



The Internet Corporation for Assigned Names and Numbers

19 September 2014

Dear Rami Schwartz:

Thank you for your letter of 16 June 2014 regarding the "Integrity of the New gTLD Program & Treatment of Generic Strings." We appreciate your comments, and we have posted the letter to the New gTLD correspondence page (<https://www.icann.org/en/system/files/correspondence/schwartz-to-board-16jun14-en.pdf>).

You expressed concerns about "ICANNs [sic] lack of clarity, and transparency on how to address the issues of 'closed generics,'" in particular to the change request process and granting of Code of Conduct exceptions for generic strings.

For clarification on the change request process and its implications on applications proposing exclusive access for generic string TLDs, we encourage you to review the recent New gTLD Program Applicant Advisory on Change Requests, published on 5 September 2014 (<http://newgtlds.icann.org/en/applicants/advisories/change-request-set-05sep14-en>). In this advisory you will also find information about the change request evaluation criteria.

We acknowledge your question with regard to "what safeguards will exist to ensure that Requests for Code of Conduct Exemptions will not provide loopholes for Applicants to circumvent GAC Advice."

Please note that generic strings are ineligible for a Code of Conduct exemption. Under Section 3(d) of Specification 11, a Registry Operator of a "Generic String" TLD may not impose eligibility criteria for registering names in the TLD that limit registrations exclusively to a single person or entity and/or that person's or entity's "Affiliates" (as defined in Section 2.9(c) of the Registry Agreement). By definition, a Code of Conduct exemption requires that domain name registrations be limited to the Registry Operator and its Affiliates, and that is not consistent with the requirement that registrations for Generic Strings cannot be limited to a single person or entity and/or that person's or entity's Affiliates. For more information, please refer to the Code of Conduct FAQ and the Applicant Advisory on GAC Category 2 Advice Implementation (<http://newgtlds.icann.org/en/applicants/advisories/gac-cat2-advice-19mar14-en>).

All registry operators must comply with all terms and conditions of the Registry Agreement, including Specification 11. The Registry Operator Code of Conduct Exemption will be deemed void if representations become untrue or the Registry Operator fails to continue to satisfy exemption criteria. ICANN may conduct investigations regarding continued compliance (<http://newgtlds.icann.org/en/applicants/agb/base-agreement-contracting/ccer/faqs-18jul14-en.pdf>).

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Complaints that a Registry Operator may not be complying with the Public Interest Commitments in Specification 11 can be addressed by ICANN's contractual compliance department and/or through the Public Interest Commitments Dispute Resolution Procedure (PICDRP). Using the PICDRP, parties that believe they have been harmed as a result of a Registry Operator's non-compliance with its PICs may report such alleged non-compliance to ICANN, which may lead to facilitation of negotiations between the reporting party and the Registry Operator, investigation and possible compliance and enforcement action by ICANN and/or referral to an independent Standing Panel for a finding as to whether the Registry Operator has fulfilled its commitments. (<http://newgtlds.icann.org/en/program-status/pddrp>).

We hope that this information is helpful to you. Should you have additional questions or concerns, please do not hesitate to contact the New gTLD Customer Service Center at newgtld@icann.org.

Regards,

A handwritten signature in black ink, which appears to read "Christine A. Willett". The signature is written in a cursive, flowing style.

Christine A. Willett
Vice President, GDD Operations