

Board Briefing Materials - 15 September 2016 Regular Board Meeting

The originally published version of this document contained information that was withheld from publication in accordance with the [ICANN Publication Practices](#). The updated information can be found in the document at pages 13 - 16. To view a redacted or previously withheld version, please see <https://www.icann.org/en/board-activities-and-meetings/board-materials-redaction-archive-register>

AGENDA – 15 SEPTEMBER 2016 REGULAR BOARD Meeting – 90 minutes

Last Updated 12 September 2016

Time, etc.	Agenda Item	Shepherd
Assembly, Roll Call & Consent Agenda Vote	1. Consent Agenda	
	1.a. Implementation of RSSAC 003 Recommendation for the KSK signature validity	Akram Atallah
	1.b. Delegation of the .বাংলা (“bangla”) domain representing Bangladesh in Bengali script	Kuo-Wei Wu
	1.c. Appointment of 2017 Nominating Committee Chair and Chair-Elect	Chris Disspain
Discussion & Decision	2. Main Agenda	
	2.a. IANA Naming Function Agreement between ICANN and PTI	Chris Disspain
	2.b. Services Agreement between ICANN and PTI	Chris Disspain
	2.c. .COM Registry Agreement Amendment	Cherine Chalaby

AGENDA – 15 SEPTEMBER 2016 REGULAR BOARD Meeting – 90 minutes

Last Updated 12 September 2016

Time, etc.	Agenda Item	Shepherd
	2.d. PTI Governance Items – Adoption of PTI Bylaws; Appointment of PTI Board Initial Directors; Appointment of PTI President	John Jeffrey Sam Eisner
	2.e. Further Consideration of the Dot Registry IRP Final Declaration	Chris Disspain John Jeffrey Amy Stathos
	2.f. Consideration of Ombudsman Report Regarding dotgay, LLC’s application for .GAY	Chris Disspain
	2.g. Reconsideration Request 16-3 (dotgay LLC)	Chris Disspain
	2.h. October 2018 ICANN Meeting Venue and Location Contracting	Asha Hemrajani
	2.i. AOB	

ICANN BOARD SUBMISSION NO. 2016.09.15.1b

TITLE: **Implementation of RSSAC 003 Recommendation for the KSK signature validity**

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

EXECUTIVE SUMMARY:

On 16 September 2015, the ICANN Root Server System Advisory Committee (RSSAC) published RSSAC0003: *Report on Root Zone TTLs*¹ recommending that the Root Zone Management partners increase the signature validity periods for signatures generated by both the Key Signing Key (KSK) and the Zone Signing Key (ZSK). The report further recommends that the KSK signature validity should be increased to at least 21 days, ZSK signature validity should be increased to at least 13 days.

Following the procedures to consider formal advice from an ICANN Advisory Committee, ICANN staff conducted a feasibility and cost analysis for implementing the KSK recommendations in RSSAC003, and created a KSK implementation plan.

This paper contains staff's recommendation on RSSAC003. The recommended implementation plan is included in the reference materials to this paper.

STAFF RECOMMENDATION:

Staff recommends the Board adopts the advice for the KSK signature validity in RSSAC003, and directs ICANN's President and CEO, or his designee, to proceed with implementing the KSK recommendations in RSSAC 003 in collaboration with the root zone management partners.

PROPOSED RESOLUTION:

Whereas, on 16 September 2015, the ICANN Root Server System Advisory Committee (RSSAC) published RSSAC0003: *Report on Root Zone TTLs*.

Whereas, in RSSAC003, the report recommends that the Root Zone Management partners increase the signature validity periods for signatures generated by both the Key

¹ <https://www.icann.org/en/system/files/files/rssac-003-root-zone-ttls-21aug15-en.pdf>

Signing Key (KSK) and the Zone Signing Key (ZSK). The report further recommends that the KSK signature validity should be increased to at least 21 days, ZSK signature validity should be increased to at least 13 days, and no further changes to Root Zone TTLs be made at this time.

Whereas, upon receiving RSSAC003, ICANN staff conducted a feasibility and cost analysis of increasing the KSK signature validity, and created an KSK implementation plan for review by the Board.

Whereas, the Board has considered the advice of the RSSAC in RSSAC003, in addition to the feasibility and costs of implementing the advice related to the KSK. The Board understands the Root Zone Maintainer is also considering the recommendations in RSSAC003 related to the ZSK.

Resolved (2016.09.15.xx), the Board adopts the RSSAC advice for the KSK signature validity in RSSAC 003, and directs ICANN's President and CEO, or his designee, to proceed with implementing the KSK recommendations in RSSAC 003 in collaboration with the root zone management partners.

PROPOSED RATIONALE:

On 16 September 2015, the ICANN Root Server System Advisory Committee (RSSAC) published RSSAC0003: Report on Root Zone TTLs. In this report, the RSSAC studies the TTLs (DNS "Time-To-Live" values) for the root zone and the extent to which the current root zone TTLs are still appropriate for today's Internet environment.

The report identified two potential problems related to the interaction between the root zone Start of Authority (SOA) Expire value and the root zone's signature validity periods exist, and recommends them to be addressed by the DNS operations community. In particular, the RSSAC recommends Root Zone Management partners to increase the signature validity periods for signatures generated by both the Key Signing Key (KSK) and the Zone Signing Key (ZSK). KSK signature validity should be increased to at least 21 days. ZSK signature Validity should be increased to at least 13 days.

The conditions under which the signature validity problems occur are very rare, have not occurred to date, and are unlikely to affect end users at this time. Thus, the RSSAC believes this issue is not urgent and should be addressed within a reasonable amount of time following an update of the necessary procedures documents and software testing.

Upon receiving RSSAC003, ICANN staff conducted a feasibility and cost analysis for implementing the KSK recommendation in RSSAC003, and created an KSK implementation plan with timelines and high level milestone for review by the Board.

The Board has considered the advice of the RSSAC in RSSAC003, in addition to the feasibility and costs of implementing the advice related to the KSK and adopts the RSSAC advice for the KSK signature validity in RSSAC 003. The Board also directs ICANN to proceed with implementing the KSK recommendations in RSSAC 003 in collaboration with the root zone management partners.

This is an operational issue that does not require public comment. There is no fiscal impact expected. The approval and implementation of the RSSAC recommendation will improve the security, stability, and resiliency of the domain name system.

The Board understands that NTIA has already agreed with Verisign, as the Root Zone Maintainer, that Verisign should change the signature validity period for the ZSK, and that work is scheduled to take place in September 2016.

Signature Block:

Submitted by: Akram Atallah

Position: President, Global Domains Division

Date Noted: 24 August 2016

Email: akram.atallah@icann.org

Sensitive Delegation Information

Report on the Delegation of the .বাংলা (“bangla”) domain representing Bangladesh in Bengali script to the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division.

2 September 2016

This report is being provided under the contract for performance of the Internet Assigned Numbers Authority (IANA) function between the United States Government and the Internet Corporation for Assigned Names and Numbers (ICANN). Under that contract, ICANN performs the “IANA functions”, which include receiving delegation and redelegation requests concerning TLDs, investigating the circumstances pertinent to those requests, making its recommendations, and reporting actions undertaken in connection with processing such requests.

FACTUAL INFORMATION

Country

The “BD” ISO 3166-1 code from which the application’s eligibility derives, is designated for use to represent Bangladesh.

String

The domain under consideration for the delegation at the DNS root level is “.বাংলা”. This is represented in ASCII-compatible encoding to the IDNA specification as “xn--54b7fta0cc”. The individual Unicode code points that comprise this string are U+09AC U+09BE U+0982 U+09B2 U+09BE.

In Bengali language, the string has a transliteration equivalent to “Bangla” in English.

Chronology of events

Beginning in December 2009, the currently listed sponsoring organization for the .BD country-code top-level domain (ccTLD), the Ministry of Posts and Telecommunications of Bangladesh, held multiple meetings with various local government and Internet community stakeholders regarding the selection of the IDN ccTLD string for Bangladesh.

In February 2010, the multi stakeholder community reached consensus that the appropriate string to represent the Bangladesh IDN ccTLD is **.বাংলা** (.xn--54b7fta0cc). The Prime Minister of Bangladesh also ratified this decision in the same month.

On 20 December 2010, an application was made to ICANN's "IDN Fast Track" process to have the string **"বাংলা"** recognized as representing Bangladesh in Bengali script.

On 10 March 2011, a review by the IDN Fast Track DNS Stability Panel found that the applied-for string **"বাংলা"** presents none of the threats to the stability or security of the DNS identified in Module 4 of the Fast Track implementation plan, and presents an acceptably low risk of user confusion." The request for the **"বাংলা"** string to represent Bangladesh was subsequently approved.

In the following years, multiple meetings were held among local Internet community stakeholders including the Ministry of Posts and Telecommunications and the Bangladesh Telecommunication Regulatory Commission to reach a decision on the management of both the **.BD** and **.বাংলা** top-level domains.

During this time, the Ministry of Posts and Telecommunications was reorganized and combined with the Ministry of Information and Communication Technology to form the Ministry of Posts, Telecommunications and Information Technology in February 2014. The same reorganization also created two divisions namely "Posts and Telecommunications Division" and "Information and Communication Technology Division" within the ministry.

Subsequently on 7 June 2015, the decision was made to have the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division serve as the sponsoring organization for both the **.BD** and **.বাংলা** top-level domains while the Bangladesh Telecommunications Company Limited (BTCL) was appointed as the technical contact for these domains. Under this structure, BTCL will be responsible for the operations of both the **.BD** and **.বাংলা** domains while the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division will oversee all the functionality of BTCL and conduct periodic reviews of the domain management policies.

On 8 July 2015, the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division commenced a request to ICANN for the delegation of **.বাংলা** as a top-level domain.

Proposed Sponsoring Organization and Contacts

The proposed sponsoring organization is the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division. It is based in Bangladesh.

The proposed administrative contact is Mr. Md. Husnul Mahmud Khan, Director of the Posts and Telecommunications Division, Ministry of Posts, Telecommunications and Information Technology. The administrative contact is understood to be based in Bangladesh.

The proposed technical contact is Mr. Md. Shohidul Islam, Divisional Engineer of Bangladesh Telecommunications Company Limited (BTCL).

EVALUATION OF THE REQUEST

String Eligibility

The top-level domain is eligible for delegation under ICANN policy, as the string has been deemed an appropriate representation of Bangladesh through the ICANN Fast Track String Selection process, and Bangladesh is presently listed in the ISO 3166-1 standard.

Public Interest

Government support was provided by Mr. Begum Tarana Halim (M.P.), State Minister, Posts and Telecommunications Division, Ministry of Posts, Telecommunications and Information Technology.

Additional support letters were provided by the following:

- Md. Faizur Rahman Chowdhury, Secretary of Posts & Telecommunications Division, Ministry of Posts, Telecommunications and Information Technology
- M.A. Hakim, President, Internet Service Providers Association of Bangladesh
- Abdul Matlub Ahmad, President, The Federation of Bangladesh Chambers of Commerce and Industry
- Khandker Hamidur Rahman, Additional Director (IT), IMCT Division, The University Grants Commission of Bangladesh
- Dr. Shabbir Ahmed, Professor at Computer Science & Engineering, University of Dhaka and Chapter President at Internet Society of Bangladesh Dhaka Chapter
- Sumon Ahmed Sabir, Chairman of the Board of Trusty, Bangladesh Network Operators Group

The application is consistent with known applicable laws in Bangladesh. The proposed sponsoring organization undertakes responsibilities to operate the domain in a fair and equitable manner.

Based in country

The proposed sponsoring organization is constituted in Bangladesh. The proposed administrative contact is understood to be a resident of Bangladesh. The registry is to be operated in Bangladesh.

Stability

The application does not involve a transfer of domain operations from an existing domain registry, and therefore stability aspects relating to registry transfer have not been evaluated.

The application is not known to be contested.

Competency

The application has provided information on the technical and operational infrastructures and expertise that will be used to operate the proposed new domain. The proposed operator is the current manager of .BD country-code top-level domain for Bangladesh.

Proposed policies for management of the domain have also been tendered.

EVALUATION PROCEDURE

ICANN is tasked with coordinating the Domain Name System root zone as part of a set of functions governed by a contract with the U.S. Government. This includes accepting and evaluating requests for delegation and redelegation of top-level domains.

A subset of top-level domains are designated for the local Internet communities in countries to operate in a way that best suits their local needs. These are known as country-code top-level domains (ccTLDs), and are assigned by ICANN to responsible trustees (known as “Sponsoring Organizations”) that meet a number of public-interest criteria for eligibility. These criteria largely relate to the level of support the trustee has from its local Internet community, its capacity to ensure stable operation of the domain, and its applicability under any relevant local laws.

Through ICANN’s IANA department, requests are received for delegating new ccTLDs, and redelegating or revoking existing ccTLDs. An investigation is performed on the circumstances pertinent to those requests, and, when appropriate, the requests are implemented and a recommendation for delegation or redelegation is made to the U.S. National Telecommunications and Information Administration (NTIA).

Purpose of evaluations

The evaluation of eligibility for ccTLDs, and of evaluating responsible trustees

charged with operating them, is guided by a number of principles. The objective of the assessment is that the action enhances the secure and stable operation of the Internet's unique identifier systems.

In considering requests to delegate or redelegate ccTLDs, input is sought regarding the proposed new Sponsoring Organization, as well as from persons and organizations that may be significantly affected by the change, particularly those within the nation or territory to which the ccTLD is designated.

The assessment is focused on the capacity for the proposed sponsoring organization to meet the following criteria:

- The domain should be operated within the country, including having its sponsoring organization and administrative contact based in the country.
- The domain should be operated in a way that is fair and equitable to all groups in the local Internet community.
- Significantly interested parties in the domain should agree that the prospective trustee is the appropriate party to be responsible for the domain, with the desires of the national government taken very seriously.
- The domain must be operated competently, both technically and operationally. Management of the domain should adhere to relevant technical standards and community best practices.
- Risks to the stability of the Internet addressing system must be adequately considered and addressed, particularly with regard to how existing identifiers will continue to function.

Method of evaluation

To assess these criteria, information is requested from the applicant regarding the proposed sponsoring organization and method of operation. In summary, a request template is sought specifying the exact details of the delegation being sought in the root zone. In addition, various documentation is sought describing: the views of the local internet community on the application; the competencies and skills of the trustee to operate the domain; the legal authenticity, status and character of the proposed trustee; and the nature of government support for the proposal. The view of any current trustee is obtained, and in the event of a redelegation, the transfer plan from the previous sponsoring organization to the new sponsoring organization is also assessed with a view to ensuring ongoing stable operation of the domain.

After receiving this documentation and input, it is analyzed in relation to existing root zone management procedures, seeking input from parties both related to as well as independent of the proposed sponsoring organization should the

information provided in the original application be deficient. The applicant is given the opportunity to cure any deficiencies before a final assessment is made.

Once all the documentation has been received, various technical checks are performed on the proposed sponsoring organization's DNS infrastructure to ensure name servers are properly configured and are able to respond to queries correctly. Should any anomalies be detected, ICANN staff will work with the applicant to address the issues.

Assuming all issues are resolved, an assessment is compiled providing all relevant details regarding the proposed sponsoring organization and its suitability to operate the relevant top-level domain.

ICANN BOARD PAPER NO. 2016.09.15.1c

TITLE: Delegation of the [.বাংলা](#) (“bangla”) domain representing Bangladesh in Bengali script to the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division.

PROPOSED ACTION: For Board Consideration and Approval

IANA REFERENCE: 896139

EXECUTIVE SUMMARY:

As part of ICANN’s responsibilities under the IANA Functions Contract, ICANN has prepared a recommendation to authorize the delegation of the country-code top-level domain [.বাংলা](#) (“bangla”), comprised of the IDN ccTLD Fast Track approved string representing Bangladesh, to Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division.

Key points of the investigation on the delegation request are:

- The string under consideration successfully completed the Fast Track process, which deemed it an appropriate representation of Bangladesh.
- The proposed sponsoring organization is the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division, a governmental agency that was reorganized in 2014.
- Support for the delegation has been provided by the State Minister and Secretary of the Posts and Telecommunications Division, Ministry of Posts, Telecommunications and Information Technology, and 6 other local stakeholders of the Internet community.
- The proposed operator has managed the .BD country-code top-level domain since 1999.

PROPOSED RESOLUTION:

Resolved (2016.09.15.xx), as part of the exercise of its responsibilities under the IANA Functions Contract, ICANN has reviewed and evaluated the request to delegate the [.বাংলা](#) country-code top-

level domain to the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division. The documentation demonstrates that the proper procedures were followed in evaluating the request.

Resolved (2016.09.15.xx), the Board directs that pursuant to Article III, Section 5.2 of the ICANN Bylaws, that certain portions of the rationale not appropriate for public distribution within the resolutions, preliminary report or minutes at this time due to contractual obligations, shall be withheld until public release is allowed pursuant to those contractual obligations.

PROPOSED RATIONALE:

Why the Board is addressing the issue now?

In accordance with the IANA Functions Contract, the ICANN staff has evaluated a request for ccTLD delegation and is presenting its report to the Board for review. This review by the Board is intended to ensure that ICANN staff has followed the proper procedures.

What is the proposal being considered?

The proposal is to approve a request to IANA to create the country-code top-level domain and assign the role of sponsoring organization (also known as the manager or trustee) to the Ministry of Posts, Telecommunications and Information Technology, Posts and Telecommunications Division.

Which stakeholders or others were consulted?

In the course of evaluating a delegation application, ICANN staff consults with the applicant and other interested parties. As part of the application process, the applicant needs to describe consultations that were performed within the country concerning the ccTLD, and their applicability to their local Internet community.

What concerns or issues were raised by the community?

Staff are not aware of any significant issues or concerns raised by the community in relation to

this request.

What significant materials did the Board review?

The Board reviewed the following IANA staff evaluations:

- The domain is eligible for delegation, as it is a string that has been approved by the IDN ccTLD Fast Track process, and represents a country that is listed in the ISO 3166-1 standard;
- The relevant government has been consulted and does not object;
- The proposed sponsoring organization and its contacts agree to their responsibilities for managing this domain;
- The proposal has demonstrated appropriate local Internet community consultation and support;
- The proposal does not contravene any known laws or regulations;
- The proposal ensures the domain is managed locally in the country, and is bound under local law;
- The proposed sponsoring organization has confirmed they will manage the domain in a fair and equitable manner;
- The proposed sponsoring organisation has demonstrated appropriate operational and technical skills and plans to operate the domain;
- The proposed technical configuration meets IANA’s various technical conformance requirements;
- No specific risks or concerns relating to Internet stability have been identified; and
- Staff have provided a recommendation that this request be implemented based on the factors considered.

These evaluations are responsive to the appropriate criteria and policy frameworks, such as "Domain Name System Structure and Delegation" (RFC 1591) and "GAC Principles and Guidelines for the Delegation and Administration of Country Code Top Level Domains". As part of the process established by the IANA Functions Contract, the “Delegation and Redelelegation Report” will be published at <http://www.iana.org/reports>.

What factors the Board found to be significant?

The Board did not identify any specific factors of concern with this request.

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, the local communities to which country- code top-level domains are designated to serve, and responsive to ICANN's obligations under the IANA Functions Contract.

Are there financial 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 financial impact of the internal operations of country-code top-level domains within a country.

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

ICANN does not believe this request poses any notable risks to security, stability or resiliency.

This is an Organizational Administrative Function not requiring public comment.

SIGNATURE BLOCK:

Submitted by: Naela Sarras
Position: IANA Services Manager
Date Noted: 2 September 2016
Email: naela.sarras@icann.org

ICANN BOARD SUBMISSION No. 2016.09.15.1d

TITLE: **October 2018 ICANN Meeting Venue Contracting**

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

EXECUTIVE SUMMARY:

The Board is being asked to authorize staff to take all steps necessary to complete contracting for the host Convention Centre in Barcelona, Spain for the October 2018 ICANN Public Meeting, which requires Board approval as it will exceed Confidential Negotiation Information. The Reference Materials for this paper summarizes the steps taken to locate a site for the October 2018 Public Meeting, and outlines the facilities' costs.

STAFF RECOMMENDATION:

Staff recommends that the Board delegate to the President and CEO, or his designee(s), the authority to take all actions necessary to enter into a contract, and make expense disbursements pursuant to that contract, for the host Convention Centre in Barcelona, Spain, where ICANN will hold the October 2018 Public Meeting.

BOARD FINANCE COMMITTEE (BFC) RECOMMENDATION:

The BFC recommends that the Board delegate to the President and CEO, or his designee(s), the authority to take all actions necessary to enter into a contract, and make expense disbursements pursuant to that contract, for the host Convention Centre in Barcelona, Spain where ICANN will hold its October 2018 Public Meeting.

PROPOSED RESOLUTION:

Whereas, ICANN intends to hold its third Public Meeting of 2018 in the Europe region.

Whereas, staff has completed a thorough review of the proposed venues in Europe and finds the one in Barcelona, Spain to be the most suitable.

Resolved (2016.09.15.xx), the Board authorizes the President and CEO, or his designee(s), to engage in and facilitate all necessary contracting and disbursements for the host Convention Centre for the October 2018 ICANN Public Meeting in Barcelona,

Spain, in an amount not to exceed and that the October 2018 ICANN Public Meeting be designated as the 2018 Annual General Meeting.

Resolved (2016.09.15.xx), specific items within this resolution shall remain confidential for negotiation purposes pursuant to Article III, section 5.2 of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

PROPOSED RATIONALE:

As part of ICANN's Public Meeting schedule, presently three times a year ICANN hosts a meeting in a different geographic region (as defined in the ICANN Bylaws). ICANN 63, scheduled for 20-26 October 2018, is to occur in the Europe geographic region. A call for recommendations for the location of the meeting in Europe was posted on 23 March 2015. Various parties sent a proposal to ICANN.

The staff performed a thorough analysis of the proposals, as well as other venues, and prepared a paper to identify those that met the Meeting Selection Criteria (see <https://meetings.icann.org/en/host>). Based on the proposals and analysis, ICANN has identified Barcelona, Spain as the location for ICANN 63.

The Board reviewed staff's briefing for hosting the meeting in Barcelona, Spain and the determination that the proposal met the significant factors of the Meeting Selection Criteria, as well as the related costs for facilities selected, for the October 2018 ICANN Public Meeting.

There will be a financial impact on ICANN in hosting the meeting and providing travel support as necessary, as well as on the community in incurring costs to travel to the meeting. But such impact would be faced regardless of the location and venue of the meeting. This action will have no impact on the security or the stability of the DNS.

The Board thanks all who recommended sites for the ICANN 63.

This is an Organizational Administrative function that does not require public comment.

Submitted by: Nick Tomasso
Position: VP, Meetings
Date Noted: 23 August 2016
Email: nick.tomasso@icann.org

ICANN BOARD SUBMISSION No. 2016.09.15.1d

TITLE: **October 2018 ICANN Meeting Location and Venue Contracting**

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

EXECUTIVE SUMMARY:

The Board is being asked to approve Barcelona, Spain as the location of the October 2018 ICANN Public Meeting, and to authorize staff to take all steps necessary to complete contracting for the host convention center, which requires Board approval as it will exceed ^{Confident a} _{Negot at on}. The Reference Materials for this paper summarizes the steps taken to locate a site for the October 2018 Public Meeting, and outlines the facilities' costs.

STAFF RECOMMENDATION:

Staff recommends that the Board approve Barcelona, Spain as the site of the October 2018 ICANN Public Meeting, and delegate to the President and CEO, or his designee(s), the authority to take all actions necessary to enter into a contract, and make expense disbursements pursuant to that contract, for the host convention center.

BOARD FINANCE COMMITTEE (BFC) RECOMMENDATION:

The BFC recommends that the Board delegate to the President and CEO, or his designee(s), the authority to take all actions necessary to enter into a contract, and make expense disbursements pursuant to that contract, for the host Convention Centre in Barcelona, Spain where ICANN will hold its October 2018 Public Meeting.

PROPOSED RESOLUTION:

Whereas, ICANN intends to hold its third Public Meeting of 2018 in the Europe region.

Whereas, staff has completed a thorough review of the proposed venues in Europe and finds the one in Barcelona, Spain to be the most suitable.

Resolved (2016.09.15.xx), the Board approves Barcelona, Spain as the site of the October 2018 ICANN Public Meeting, and authorizes the President and CEO, or his

designee(s), to engage in and facilitate all necessary contracting and disbursements for the host convention center in an amount not to exceed ^{Confident a} _{Negot at on} and that the October 2018 ICANN Public Meeting be designated as the 2018 Annual General Meeting.

Resolved (2016.09.15.xx), specific items within this resolution shall remain confidential for negotiation purposes pursuant to Article III, section 5.2 of the ICANN Bylaws until the President and CEO determines that the confidential information may be released.

PROPOSED RATIONALE:

As part of ICANN's Public Meeting schedule, presently three times a year ICANN hosts a meeting in a different geographic region (as defined in the ICANN Bylaws). ICANN 63, scheduled for 20-26 October 2018, is to occur in the Europe geographic region. A call for recommendations for the location of the meeting in Europe was posted on 23 March 2015. Various parties sent a proposal to ICANN.

The staff performed a thorough analysis of the proposals, as well as other venues, and prepared a paper to identify those that met the Meeting Selection Criteria (see <https://meetings.icann.org/en/host>). Based on the proposals and analysis, ICANN has identified Barcelona, Spain as the location for ICANN 63.

The Board reviewed staff's briefing for hosting the meeting in Barcelona, Spain and the determination that the proposal met the significant factors of the Meeting Selection Criteria, as well as the related costs for facilities selected, for the October 2018 ICANN Public Meeting.

There will be a financial impact on ICANN in hosting the meeting and providing travel support as necessary, as well as on the community in incurring costs to travel to the meeting. But such impact would be faced regardless of the location and venue of the meeting. This action will have no impact on the security or the stability of the DNS.

The Board thanks all who recommended sites for the ICANN 63.

This is an Organizational Administrative function that does not require public comment.

Submitted by: Nick Tomasso
Position: VP, Meetings
Date Noted: 24 August 2016
Email: nick.tomasso@icann.org

ICANN BOARD SUBMISSION NO. 2016.09.15.1e

TITLE: **Appointment of 2017 Nominating Committee Chair and Chair-Elect**

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

EXECUTIVE SUMMARY:

The Board is being asked to consider the Board Governance Committee's (BGC) recommendation with respect to the 2016 Nominating Committee (NomCom) Chair and Chair-Elect.

Following the call for expressions of interest (EOI), which was once extended, the BGC reviewed and discussed the received EOIs and oversaw the completion of a 360-degree review of the 2016 NomCom leadership as input into the selection of 2016 the NomCom leadership positions. After the results of the 360-degree review were considered, and interviews of candidates were completed, the BGC agreed on recommendations to the Board for the 2017 NomCom Chair and Chair-Elect.

BOARD GOVERNANCE COMMITTEE RECOMMENDATION (BGC

***Recommendation on Chair Elect still pending*):**

The BGC recommends that the Board appoint Hans Petter Holen as the 2017 NomCom Chair and [INSERT NAME HERE] as the 2017 NomCom Chair-Elect.

PROPOSED RESOLUTION:

Whereas, the BGC reviewed the Expressions of Interest from candidates for the 2017 Nominating Committee ("NomCom") Chair and Chair-Elect, considered the results of a 360-degree evaluation of the 2016 NomCom leadership, and conducted interviews of candidates.

Whereas, the BGC has recommended that Hans Petter Holen be appointed as the 2017 NomCom Chair and [INSERT NAME HERE] be appointed as the 2017 NomCom Chair-Elect.

Resolved (2016.09.15.xx), the Board hereby appoints Hans Petter Holen as the 2017 Nominating Committee Chair and [INSERT NAME HERE] as the 2017 Nominating Committee 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) on 24 May 2016 seeking EOIs by 10 June 2015 (see <https://www.icann.org/news/announcement-2016-05-24-enn>). The call for EOIs was later extended through 30 July 2016 (see <https://www.icann.org/news/announcement-2016-06-10-en>). The BGC received and reviewed several EOIs, oversaw a 360-degree evaluation of the 2016 NomCom leadership and conducted interviews with candidates before making its recommendations. The Board has considered and agrees with the BGC's recommendation for the 2017 NomCom Chair and 2017 NomCom Chair-Elect. The Board also would like to thank all who expressed interest in becoming part of the 2017 NomCom leadership.

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

Submitted by: Amy A. Stathos, Deputy General Counsel
Date Noted: 7 September 2016
Email: amy.stathos@icann.org

ICANN BOARD PAPER NO. 2016.09.15.2a/2b/2c

TITLE: PTI Next Steps

PROPOSED ACTION: For Information

EXECUTIVE SUMMARY:

At the 9 August 2016 Board meeting, the Board approved the PTI Articles of Incorporation and the incorporation of PTI as a non-profit California corporation with ICANN being the sole member. This informational paper provides an overview of PTI governance and its contractual relationship with ICANN, as well as highlights the documents and actions that the Board will be asked to take action on at the September 2016 Brussels Board workshop.

PTI Governance

In order to establish PTI, ICANN needed to identify an “incorporator” for the purpose of signing the Articles of Incorporation. Akram Atallah served as the incorporator, acting in his capacity as an officer of ICANN and in furtherance of the Board’s resolution [2016.08.09.04](#). While the incorporator has power to take other actions, such as elect the initial Directors, or adopt the initial Bylaws, Akram’s service as incorporator was always intended to be limited only to the minimum needed to incorporate PTI. ICANN, as the sole member of PTI, will take on the other responsibilities. As a result, the ICANN Board will be presented, in a separate document, a resolution accepting the resignation of the incorporator.

The Board will then be asked to approve the [PTI Bylaws](#), which is within its rights as a sole member of PTI. The PTI Bylaws set out the governance requirements of PTI, including composition of the PTI Board of Directors. The PTI Bylaws were drafted to the CWG-Stewardship proposal. The PTI Bylaws underwent a 30-day public comment period and were finalized on 18 August 2016.

The PTI Bylaws require a five-member PTI Board composed of three (3) persons employed by ICANN or PTI and nominated by ICANN as the sole member (with one of those three being the President of PTI), and two (2) persons not employed by ICANN or PTI and nominated by

ICANN's Nominating Committee. Because ICANN is the sole member of the PTI, the ICANN Board technically must appoint all five directors. As the 2016 ICANN Nominating Committee process is now concluded, and there was not sufficient time for the 2016 Nominating Committee to make this initial selection, the PTI Bylaws allow for the CWG-Stewardship to recommend two initial Directors that would otherwise be nominated by the Nominating Committee. The CWG-Stewardship has recommended Jonathan Robinson and Lise Fuhr as the two initial Directors, and the ICANN Board will be asked to appoint them to the PTI Board as Initial Directors. The ICANN Board will be asked to consider Akram Atallah and David Conrad as the initial ICANN-nominated directors. This is aligned with the ICG Proposal, which identifies the potential ICANN-appointed seats as the ICANN executive responsible for PTI and ICANN's CTO. Finally, ICANN as the sole member of PTI also has responsibility to appoint the President of PTI, who will serve on the PTI Board in an *ex officio* capacity. The ICANN Board will be asked to consider Elise Gerich, the current VP of IANA Operations, to serve as the President of PTI.

Future PTI Board Actions

Once the PTI Board is in place, the PTI Board will also have a series of actions that it will take. These include:

- Confirmation of the PTI Bylaws
- Approval of the PTI Conflict of Interest Policy
- Approval of the PTI Board Code of Conduct
- Approval of the PTI Expected Standards of Behavior
- Appointment of a PTI Treasurer and Secretary
- Approval for PTI to enter into the Naming Function Agreement with ICANN
- Approval for PTI to enter into the Services Agreement with ICANN
- Approval of the PTI Audit Committee Charter
- Approval for PTI to file for 501(c)(3) tax-exempt status

Given the timeframes for the delivery of the PTI Budget, shortly after formation, PTI will also be delivering to ICANN a PTI Budget for FY18, which can then be incorporated into ICANN's

FY18 budgeting process. We do not anticipate, at this point, that there will be frequent need for the PTI Board to meet or take action.

Additional PTI Contracts

PTI and ICANN are expected to enter into a few additional contracts to allow PTI to perform ICANN's obligations as the IANA Functions Operator, which will be contracted or subcontracted to PTI. ICANN is in the process of obtaining consent from the IETF and the RIRs to subcontract ICANN's obligations under the 2000 Memorandum of Understanding and 2016 Supplemental Agreement with the IETF, and the Service Level Agreement with the RIRs to PTI. This subcontracting was anticipated in each of those agreements. Similarly, ICANN will subcontract to PTI the appropriate obligations under the Root Zone Maintainer Agreement with Verisign. Finally, ICANN will sublicense to PTI the necessary IANA intellectual property rights (for trademarks and domain names) for PTI's operations.

ICANN BOARD PAPER NO. 2016.09.15.2a

TITLE: **Approval of IANA Naming Function Contract between
ICANN and PTI**

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

Updated with Revised Briefing Materials. See pg. 28-34.

Updated with Revised Briefing Materials. See pg. 28-34.

Updated with Revised Briefing Materials. See pg. 28-34.

Updated with Revised Briefing Materials. See pg. 28-34.

Updated with Revised Briefing Materials. See pg. 28-34.

Updated with Revised Briefing Materials. See pg. 28-34.

Updated with Revised Briefing Materials. See pg. 28-34.

ICANN BOARD PAPER NO. 2016.09.15.2a

TITLE: Approval of IANA Naming Function Contract between
ICANN and PTI
PROPOSED ACTION: For Board Consideration and Approval

EXECUTIVE SUMMARY:

The Board is being asked to approve delegating to the CEO the authority to enter into the IANA Naming Function Contract (“Contract”) between ICANN and PTI. The Contract, a required element from the IANA Stewardship Transition Coordination Group’s IANA Stewardship Transition Proposal (“Proposal”), sets out PTI’s obligations to perform the IANA naming-related functions on behalf of ICANN. The Contract presented for approval today was drafted to the terms of the Proposal and subjected to the ICANN public comment process. The CWG-Stewardship, which set out the requirements for the Contract in the Proposal, reviewed the Contract intensively with its external counsel, and coordinated with ICANN on requested changes during the public comment period.¹

BACKGROUND:

In the CWG-Stewardship portion of the Proposal, ICANN was required to create an affiliate, PTI, and to enter into a contract with PTI for the performance of the naming-related functions. The Proposal included a draft term sheet for the Contract, relying heavily upon provisions that are within the current IANA Functions Contract between ICANN and NTIA.

ICANN produced a first draft of the Contract based on the term sheet in the Proposal and shared it with the CWG-Stewardship and its external counsel. ICANN considered the CWG-Stewardship’s initial inputs and incorporated its feedback in the version of the Contract that was posted for a 30-day public comment period on 10 August 2016. During the public comment

¹ NOTE: As of the drafting of this paper, there were no comments received in the public comment forum. The Agreement and the Board Paper will be updated in the event that substantive comments are received. The CWG-Stewardship is anticipated to submit a comment reflecting edits to the Agreement that have already been agreed to in coordination with its external counsel and ICANN.

period, ICANN continued to engage with the CWG-Stewardship and its external counsel to address remaining concerns. On 1 September 2016, the CWG-Stewardship agreed with its external counsel and ICANN on specific language to address the CWG-Stewardship's outstanding concerns. The agreed-upon language served as the basis for the CWG-Stewardship's public comment submission, and is reflected in the Contract and term sheet provided for the Board's consideration.

There were two (2) major concerns raised during the CWG-Stewardship review process.

The first concern was raised by some in the ccTLD community and related to applicable policies for the root zone management of ccTLDs. After consultation with the ccTLD community and members of the GAC that participated in CWG-Stewardship discussions, the Agreement was updated to reflect that the applicable policies include: (1) Those defined by the ccNSO, as appropriate under ICANN's Bylaws; and (2) RFC 1591 ("Domain Name System Structure and Delegation") as interpreted by the Framework of Interpretation of Current Policies and Guidelines Pertaining to the Delegation and Redefinition of Country-Code Top Level Domain Names, dated October 2014. In addition to these policies, PTI shall consult the 2005 Governmental Advisory Committee Principles and Guidelines for the Delegation and Administration of Country Code Top Level Domains when appropriate.

The second concern, also raised by some in the ccTLD community, was that ccTLDs that do not have contracts with ICANN "do not want to appoint ICANN in charge of their entries in the root zone" and this should be reflected in the Agreement. ICANN pointed out that in the Proposal, the CWG-Stewardship in fact expects that ICANN's and the Root Zone Maintainer's roles in root zone management do not change post-transition. Paragraph 1158 of the CWG-Stewardship proposal says:

Currently, updating the Root Zone requires the active participation of three parties: the IFO, the Root Zone Maintainer and the NTLA. The IFO receives change requests from various sources, validates them, and sends them to the Root Zone Maintainer who, once they are authorized by the NTLA, updates the Root Zone File, DNSSEC signs it and distributes it to the Root operators.

Post transition there will only be the IFO and the Root Zone Maintainer. The CWG-Stewardship is not recommending any change in the functions performed by these two roles at this time. The CWG-Stewardship is recommending that should there be proposal to make changes in the roles associated with Root Zone modification, that such proposals should be subject to wide community consultation.

In addition to the submission by the CWG-Stewardship, ICANN received seven (7) other comment submissions from organizations/groups. Some comments expressed support for the Contract, and some raised issues similar to those that ICANN had addressed with the CWG-Stewardship during the public comment period. One commenter suggested that the name of the document be changed from “IANA Naming Function Agreement” to “IANA Naming Function Contract” for consistency with the reference made in the ICANN Bylaws. ICANN accepted this suggestion.

Once signed, the Agreement will become effective upon the successful completion of the IANA Stewardship transition.

STAFF RECOMMENDATION:

Staff recommends that the Board approve the proposed IANA Naming Function Contract with PTI and direct the CEO (or his designee) to enter into the Contract.

PROPOSED RESOLUTION:

Whereas, completion of the IANA Naming Function Contract <Insert Link> fulfills a requirement from the package of proposals that the Board approved on 10 March 2016 to transition NTIA’s stewardship of the IANA functions to the global multistakeholder community.

Whereas, the IANA Naming Function Contract was drafted to meet the requirements of the IANA Stewardship Coordination Group’s IANA Stewardship Transition Proposal.

Whereas, through the IANA Naming Function Contract, ICANN will contract with Public Technical Identifiers (“PTI”) to serve as the IANA Naming Function Operator and perform the IANA naming-related functions.

Whereas, ICANN solicited public comment on the proposed IANA Naming Function Contract from 10 August 2016 to 09 September 2016 <<https://www.icann.org/public-comments/iana-naming-function-agreement-2016-08-10-en>>.

Whereas, the public comment forum for the proposed IANA Naming Function Contract closed on 9 September 2016, with ICANN receiving eight (8) comment submissions. A summary and analysis of the comments was published <Insert Link> and provided to the Board.

Resolved (2016.09.15 xx), the proposed IANA Naming Function Contract is approved, and the President and CEO, or his designee(s) is authorized to take such actions as appropriate to finalize and execute the Contract.

PROPOSED RATIONALE:

Why the Board is addressing the issue now?

Completion of the IANA Naming Function Contract is specified as one of the requirements from the package of proposals that the Board approved on 10 March 2016 to transition NTIA's stewardship of the IANA functions to the global multistakeholder community.

Since 15 July 2016, ICANN has worked with the CWG-Stewardship and its external counsel to finalize the IANA Naming Function Contract. After incorporating initial feedback from the CWG-Stewardship, the Contract was published for a 30-day public comment period on 10 August 2016. The 30-day comment period ended on 9 September 2016 and the Board is being asked today to consider the proposed Contract for approval.

What is the proposal being considered?

The proposed IANA Naming Function Contract designates PTI as the IANA Function Operator and authorizes PTI to perform the IANA Naming Function. The Contract includes Service Level Expectations for the performance of the IANA Naming Function, which were agreed upon between ICANN and the CWG-Stewardship. The Contract will become effective upon the successful completion of the IANA stewardship transition. A term sheet of the Contract is attached for the Board's review.

Which stakeholders or others were consulted?

ICANN conducted a public comment period on the proposed [IANA Naming Function Contract](#) from 10 August 2016 through 9 September 2016. ICANN also worked closely with the CWG-Stewardship and its external counsel to address any concerns. After the public comment period, the comments were summarized and analyzed.

What concerns or issues were raised by the community?

There were two (2) major concerns raised during the CWG-Stewardship review process.

The first concern was raised by some in the ccTLD community and related to applicable policies for the root zone management of ccTLDs. After consultation with the ccTLD community and members of the GAC that participated in CWG-Stewardship discussions, the [Contract](#) was updated to reflect that the applicable policies include: (1) Those defined by the ccNSO, [as appropriate under ICANN's Bylaws](#); and (2) RFC 1591 ("Domain Name System Structure and Delegation") as interpreted by the Framework of Interpretation of Current Policies and Guidelines Pertaining to the Delegation and Redefinition of Country-Code Top Level Domain Names, dated October 2014. In addition to these policies, PTI shall consult the 2005 Governmental Advisory Committee Principles and Guidelines for the Delegation and Administration of Country Code Top Level Domains when appropriate.

The second concern, also raised by some in the ccTLD community, was that ccTLDs that do not have contracts with ICANN "do not want to appoint ICANN in charge of their entries in the root zone" and this should be reflected in the [Contract](#). ICANN pointed out that in the Proposal, the CWG-Stewardship in fact expects that ICANN's and the Root Zone Maintainer's roles in root zone management do not change post-transition. Paragraph 1158 of the CWG-Stewardship proposal says:

Currently, updating the Root Zone requires the active participation of three parties: the IFO, the Root Zone Maintainer and the NTLA. The IFO receives change requests from various sources, validates them, and sends them to the Root Zone Maintainer who, once they are authorized by the NTLA, updates the Root Zone File, DNSSEC signs it and distributes it to the Root operators.

Post transition there will only be the IFO and the Root Zone Maintainer. The CWG-Stewardship is not recommending any change in the functions performed by these two roles at this time. The CWG-Stewardship is recommending that should there be proposals to make changes in the roles associated with Root Zone modification, that such proposals should be subject to wide community consultation.

What significant materials did the Board review?

As part of its deliberations, the Board reviewed various materials, including, but not limited to, the following materials and documents:

- The proposed IANA Naming Function Contract
<<https://www.icann.org/en/system/files/files/proposed-iana-naming-function-agreement-10aug16-en.pdf>>.
- Public comments <<https://forum.icann.org/lists/comments-iana-naming-10aug16/>>
- Summary and analysis of public comments <Insert Link>
- ICG's IANA Stewardship Transition Proposal
<<https://www.icann.org/en/system/files/files/iana-stewardship-transition-proposal-10mar16-en.pdf>>

What factors has the Board found to be significant?

The Board considered the extent to which the public comments were incorporated into the proposed IANA Naming Function Contract. Especially significant is the CWG-Stewardship's involvement, and reliance on external counsel, in the review and identification of additional changes to the Contract. ICANN's agreement to take on the modifications generated through the CWG-Stewardship discussions helps assure continued consistency with the ICG Proposal. The Board also considered the terms of the Contract to ensure that the IANA Naming Function will continue to be operated in a secure, stable, and reliable manner that will meet the needs of the customers.

Are there positive or negative community impacts?

The proposed IANA Naming Function Contract sets out the requirements and obligations for PTI to perform the IANA Naming Function in a secure and stable and reliable manner. The Contract also includes Service Level Expectations for the performance of the IANA Naming Function.

The Board's approval of the proposed Contract will fulfill one of the key requirements of the community-developed proposal to transition the IANA stewardship, which the Board approved on 10 March 2016, and ensure that the IANA Naming Function will continue to be operated in a secure, stable and reliable manner that meets the needs of the customers.

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

There is no significant fiscal impact expected if the Board approves the proposed IANA Naming Function Contract. ICANN will provide the necessary services to PTI for it to meet the obligations under this proposed Contract. These services and associated costs are specified in a separate Services Agreement between ICANN and PTI.

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

The Board's approval of the proposed IANA Naming Function Contract would ensure continued operation of the IANA Naming Function in a secure, stable, and reliable manner post transition.

Signature Block:

Submitted by: Trang Nguyen

Position: Senior Director, Strategic Programs

Date Noted: 2 September 2016

Email: trang.nguyen@icann.org

ICANN BOARD PAPER NO. 2016.09.15.2b

TITLE: **Approval of Services Agreement between ICANN and PTI**

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

Updated with Revised Briefing Materials. See pg. 48-53.

Updated with Revised Briefing Materials. See pg. 48-53.

Updated with Revised Briefing Materials. See pg. 48-53.

Updated with Revised Briefing Materials. See pg. 48-53.

Updated with Revised Briefing Materials. See pg. 48-53.

Updated with Revised Briefing Materials. See pg. 48-53.

ICANN BOARD PAPER NO. 2016.09.15.2b

TITLE: Approval of Services Agreement between ICANN and PTI
PROPOSED ACTION: For Board Consideration and Approval

EXECUTIVE SUMMARY:

The Board is being asked to approve entering into the Services Agreement (“Agreement”) between ICANN and PTI through which ICANN will provide the necessary services and resources to PTI for it to perform ICANN’s obligations as the IANA Functions Operator, which will be contracted or subcontracted to PTI. The Agreement fulfills a key requirement from the community’s IANA Stewardship Transition Proposal that ICANN supports PTI in this manner.

STAFF RECOMMENDATION:

Staff recommends that the Board approve the proposed Services Agreement with PTI and direct the CEO (or its designee) to enter into the Agreement.

BACKGROUND:

Pursuant to the community’s Transition Proposals, ICANN is responsible for assuring that PTI has the resources it needs to fulfill ICANN’s obligations as the IANA Functions Operator, which will be contracted or subcontracted to PTI. The Agreement commits ICANN to providing PTI with these necessary services and resources. There are three types of services and resources described in the Agreement – **dedicated resources, shared resources and support services.**

Dedicated resources include the employees currently in ICANN’s IANA department, who directly perform the IANA functions services. **Shared resources** include employees in other ICANN departments who perform or participate in processes directly related to the delivery of the IANA functions. **Support services** include services provided by ICANN’s departments to support PTI’s operations (e.g., Human Resources, Finance, Procurement, etc.).

All services and resources provided to PTI will be billed at cost by ICANN to PTI. PTI will also be fully and exclusively funded by ICANN. It is estimated that the scope of services will represent a cost of US\$9 Million on an annual basis (using as a basis the FY17 Budget).

As it relates to the **dedicated resources**, the Agreement provides that the ICANN employees currently in the IANA department will be seconded to PTI. The Agreement further commits that within three (3) years of the effective date of the Agreement, PTI will have the necessary programs, processes, and policies to offer full-time employment to the seconded employees. In the event that PTI offers those employees full-time employment, ICANN commits to helping facilitate that change of employment.

Under the Agreement, ICANN will use reasonable efforts to provide all services in accordance with the standards, practices and procedures established by ICANN for its own operations. The Agreement allows ICANN to make changes in the manner of performing the services, suspend or terminate the provision of a service provided that the change, suspension, or termination does not create any material risk to the security and stability of the domain name system. For example, if ICANN makes a change to its dental coverage offerings, the dental coverage offerings made available to those working with PTI will be made consistent with the changed coverage.

As the Agreement is a detailed, operational commitment regarding particular services and resources needed to support PTI, it was not feasible to seek public comment on the document. Though public comment was not appropriate, ICANN has worked to be very transparent in the development of the Agreement, particularly in allowing the operational communities that will rely on PTI the opportunity to consider if the Agreement meets their expectations. ICANN has worked intensively with the CWG-Stewardship and its outside counsel to review the Agreement, and agreed to many modifications as a result of that collaboration. The Agreement was also shared with the RIRs and IETF for their review and input, though they each elected not to provide inputs on this ICANN operational matter. The proposed Agreement being presented to the Board today for consideration incorporates specific language agreed on between ICANN, the CWG-Stewardship and its external counsel to address feedback from the CWG-Stewardship.

Once signed, the Agreement will become effective upon the successful completion of the IANA stewardship transition.

PROPOSED RESOLUTION:

Whereas, completion of the Services Agreement fulfills a requirement from the package of proposals that the Board approved on 10 March 2016 to transition NTIA's stewardship of the IANA functions to the global multistakeholder community.

Whereas, the Services Agreement was drafted to meet the requirements of the IANA Stewardship Coordination Group Proposal and the obligations that ICANN has under the IANA Naming Function Contract.

Whereas, ICANN consulted with the CWG-Stewardship, its outside counsel, the IETF, and the RIRs to address any concerns and finalize the Agreement.

Resolved (2016.09.15 xx), the proposed Services Agreement is approved, and the President and CEO, or his designee(s) is authorized to take such actions as appropriate to finalize and execute the Agreement.

PROPOSED RATIONALE:

Why the Board is addressing the issue now?

The package of proposals that the Board approved on 10 March 2016 to transition NTIA's stewardship of the IANA functions to the global multistakeholder community requires that ICANN provides the necessary services and resources to PTI for it to perform the IANA functions. This requirement is reflected in the IANA Naming Function Contract between ICANN and PTI.

To meet this requirement, ICANN has worked intensively with the CWG-Stewardship, its outside counsel, the IETF, and the RIRs to finalize the Services Agreement being presented to the Board today for consideration and approval.

What is the proposal being considered?

The Agreement specifies the services and resources that ICANN will provide to PTI in order for it to perform the IANA functions.

Dedicated resources include the employees currently in ICANN's IANA department, who directly perform the IANA functions services. **Shared resources** include employees in other ICANN departments who perform or participate in processes directly related to the delivery of the IANA functions. **Support services** include services provided by ICANN's departments to support PTI's operations (e.g., Human Resources, Finance, Procurement, etc.).

All services and resources provided to PTI will be billed at cost by ICANN to PTI. PTI will also be fully and exclusively funded by ICANN. It is estimated that the scope of services will represent a cost of US\$9 Million on an annual basis (using as a basis the FY17 Budget).

As it relates to the **dedicated resources**, the Agreement provides that the ICANN employees currently in the IANA department will be seconded to PTI. The Agreement further commits that within three (3) years of the effective date of the Agreement, PTI will have the necessary programs, processes, and policies to offer full-time employment to the seconded employees. In the event that PTI offers those employees full-time employment, ICANN commits to helping facilitate that change of employment.

Under the Agreement, ICANN will use reasonable efforts to provide all services in accordance with the standards, practices and procedures established by ICANN for its own operations. The Agreement allows ICANN to make changes in the manner of performing the services, suspend or terminate the provision of a service provided that the change, suspension, or termination does not create any material risk to the security and stability of the domain name system. For example, if ICANN makes a change to its dental coverage offerings, the dental coverage offerings made available to those working with PTI will be made consistent with the changed coverage.

Which stakeholders or others were consulted?

As the Agreement is a detailed, operational commitment regarding particular services and resources needed to support PTI, it was not feasible to seek public comment on the document. However, ICANN consulted with the IETF, and the RIRs to address any concerns, and worked intensively with the CWG-Stewardship, its outside counsel to and finalize the Agreement.

What concerns or issues were raised by the community?

No major issues were raised by the community, as most of the issues were legal in nature about the appropriate reflection of terms.

What significant materials did the Board review?

As part of its deliberations, the Board reviewed various materials, including, but not limited to, the following materials and documents:

- The proposed Services Agreement, [_____](#)
- The ICG IANA Stewardship Transition Proposal
<<https://www.icann.org/en/system/files/files/iana-stewardship-transition-proposal-10mar16-en.pdf>>
- ICANN FY17 Operating Plan and Budget
<<https://www.icann.org/en/system/files/files/adopted-opplan-budget-fy17-25jun16-en.pdf>>

What factors has the Board found to be significant?

The Board considered that the requirements of the Agreement are consistent with ICANN's financial planning processes and that the Agreement provides PTI with the necessary resources to perform the IANA functions.

Are there positive or negative community impacts?

The Agreement ensures that PTI will have the necessary resources to perform the IANA functions for the names, numbers, and protocol parameters communities.

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

The services will be billed at cost by ICANN to PTI, which in turn, is fully and exclusively funded by ICANN. It is estimated that the scope of services will represent a cost of US\$9 Million on an annual basis (using as a basis the ICANN FY17 Budget that the Board approved <<https://www.icann.org/resources/board-material/resolutions-2016-06-25-en - 2.c>>).

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

The Board's approval of the proposed Services Agreement would ensure that PTI has the necessary resources to continue operation of the IANA naming functions in a secure, stable, and reliable manner post transition.

Signature Block:

Submitted by: Trang Nguyen

Position: Senior Director, Strategic Programs

Date Noted: 2 September 2016

Email: trang.nguyen@icann.org

ICANN BOARD PAPER NO. 2016.09.15.2c

TITLE: **.COM Registry Agreement Amendment**

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

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

Updated with Revised Briefing Materials. See pg. 64-73.

ICANN BOARD PAPER NO. 2016.09.15.2c

TITLE: .COM Registry Agreement Amendment

PROPOSED ACTION: For Board Consideration and Approval

EXECUTIVE SUMMARY:

The Board is being asked to approve an amendment to the .COM Registry Agreement (“Amendment”) with Verisign, Inc. (“Verisign”) for .COM.

On 1 December 2012, ICANN and Verisign entered into a Registry Agreement under which Verisign operates the .COM top-level domain. The agreement is set to expire on 30 November 2018. ICANN and Verisign have negotiated an Amendment that would: (1) extends the term of the .COM Registry Agreement to 30 November 2024 to coincide with the term of the [Root Zone Maintainer Services Agreement](#) (RZMA) between ICANN and Verisign; (2) commits Verisign and ICANN to cooperate and negotiate in good faith to amend the .COM Registry Agreement by the second anniversary date of the proposed Amendment in order to preserve and enhance the security of the Internet or the TLD; (3) commits Verisign and ICANN to cooperate and negotiate in good faith to amend the terms of the .COM Registry Agreement as may be necessary for consistency with changes to the Cooperative Agreement between Verisign and the U.S. Department of Commerce. All other terms and conditions of the existing Registry Agreement remain unchanged.

The proposed Amendment was posted for a 42-day ICANN public comment from 30 June 2016 through 12 August 2016 <<https://www.icann.org/public-comments/com-amendment-2016-06-30-en>>. There were 99 comment submissions from individuals and groups/organizations. The comments submitted generally fall into the following categories and themes:

1. General Support for the Proposed .COM Amendment
2. Suggested Changes to the Proposed .COM Amendment
3. Concerns about Pricing of .COM Domain Names

4. Objection to Presumptive Renewal of the .COM Registry Agreement and Request for Competitive Bidding Process
5. Conforming the Terms of the .COM Registry Agreement to the New gTLD Registry Agreement and Other Enhancements
6. Linking the Term of the .COM Registry Agreement to the Root Zone Maintainer Services Agreement
7. Relationship of the Proposed .COM Amendment to the Cooperative Agreement between Verisign and the U.S. Department of Commerce
8. Consistency of Proposed .COM Amendment with ICANN's Core Values

Refer to the Rationale, or the summary and analysis report posted at

<https://www.icann.org/en/system/files/files/report-comments-com-amendment-09sep16-en.pdf> for the summary and analysis of the comments.

STAFF RECOMMENDATION:

Staff recommends that the Board approve the proposed amendment to the .COM Registry Agreement with Verisign, Inc.

PROPOSED RESOLUTION:

Whereas, ICANN and Verisign engaged in discussions on a proposed amendment to the 1 December 2012 .COM Registry Agreement (“Amendment”) and agreed to extend the term of the Agreement to 30 November 2024 to coincide with the term of the Root Zone Maintainer Services Agreement in order to enhance the security, stability and resiliency of root zone operations.

Whereas, the proposed Amendment also requires Verisign and ICANN to cooperate and negotiate in good faith to: (1) amend the .COM Registry Agreement by the second anniversary date of the proposed Amendment in order to preserve and enhance the security of the Internet or

the TLD; and (2) as may be necessary for consistency with changes to the Cooperative Agreement between Verisign and the U.S. Department of Commerce. All other terms and conditions in the existing Registry Agreement remain unchanged.

Whereas, ICANN commenced a public comment period from 30 June 2016 to 12 August 2016 <<https://www.icann.org/public-comments/com-amendment-2016-06-30-en>> on the proposed Amendment, Ninety-nine (99) comment submissions were posted by both individuals and organizations/groups.

Whereas, the Board carefully considered the comments and the staff summary and analysis of comments.

Whereas, ICANN conducted a review of Verisign's recent performance under the current .COM Registry Agreement and found that Verisign substantially met its contractual requirements.

Resolved (2016.09.15 xx), the proposed amendment to the .COM Registry Agreement <<https://www.icann.org/sites/default/files/tlds/com/com-amend-1-pdf-30jun16-en.pdf>> is approved, and the President and CEO, or his designee(s), is authorized to take such actions as appropriate to finalize and execute the Amendment.

PROPOSED RATIONALE:

Why the Board is addressing the issue now?

On 1 December 2012, ICANN and Verisign, entered into a Registry Agreement under which Verisign operates the .COM top-level domain. The agreement is set to expire on 30 November 2018. ICANN and Verisign have negotiated a proposed Amendment, which was posted for a 42-day ICANN public comment period between 30 June 2016 and 12 August 2016. At this time, the Board is approving the proposed Amendment for the continued operation of .COM TLD by Verisign.

What is the proposal being considered?

The proposed Amendment: (1) extends the term of the .COM Registry Agreement to 30 November 2024 to coincide with the term of the [Root Zone Maintainer Services Agreement](#) (RZMA) between ICANN and Verisign; (2) commits Verisign and ICANN to cooperate and

negotiate in good faith to amend the .COM Registry Agreement by the second anniversary date of the proposed Amendment in order to preserve and enhance the security of the Internet or the TLD; (3) commits Verisign and ICANN to cooperate and negotiate in good faith to amend the terms of the .COM Registry Agreement as may be necessary for consistency with changes to the Cooperative Agreement between Verisign and the U.S. Department of Commerce. All other terms and conditions of the existing Registry Agreement remain unchanged.

Which stakeholders or others were consulted?

ICANN engaged in bilateral negotiations with Verisign to agree to the terms of the proposed Amendment. The proposed Amendment was then published for public comment from 30 June 2016 to 12 August 2016. Following the public comment period, the comments were summarized and analyzed.

What concerns or issues were raised by the community?

There were 99 comment submissions from individuals and groups/organizations during the 42-day public comment period. Some commenters were generally supportive of the proposed Amendment while others raised concerns. A summary and analysis of the comments is provided below and also posted at <<https://www.icann.org/en/system/files/files/report-comments-com-amendment-09sep16-en.pdf>>.

What significant materials did the Board review?

As part of its deliberations, the Board reviewed various materials, including, but not limited to, the following materials and documents:

- The .COM Registry Agreement <<https://www.icann.org/resources/pages/com-2012-12-07-en>>
- Public comments <<https://forum.icann.org/lists/comments-com-amendment-30jun16/>>
- Summary and analysis of public comments <<https://www.icann.org/en/system/files/files/report-comments-com-amendment-09sep16-en.pdf>>
- Root Zone Maintainer Agreement <https://www.icann.org/iana_imp_docs/63-root-zone-maintainer-agreement-v-1-0>

- Cooperative Agreement <<https://www.ntia.doc.gov/page/verisign-cooperative-agreement>>
- New gTLD Registry Agreement – Updated 09 January 2014 <<http://newgtlds.icann.org/sites/default/files/agreements/agreement-approved-09jan14-en.pdf>>
- “Letter to the Editor, Wall Street Journal” by John Jeffrey, ICANN’s General Counsel and Secretary <<https://www.icann.org/en/system/files/correspondence/jeffrey-to-wsj-01sep16-en.pdf>>

What factors has the Board found to be significant?

The Board carefully considered the public comments received for the proposed Amendment, along with the summary and analysis of those comments.

The Board acknowledges that some commenters were generally supportive of the proposed Amendment, and some expressed general support but also asked ICANN and/or Verisign to clarify the relationship of the Cooperative Agreement and proposed Amendment, particularly around pricing, and the provisions or topics that would be the subject of good faith negotiations by the second anniversary of the effective date of the proposed Amendment.

While the Board acknowledges the suggested changes to the proposed Amendment to specify what provisions will be discussed by the two-year anniversary of the proposed Amendment, the Board notes that the language as drafted in the proposed Amendment balances providing a commitment to engage in negotiations, while providing leeway to consider future topics related to preserving and enhancing the security and stability of the Internet or the TLD in this changing landscape.

With respect to revising the proposed Amendment to account for potential changes to, or cancelation of the Cooperative Agreement between Verisign and the Department of Commerce, The Board notes that the proposed Amendment already takes into account the Cooperative Agreement. The proposed Amendment includes language requiring ICANN and Verisign to engage in good faith negotiations to make changes to the .COM Registry Agreement as may be

necessary for consistency with changes to, or the termination or expiration of, the Cooperative Agreement.

The Board also acknowledges that there were several comments submitted relating to prices for .COM domain names. Some commenters suggested that the current price cap in the Registry Agreement must remain in place, while others recommended that prices must be reduced. The Board notes that Section 7.3(d) of the .COM Registry Agreement specifies the maximum price that Verisign can charge for registry services. The proposed Amendment does not change this provision.

The Board also acknowledges the comments submitted opposing the presumptive renewal right provision in the .COM Registry Agreement and suggestions that the presumptive renewal right should be taken away if certain events occur, such as an uncured material breach of the Registry Agreement. Others suggested that instead of extending the .COM Registry Agreement, it should be put out for a competitive public tender to ensure that the registrants are charged lower prices. The Board notes that the presumptive right of renewal in Section 4.2 of the .COM Registry Agreement is a provision that is in all of ICANN's registry agreements. The provision allows a registry operator the right to renew the agreement at its expiration, provided that the registry operator is in good standing at the time of renewal as set forth under the terms of the presumptive renewal provision. This presumptive renewal provision is in place to ensure stability, security, and reliability in the operation of the TLD, i.e., to encourage long-term investment in robust TLD operations. This has served public interest by encouraging investment in the TLD registry infrastructure and improvements in reliability of the TLD operations. ICANN has previously described the rationale for presumptive renewal for registries: "Absent countervailing reasons, there is little public benefit, and some significant potential for disruption, in regular changes of a registry operator. In addition, a significant chance of losing the right to operate the registry after a short period creates adverse incentives to favor short-term gain over long-term investment. On the other hand, the community, acting through ICANN, must have the ability to replace a registry operator that is not adequately serving the community in the operation of a registry."

The Board acknowledges the comments that the .COM Registry Agreement should be brought in line with new safeguards and intellectual property protections found in the New gTLD Registry Agreement. Some of the commenters noted that certain legacy gTLD Registry Operators have

adopted the general form of the New gTLD Registry Agreement (e.g. .PRO, .CAT, .TRAVEL) including the additional enhancements and safeguards, and .COM should be required to do the same. Some suggested that not requiring .COM to be subject to the new enhancements, safeguards, and intellectual property protections in the New gTLD Registry Agreement raises concerns about whether ICANN is adhering to its core values related to non-discriminatory or preferential treatment, serving the public interest, transparency, and competition. The Board notes that the proposed Amendment posted for public comment is a simple extension of the current term of the agreement, and moving to the form of the new gTLD Registry Agreement would require longer discussion and community consultation. Proposing a simple Amendment at this time to extend the term of the .COM registry agreement is intended to maintain the stable, secure, and reliable operations of the .COM TLD.

The Board also notes that the proposed Amendment provides a provision that commits ICANN and Verisign to cooperate and negotiate in good faith to amend the .COM Registry Agreement by the second anniversary date of the proposed amendment in order to preserve and enhance the security of the Internet or the TLD. This language was negotiated to provide an opportunity for future discussions that may be needed to discuss potential changes to preserve and enhance the security of the Internet or the .COM TLD.

The Board acknowledges comments asking for confirmation that Verisign will be required to implement future developed consensus policies that may provide for additional safeguards and enhancements. The Board notes that Section 3.1 (b) of the .COM Registry Agreement states that, “At all times during the term of this Agreement and subject to the terms hereof, Registry Operator will fully comply with and implement all Consensus Policies found at <http://www.icann.org/en/general/consensus-policies.htm>, as of the Effective Date and as may in the future be developed and adopted in accordance with ICANN's Bylaws and as set forth below.”

The Board acknowledges the comments that opposed the early renewal of the .COM Registry Agreement and the linkage to the Root Zone Maintainer Agreement (RZMA). These comments noted that the root zone maintainer infrastructure should never have become “inextricably intertwined” with Verisign’s .COM operations. Some questioned how linking the two agreements would enhance the security, stability and resiliency of root operations and argued

that the linkage represents a single source of failure. These commenters urged ICANN technical staff to begin exploring how some practical separation between root zone and .COM technical operations might be achieved if that eventuality ever arises, and to assure that such action does not pose a threat to the security and stability of the DNS. The Board notes that Verisign has been providing “registration services” under its Cooperative Agreement with NTIA for many years, which was broadly defined to include root zone maintainer function and .COM Top Level Domain registry services. Given the unified nature of these two functions under the Cooperative Agreement, much of the infrastructure supporting the root zone maintainer function is “intertwined” with Verisign’s TLD operations for .COM. A key component of ensuring security of the root operations was making sure that those operations continued to benefit from its historic association with the .COM operations. This was achieved by the proposed simple extension of the .COM Registry Agreement to coincide with the term of the new RZMA. While the terms of the agreements are linked together in the sense that they would expire at the same time, the agreements do not contain any provisions linking the performance of the obligations under the .COM Registry Agreement with the obligations under the RZMA. In fact, the Root Zone Maintainer Services Agreement (“RZMA”), [approved](#) by the ICANN Board on 9 August 2016, includes provisions that provide the community the ability – through a consensus-based, community-driven process – to require ICANN to transition the root zone maintainer function to another service provider three years after the effective date of the agreement.

The Board acknowledges the comments suggesting that not requiring .COM to be subject to the new enhancements, safeguards, and intellectual property protections in the New gTLD Registry Agreement raises concerns about whether ICANN is adhering to its core values related to non-discriminatory or preferential treatment, serving the public interest, transparency, and competition.

The Board notes that the Bylaws enumerate core values that should guide the decisions and actions of ICANN in performing its mission, and ICANN takes seriously its commitment to those values. As provided in the Bylaws, the “core values are deliberately expressed in very general terms, so that they may provide useful and relevant guidance in the broadest possible range of circumstances. Because they are not narrowly prescriptive, the specific way in which they apply, individually and collectively, to each new situation will necessarily depend on many

factors that cannot be fully anticipated or enumerated; and because they are statements of principle rather than practice, situations will inevitably arise in which perfect fidelity to all eleven core values simultaneously is not possible. Any ICANN body making a recommendation or decision shall exercise its judgment to determine which core values are most relevant and how they apply to the specific circumstances of the case at hand, and to determine, if necessary, an appropriate and defensible balance among competing values.” When considering the comments and approval of the proposed Amendment, the Board has taken into consideration the relevant core values in order to balance the competing priorities.

The Board further acknowledges comments concerning competitive issues and providing a level playing field. Article II, Section 3 of ICANN’s Bylaws state, "ICANN shall not apply its standards, policies, procedures, or practices inequitably or single out any particular party for disparate treatment unless justified by substantial and reasonable cause, such as the promotion of effective competition.” The Board notes the .COM Registry Agreement contains many different terms that are not present in other registry agreements. These unique terms might be considered either favorable or unfavorable depending on one’s point of view. For example, the price control provision in Section 7.3 of the .COM registry agreement tightly controls the ability of the registry operator to raise prices in a manner that is not present in any other registry agreement.

Are there positive or negative community impacts?

ICANN conducted a review of Verisign’s recent performance under the current .COM Registry Agreement and found that Verisign substantially met its contractual requirements.

The Board’s approval of the proposed Amendment is intended to ensure the continued stable, secure, and reliable operations of the .COM TLD.

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

There is no significant fiscal impact expected if the Board approves the proposed Amendment.

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

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

Signature Block:

Submitted by: Trang Nguyen

Position: Senior Director, Strategic Programs

Date Noted: 2 September 2016

Email: trang.nguyen@icann.org

ICANN BOARD PAPER NO. 2016.09.15.2d

TITLE: **PTI Governance Items – Resignation of Incorporator;
Adoption of PTI Bylaws; Appointment of PTI Board
Initial Directors; Appointment of PTI President**

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

EXECUTIVE SUMMARY:

Now that PTI has been incorporated as an ICANN affiliate, ICANN, as the sole member of PTI, must take certain actions to allow PTI to become operational. The following items are recommended for ICANN Board action today:

- Accepting the Resignation of PTI’s Incorporator
- Adopting PTI’s Bylaws
- Appointment of the President of PTI
- Appointment of the Initial Directors of the PTI Board

These are all necessary to allow PTI to become operational.

STAFF RECOMMENDATION:

The Board is recommended to take the following four actions on behalf of ICANN, the sole member of PTI:

- Accept the Resignation of PTI’s Incorporator
- Adopt PTI’s Bylaws
- Appoint of the President of PTI
- Appoint of the Initial Directors of the PTI Board

BACKGROUND:

Incorporator

In furtherance of the IANA Stewardship Coordination Group (ICG’s) Proposal to develop an ICANN affiliate, PTI (also known as “Public Technical Identifiers”), on 10 August 2016 ICANN filed Articles of Incorporation for PTI with the California Secretary of State.

ICANN identified Akram Atallah to serve as the incorporator, a necessary role in order to complete the signing and filing of the Articles of Incorporation. While the incorporator also can have the ability to take certain other actions as it relates to appointment of directors, for

transparency reasons, Akram's service as incorporator was held to the minimum necessary to bring PTI into existence. In order for further actions to be taken, Akram's service as incorporator must come to an end. Akram has tendered the attached resignation, and it is recommended that the Board accepts this resignation.

PTI Bylaws

As the sole member of PTI, ICANN must approve the initial Bylaws of PTI. The PTI Bylaws were drafted in a coordinated fashion between ICANN and the external legal counsel to the CWG-Stewardship. The primary guidance for the development of the PTI Bylaws was the ICG Proposal, which set out the requirements for PTI as a lightweight organization with a board of approximately five directors, including some nominated through the community and others nominated directly by ICANN. The Bylaws then go into more specificity, such as the identification that PTI will have three officers (President, Secretary and Treasurer), and how meetings of PTI and of sole member of PTI will take place. The Bylaws also specify quorum requirements and voting thresholds, which are designed to assure that at least one of the community nominated directors is present for any meeting of the PTI Board. Because PTI does not have the same complex organizational structure as ICANN, and is serving in an operational (not policy development) role, PTI's Bylaws do not need to be used to set out different policy development or advisory bodies. The PTI Bylaws are much shorter and streamlined than the ICANN Bylaws.

During the PTI Bylaws development process, the primary focus of the CWG-Stewardship discussions was surrounding the issues of making sure that the community-nominated directors have an appropriate voice in the governance of the PTI, including on committees, while retaining high governance standards. All of the items raised by the CWG-Stewardship during the PTI Bylaws review process were able to be taken on. The PTI Bylaws were also out for a 30-day public comment from 12 July 2016 through 11 August 2016, and three comments in addition to the CWG-Stewardship's submission were received. The PTI Bylaws were updated to address the comments as appropriate, and a staff report and analysis was provided. The ICANN Board is requested, as the sole member of PTI, to adopt the PTI Bylaws as revised after public comment. The proposed PTI Bylaws and the staff summary and analysis of the public comments are provided for the Board's consideration.

President of PTI

ICANN, as the sole member of PTI, is reserved the ability to name the President of PTI. The President of PTI, as defined in the PTI Bylaws, “shall be the general manager of the Corporation, and subject to the control of the [PTI] Board, shall supervise, direct and control the Corporation’s day-to-day activities, business and affairs. The President may delegate his or her responsibilities and powers subject to the control of the [PTI] Board. He or she shall have such other powers and duties as may be prescribed by the [PTI] Board, with the approval of the Member, or these Bylaws.”

ICANN management recommends that Elise Gerich, ICANN’s current Vice President, IANA and Technical Operations, be appointed as President of PTI. The PTI President also serves, *ex officio*, as a member of the PTI Board.

Appointment of PTI Board

In its role as the sole member of PTI, ICANN has the obligation to appoint all five members of the PTI Board. Through its selection of the PTI President, ICANN fills one of those five spots. ICANN then has the opportunity appoint two other employees of ICANN or PTI to the PTI Board. Following the CWG-Stewardship’s recommended examples, ICANN management recommends that Akram Atallah, the ICANN executive that will be responsible for PTI, and David Conrad, ICANN’s CTO, as ICANN’s initial appointments to the PTI Board.

The PTI Bylaws also include some limitations on this appointment power; for the remaining two Board members, ICANN is obligated to follow the nomination of the ICANN Nominating Committee. Because the implementation work to put PTI in place did not match up with the 2016 Nominating Committee selection cycle, there was not sufficient time for the 2016 Nominating Committee to make nominations for those two seats. As a result, and at the recommendation of the CWG-Stewardship, the PTI Bylaws allow for two Initial Directors to be recommended by the CWG-Stewardship, for service until the 2017 Annual Meeting of PTI. The CWG-Stewardship has identified Jonathan Robinson and Lise Fuhr to serve as the community-identified directors for this initial term. Because ICANN is responsible for all appointments to the PTI Board, ICANN management recommends that in recognition of the community selections, the Board also appoint Jonathan Robinson and Lise Fuhr to the PTI Board as Initial Directors.

PROPOSED RESOLUTION:

Incorporator

Whereas, on 9 August 2016, the ICANN Board approved the filing of Articles of Incorporation for Public Technical Identifiers (or PTI) with the California Secretary of State.

Whereas, to complete that filing, ICANN identified Akram Atallah to serve as the incorporator for PTI for the purposes of signing and filing the PTI Articles of Incorporation.

Whereas, the PTI Articles of Incorporation were received by the California Secretary of State on 10 August 2016.

Whereas, Akram Atallah has taken no other acts as the incorporator of PTI, and has submitted a letter of resignation as the incorporator of PTI.

Resolved (2016.09.15.xx), that any or all actions heretofore taken by any Authorized Officer to effectuate or evidence the purpose and intent of the foregoing resolutions be, and hereby are, approved, ratified and confirmed as the act and deed of the Company or such subsidiary and the act and deed of the Board.

Resolved (2016.09.15.xx), the ICANN Board, in its role as sole member of PTI, accepts the resignation of Akram Atallah as incorporator of PTI.

PTI Bylaws

Whereas, it is deemed to be in the best interest of PTI, as a California Nonprofit Public Benefit Corporation, that bylaws be adopted.

Whereas, these initial Bylaws of PTI were developed to be consistent with the requirements of the ICG Proposal as received by the ICANN Board on 10 March 2016, including through coordination with the CWG-Stewardship and its external counsel.

Whereas, the initial Bylaws of PTI were subject to a 30-day public comment period, from 12 July 2016 through 11 August 2016, with four comments received. ICANN staff developed a summary analysis and report identifying how each comment was considered and addressed, and ICANN coordinated with CWG-Stewardship's external counsel on the revisions.

Whereas, ICANN's General Counsel has asserted that the proposed PTI Bylaws remain consistent with the ICG Proposal and recommends that ICANN, as PTI's sole member, proceed with approval.

Whereas, the PTI Bylaws will not go into effect until approved by both the PTI Board and

ICANN as the sole member.

Resolved, the ICANN Board, in its role as sole member of PTI, approves the initial Bylaws as attached [here] as the initial Bylaws for PTI.

PTI President

Whereas, pursuant to Section 7.2 of the PTI Bylaws, ICANN as the sole member is authorized to appoint a President of PTI.

Resolved, the ICANN Board, in its role as sole member of PTI, hereby appoints Elise Gerich as the President of PTI.

PTI Board – Initial Directors

Whereas, ICANN, in its role as sole member of PTI, has the obligation to appoint all members of the PTI Board in accordance with Article 5 of the PTI Bylaws.

Whereas, the PTI Bylaws, at Section 5.2.1, authorize the PTI Board to have five Directors.

Whereas, ICANN, as the sole member of PTI, must appoint four Initial Directors to the PTI Board, with two Initial Directors being employees of ICANN or PTI, and two Initial Directors being the candidates identified by the Cross-Community Working Group to Develop an IANA Stewardship Proposal for Naming Related Functions, pursuant to Section 5.2.2.2 of the PTI Bylaws.

Whereas, ICANN, as the sole member of PTI, must appoint the President of PTI to the PTI Board. Elise Gerich has been appointed as President of PTI.

Whereas, ICANN recommends that Akram Atallah, ICANN's President, Global Domains Division and David Conrad, ICANN's Chief Technology Officer, serve as the two Initial Directors that are employees of ICANN or PTI.

Whereas, the CWG-Stewardship recommends that Lise Fuhr and Jonathan Robinson serve as Initial Directors.

Resolved, ICANN, in its role as sole member of PTI, appoints Akram Atallah, David Conrad, Lise Fuhr, and Jonathan Robinson as Initial Directors of PTI with terms to end as specified at Section 5.5 of the PTI Bylaws. Elise Gerich is appointed as a Director of PTI with a term to coincide with her service as President of PTI.

PROPOSED RATIONALE

The resolutions taken here today fulfill ICANN's responsibility, as the sole member of PTI, to allow PTI to have the governance structure in place and become operationally ready to perform its required activities upon the successful completion of the IANA stewardship transition. With the acceptance of the incorporator's resignation, ICANN can then transparently and in a manner accountable to its community, move forward with the adoption of the PTI Bylaws, and appointment of the PTI Board (including the PTI President). This will allow the PTI Board to meet in the near future to complete its necessary organizational activities, which will include acceptance of the PTI Bylaws, appointment of officers, adoption of governance documents such as the Conflicts of Interest Policy. The PTI Board can also determine how to delegate authority for the approval and execution of the necessary contracts for PTI operations, such as the PTI Naming Functions Agreement, the Services Agreement with ICANN, and other subcontracting arrangements between PTI and ICANN.

These resolutions do not authorize PTI to perform any of the IANA functions prior to such time as the IANA stewardship transition is complete. This is also an important accountability aspect.

The PTI Bylaws are a product of collective work of the internal and external legal teams along with the intensive work of the CWG-Stewardship. The PTI Bylaws were posted for a 30-day public comment period, and four comments were received. Each of the comments was considered and analyzed, and explanation was provided on whether the PTI Bylaws required modification to reflect the issues raised within the comment. In modifying the PTI Bylaws, ICANN worked closely with the CWG-Stewardship and their external counsel, and revisions were made to assure that the community-nominated directors to the PTI Board would always be present at PTI Board and Board Committee meetings, and were appropriately accounted for in key decisions requiring higher thresholds than a simple majority. The PTI Bylaws as modified remain consistent with the ICG's transition Proposal. The PTI Bylaws must still be adopted by the PTI Board in order for them to come into effect.

The appointment of the PTI President and Board are taken fully in line with the obligations as set forth in the PTI Bylaws, and respectful of the community's recommendations of the proposed composition of the Board.

In taking these actions, the Board relied upon:

Akram Atallah resignation as PTI Incorporator

[ICG's IANA Stewardship Transition Proposal](#)

[Report of Public Comments on PTI Bylaws](#)

Draft PTI Bylaws

CWG-Stewardship [11 August 2016 Comment](#) noting recommended PTI Board appointments

The Board also relied upon the General Counsel and Secretary's affirmation that PTI Bylaws reflect the Transition Proposals, as well as the inputs of independent counsel to craft the PTI Bylaws to support the ICG Proposal.

These actions continue to confirm ICANN's commitment to implement the Transition Proposals and all of the elements in those Proposals.

None of the actions taken today are anticipated to have any impact on the security, stability or resiliency of the DNS, though the PTI will be essential to ICANN's security, stability and resiliency work. There will be resource implications in supporting the PTI Board, as well as the significant resources required to support a new affiliate.

The approval of the PTI Bylaws is an Organizational Administrative Function for which public comments were received.

The acceptance of the resignation of the incorporator, appointment of the PTI President and the appointment of the PTI Board are Organizational Administrative Functions for which public comments were not necessary.

Signature Block:

Submitted by: Samantha Eisner

Position: Deputy General Counsel

Date Noted: 2 September 2016

Email: Samantha.eisner@icann.org

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

ICANN BOARD PAPER NO. 2016.09.15.2e

TITLE: **Background on Implementation of GAC Advice on New gTLDs Relating to Highly-regulated Sectors**

PROPOSED ACTION: **For Information**

EXECUTIVE SUMMARY:

This briefing provides a summary of the implementation of advice from the Governmental Advisory Committee (GAC) to the ICANN Board in the [Beijing Communiqué](#) (April 2013) concerning Category 1 safeguards.

In the Beijing Communiqué, the GAC [advised](#) the Board that “strings that are linked to regulated or professional sectors should operate in a way that is consistent with applicable laws. These strings are likely to invoke a level of implied trust from consumers, and carry higher levels of risk associated with consumer harm.” In its advice, the GAC:

- included a non-exhaustive list of generic top level domain (gTLD) strings linked to regulated or professional sectors to which the safeguards should apply. Among the strings listed were .INC, .LLC, and .LLP.
- detailed five safeguards that should apply to the list of strings linked to regulated or professional sectors.
- identified three additional targeted safeguards that should apply to a “limited subset” of strings “associated with market sectors which have clear and/or regulated entry requirements” in multiple jurisdictions. The GAC, however, did not delineate the limited subset of strings to which these additional safeguards should apply.

On 29 October 2013, the ICANN Board New gTLD Program Committee (NGPC) sent a [letter](#) to the GAC about its proposed implementation framework of the Category 1 Safeguard advice in the Beijing Communiqué. As described in the letter, the NGPC informed the GAC that it:

- proposed to modify the text of the Category 1 Safeguards as appropriate to meet the spirit and intent of the advice in a manner that allowed the requirements to be implemented as Public Interest Commitments (PICs) in Specification 11 of the New gTLD Registry

Agreement.

- proposed to distinguish the list of strings between those that the NGPC considered to be associated with market sectors or industries that have highly-regulated entry requirements in multiple jurisdictions, and those that do not. In this way, there would be targeted safeguards that would apply to a limited subset of strings. The Category 1 Safeguards in the PIC would apply to the gTLDs based on how the gTLD string was categorized (i.e., the highly-regulated gTLDs would have eight additional PICs, and the others would have three additional PICs).

In the [Buenos Aires Communiqué](#) (November 2013), the GAC reported that, “The GAC welcomed the response of the Board to the GAC’s Beijing Communiqué advice on Category 1 and Category 2 safeguards. The GAC received useful information regarding implementation of the safeguards during its discussions with the New gTLD Program Committee. GAC members asked for clarification of a number of issues and look forward to ICANN’s response.”

In [February 2014](#), the NGPC answered the questions in the Buenos Aires Communiqué, and accepted the GAC’s Category 1 Safeguard advice in an iteration of the [Scorecard](#), and directed the President and CEO to implement the advice consistent with the [implementation framework](#). For the past two years, ICANN has issued and executed over 150 registry agreements consistent with the adopted framework. As is the case for all of the other highly-regulated gTLDs, the prevailing applicant(s) for the .INC, .LLC, .LLP gTLDs will be required to execute a Registry Agreement with the following eight PICs as required by the implementation framework:

1. *Registry operators will include a provision in their Registry-Registrar Agreements that requires Registrars to include in their Registration Agreements a provision requiring registrants to comply with all applicable laws, including those that relate to privacy, data collection, consumer protection (including in relation to misleading and deceptive conduct), fair lending, debt collection, organic farming, disclosure of data, and financial disclosures.*
2. *Registry operators will include a provision in their Registry-Registrar Agreements that requires registrars at the time of registration to notify registrants of the requirement to comply with all applicable laws.*
3. *Registry operators will include a provision in their Registry-Registrar Agreements that requires Registrars to include in their Registration Agreements a provision requiring that registrants who collect and maintain sensitive health and financial data implement*

reasonable and appropriate security measures commensurate with the offering of those services, as defined by applicable law.

4. *Registry operators will proactively create a clear pathway for the creation of a working relationship with the relevant regulatory or industry self-regulatory bodies by publicizing a point of contact and inviting such bodies to establish a channel of communication, including for the purpose of facilitating the development of a strategy to mitigate the risks of fraudulent and other illegal activities.*
5. *Registry operators will include a provision in their Registry-Registrar Agreements that requires Registrars to include in their Registration Agreements a provision requiring Registrants to provide administrative contact information, which must be kept up-to-date, for the notification of complaints or reports of registration abuse, as well as the contact details of the relevant regulatory, or industry self-regulatory, bodies in their main place of business.*
6. *Registry operators will include a provision in their Registry-Registrar Agreements that requires Registrars to include in their Registration Agreements a provision requiring a representation that the Registrant possesses any necessary authorisations, charters, licenses and/or other related credentials for participation in the sector associated with the Registry TLD string.*
7. *If a Registry Operator receives a complaint expressing doubt with regard to the authenticity of licenses or credentials, Registry Operators should consult with relevant national supervisory authorities, or their equivalents regarding the authenticity.*
8. *Registry operators will include a provision in their Registry-Registrar Agreements that requires Registrars to include in their Registration Agreements a provision requiring Registrants to report any material changes to the validity of the Registrants' authorisations, charters, licenses and/or other related credentials for participation in the sector associated with the Registry TLD string in order to ensure they continue to conform to appropriate regulations and licensing requirements and generally conduct their activities in the interests of the consumers they serve.*

Submitted by: Amy A. Stathos, Deputy General Counsel
Date Noted: 2 September 2016
Email: amy.stathos@icann.org

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

ICANN BOARD SUBMISSION NO. 2016.09.15.2g

TITLE: **Reconsideration Request 16-3 (dotgay LLC)**

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

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Items removed from agenda. The Board decided to take up (1) Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY; and (2) Reconsideration Request 16-3 (dotgay LLC) after receiving additional information from staff.

Privileged and Confidential

Privileged and Confidential

Privileged and Confidential

Directors and Liaisons,

Attached below please find Notice of date and time for a Regular Meeting of the ICANN Board.

15 September 2016 – Regular Meeting of the ICANN Board of Directors - at 12:00 UTC (2:00pm – 3:30pm in Brussels). This Board meeting is estimated to last approximately 90 minutes.

Note: timing of Board Meeting subject to change upon revisions to the overall Workshop schedule.

<http://www.timeanddate.com/worldclock/fixedtime.html?msg=ICANN+Board+Meeting&iso=20160915T14&p1=48&ah=1&am=30>

Some other time zones:

15 September 2016 – 5:00am PDT Los Angeles

15 September 2016 – 8:00am EDT Washington, D.C.

15 September 2016 – 8:00pm CST Taipei

16 September 2016 – 10:00pm AEST Sydney

REGULAR MEETING OF THE ICANN BOARD

Consent Agenda

- Approval of Board Meeting Minutes from 9 August 2016
- Implementation of RSSAC 003 Recommendation for the KSK signature validity
- Delegation of the .বাংলা (“bangla”) domain representing Bangladesh in Bengali script
- October 2018 ICANN Meeting Venue and Location Contracting
- Appointment of 2017 Nominating Committee Chair and Chair-Elect

Main Agenda

- IANA Naming Function Agreement between ICANN and PTI
- Services Agreement between ICANN and PTI
- .COM Registry Agreement Amendment

- PTI Governance Items – Adoption of PTI Bylaws; Appointment of PTI Board Initial Directors; Appointment of PTI President
- Further Consideration of the Dot Registry IRP Final Declaration
- Consideration of Ombudsman Report Regarding dotgay, LLC's application for .GAY
- Reconsideration Request 16-3 (dotgay LLC)
- AOB

MATERIALS – You can access the Board Meeting materials in Google Drive here:

Contact Information Redacted

If you have trouble with access, please let us know and we will work with you to assure that you get access to the documents.

If call information is required, it will be distributed separately.

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

John Jeffrey

General Counsel & Secretary, ICANN

John.Jeffrey@icann.org <John.Jeffrey@icann.org>

<<mailto:John.Jeffrey@icann.org> <<mailto:John.Jeffrey@icann.org>> >