



20 May 2026

Mr. Craig Schwartz
President
fTLD Registry Services | .bank & .insurance

RE: Registry Compliance and Safeguarding Registrants

Dear Mr. Schwartz,

Thank you for your 27 February 2026 [letter](#) regarding registry operator compliance and registrant safeguards for sponsored, community, and geographic generic top-level domains (gTLDs).

ICANN org remains committed to its mission of ensuring the security and stability of the Domain Name System (DNS), including through its processes related to all community, sponsored, and geographic gTLD assignments. ICANN org recognizes that registry operators and their businesses evolve over time, and we remain responsive to those changes while staying attentive to the impact on registrants and the DNS ecosystem.

We appreciate the actions you recommended and aim to address them below.

With respect to your suggestion for ICANN org to hold a public comment period in connection with any proposed assignments of sponsored, community, or geographic TLDs: [Registry agreement \(RA\) assignments](#) follow the requirements set forth in the RA, as well as procedural requirements in the [Registry Transition Processes](#). We note that TLD community consultation, or evidence of government support/non-objection for geographic TLDs, are existing requirements in the RA assignment process. Consultation with the impacted TLD community provides transparency and a means to obtain input from the TLD community, specifically those who are most directly impacted by the proposed change. We will look into whether there are additional opportunities for further transparency around this step.

Furthermore, within the assignments process, ICANN org conducts diligence to understand and evaluate the entity that is expected to operate the gTLD. This includes having reasonable assurances that this entity will continue to enable the secure, stable, and resilient operation of the gTLD, including that the obligations within the RA will continue to be met.

ICANN org would like to provide some clarity on the changes you referenced to the .mobi and .xxx TLD sponsorships. The changes to sponsorship occurred during the renewal of their sponsored TLD RAs. In both cases, the registry operator requested changes to its sponsorship, and ICANN org considered potential impacts to the TLD community and conducted appropriate due diligence. This included requiring outreach by the registry operator to the TLD community, and requiring evidence of the TLD community and sponsor support/non-objection to the proposed change to the sponsorship. ICANN org also sought input from the broader community by posting the proposed renewal via the ICANN org Public Comment process. Specific examples of such requests for Public Comment may be found for the [Proposed Renewal of the Registry Agreement for the .XXX top-level domain](#) and the [Proposed Renewal of .MOBI Sponsored Registry Agreement](#).

Regarding your suggestion that ICANN org ensure that all registry operators are in compliance with their Specification 12 contractual obligations prior to assignment:

For a community TLD, Specification 12 is incorporated as part of the RA and sets forth the TLD community definition, registration policies, eligibility criteria, and registration restrictions. If a registry operator of a community TLD requests an assignment to a new registry operator, the new registry operator must assume responsibility for the rights and obligations under the RA as-is. The newly assigned registry operator is not able to revise or abandon those Specification 12 obligations through the assignment process. The only process in which a registry operator may revise obligations and commitments to its TLD community is through the [Community gTLD Change Request Procedure](#). This procedure establishes a narrow scope in changes permitted, requires TLD community consultation, and sets a high bar for evidence from the requesting registry operator to make proposed changes.

Part of ICANN org's diligence of any assignment request is to ensure there are no outstanding compliance issues under the registry agreement(s) before consenting. If a registrant or community member finds issues with a registry operator's compliance with its Specification 12 policies, they may contact ICANN Contractual Compliance to submit a [Complaint](#). Additionally, the RA includes a specific mechanism, the [Registry Restrictions Dispute Resolution Procedure](#) (RRDRP), to address claims that a community TLD registry is not following its registration restrictions. If an Expert Panel (as defined in the RRDRP Rules) determines that a registry operator is in breach, ICANN org will issue a notice of breach and provide the opportunity to cure, as required under the RA.

To your suggestion that ICANN org audit all registry operators with a Specification 12 in their registry agreement periodically and within three years of being assigned: ICANN org notes that in addition to the safeguards related to assignments and renewal of the RA described

above, it maintains a Contractual Compliance function that is responsible for monitoring and enforcing compliance with the RA. This includes the [Contractual Compliance Audit Program](#), in which two audit cycles are generally conducted each year — one focuses on registry operators and the other focuses on registrars. RA Specification 12 obligations are reviewed as part of full-scope RA audits when community TLDs are selected for a given round. It is important to note that not all TLDs are selected in every audit cycle; selections vary based on program criteria, risk considerations, and overall audit-cycle design. We appreciate your input regarding the specific consideration of Specification 12 TLDs and related selection criteria for future audit rounds. Your feedback will be considered as ICANN org reviews and refines its audit-planning approach and designs future audit cycles.

With respect to your suggestion that ICANN org undertake a comprehensive economic analysis of the entire domain name marketplace by utilizing Section 2.15 of the RA (Cooperation with Economic Studies) to obligate Registry Operators to comply with such a study, it is not clear how that request is related to your discussion of challenges to community TLDs. Regardless, the scope of your suggested study is broad and not tethered to the data that ICANN is able to access or obligate an RO's cooperation to provide. Further, registrars and ccTLDs managers have no such obligation to cooperate with ICANN-commissioned studies.

The data set that would be necessary to conduct the suggested review is also beyond the data that ICANN has agreed to collect, including data defined through the Competition, Consumer Choice and Consumer Trust (CCT) Review. Accordingly, a comprehensive economic study would require significant stakeholder participation and willingness to provide private data (e.g., secondary market transactions). ICANN remains committed to a second CCT review, as defined by the ICANN community. ICANN is not in a position to initiate an interim study as requested.

Regarding your overall concerns of the potential for gaming: The existing framework based on its policy-driven design incorporates factors to mitigate the potential gaming risk within the TLD application process and future assignment requests. For example, the application process itself is deliberately rigorous, which in practice can potentially discourage applicants who do not have a genuine intent to operate a TLD. ICANN org has the ability to cancel an application if the application was not submitted in good faith.

If the broader community sees a need to revise how or when community, sponsored, or geographic TLDs may be assigned, there is potential for future policy work. If you haven't done so, ICANN suggests that you share your concerns with the Registry Stakeholder Group, or relevant



Supporting Organization or Advisory Committee, as that would be the appropriate avenue for the community to advance a policy discussion on this topic.

Sincerely,

A handwritten signature in purple ink, appearing to read "T Swinehart".

Theresa Swinehart

Senior Vice President, Global Domains & Strategy

Internet Corporation for Assigned Names and Numbers (ICANN)