for overall policy in IDN ccPDP, taking into account the findings from this report.
- B. The GNSO policy recommendation in the Final Report for the Introduction of New Generic Top-Level Domains for Single Character IDN TLDs should be implemented.
- C. Requested Single Character IDN TLD strings should be analyzed on a case-by-case basis in the new gTLD process depending on the script and language. Single Character IDN

¹ <http://gnso.icann.org/issues/new-gtlds/final-report-rn-wg-23may07.htm>

² <http://www.icann.org/en/topics/new-gtlds/idn-implementation-working-team-report-final-03dec09-en>

TLDs should be acceptable, but must not be confusingly similar to single or two character ASCII TLDs. For alphabetic script Single Character IDN TLDs, other technical aspects of confusability may be taken into consideration, such as the likelihood of user slip with relevance to keyboard layouts.

Technical Requirements and Confusability

Initial informal discussions indicate there is not significant technical concern with the delegation of one-character TLDs, but there does exist a much higher risk of confusability for delegated single character TLDs, and thus a more careful evaluation of confusability should be applied for single character TLD applications. Confusability depends on context, and with one character there is extremely limited context (e.g., which script is in use, what kind of character it is, other characters in the string, the meaning of the string).

The evaluation could start with an assumption that strings are confusable, and then develop a case that they are not. Each application for a single character TLD must clearly demonstrate that no harm will be done as a result of the delegation of the TLD string. This demonstration should be in line with the existing evaluation reviews regarding stability and confusability.

RECOMMENDATION:

The final report from the JIG WG is not the result of a PDP; however, it should be taken seriously as:

- a) the report has been produced following many of the PDP steps in practice, in particular exposure to public comments and adaptations in line with such comments;
- b) the report has been approved by the ccNSO and GNSO Councils;
- c) the report makes references to earlier recommendations arrived at by the GNSO IDN WG and Reserved Names WG, the reports of which were appended to the GNSO New gTLD Final Report.

The following actions are recommended:

New gTLD Program: Consult with the ALAC (on the end-user/consumer aspects), the GAC (to provide specific advice on any public policy aspects of this issue), and SSAC (on technical aspects) for specific advice on this issue and the JIG recommendation.

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

After consultations are complete, implement a process for delegation of single-character TLDs; the process will be made available *after* the first application round.

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

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2011-08-25-05 DRAFT Resolution- Single-Character IDN gTLDs

DRAFT Resolution: Single-Character IDN gTLDs

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

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

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

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

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

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

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

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

Resolved (2011.06.24.__), the Board, on the issue of delegation of single character gTLDs:

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