INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION

ICDR Case No. 50 117 T 00224 08

In the Matter of an Independent Review Process:

ICM REGISTRY, LLC,

Claimant,

v.

INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS ("ICANN"),

Respondent

DECLARATION OF THE INDEPENDENT REVIEW PANEL

Judge Stephen M. Schwebel, Presiding
Mr. Jan Paulsson
Judge Dickran Tevritzian

February 19, 2010
130. As to whether ICM was treated unfairly and was the object of discrimination, ICANN relies on the following statement of Dr. Cerf at the hearing:

“...I am surprised at an assertion that ICM was treated unfairly...the board could have simply accepted the recommendations of the evaluation teams and rejected the proposal at the outset...the board went out of its way to try to work with ICM through the staff to achieve a satisfactory agreement. We spent more time on this particular proposal than any other...We repeatedly defended our continued consideration of this proposal...If...ICM believes that it was treated in a singular way, I would agree that we spent more time and effort on this than any other proposal that came to the board with regard to sponsored TLDs.” (Tr. 654:3-655:7.)

PART FOUR: THE ANALYSIS OF THE INDEPENDENT REVIEW PANEL

The Nature of the Independent Review Panel Process

131. ICM and ICANN differ on the question of whether the Declaration to be issued by the Independent Review Panel is binding upon the parties or advisory. The conflicting considerations advanced by them are summarized above at paragraphs 51 and 91-94. In the light of them, the Panel acknowledges that there is a measure of ambiguity in the pertinent provisions of the Bylaws and in their preparatory work.

132. ICANN’s officers testified before committees of the U.S. Congress that ICANN had installed provision for appeal to “independent arbitration” (supra, paragraph 55). Article IV, Section 3 of ICANN’s Bylaws specifies that, “The IRP shall be operated by an international arbitration provider appointed from time to time by ICANN...using arbitrators...nominated by that provider”. The provider so chosen is the American Arbitration Association's International Centre for Dispute Resolution (“ICDR”), whose Rules (at C-11) in Article 27 provide for the making of arbitral awards which “shall be final and binding on the parties. The parties undertake to carry out any such award without delay.” The Rules of the ICDR “govern the arbitration” (Article 1). It is unquestioned that the term, “arbitration” imports production of a binding award (in contrast to conciliation and mediation). Federal and California courts have so held. The Supplementary Procedures adopted to supplement the independent review procedures set forth in ICANN’s Bylaws provide that the ICDR's “International Arbitration Rules...will govern the process in combination with these Supplementary Procedures”. (C-12.) They specify
that the Independent Review Panel refers to the neutrals “appointed to decide the issue(s) presented” and further specify that, “DECLARATION refers to the decisions/opinions of the IRP”. “The DECLARATION shall specifically designate the prevailing party.” All of these elements are suggestive of an arbitral process that produces a binding award.

133. But there are other indicia that cut the other way, and more deeply. The authority of the IRP is “to declare whether an action or inaction of the Board was inconsistent with the Articles of Incorporation or Bylaws” – to “declare”, not to “decide” or to “determine”. Section 3(8) of the Bylaws continues that the IRP shall have the authority to “recommend that the Board stay any action or decision, or that the Board take any interim action, until such time as the Board reviews and acts upon the opinion of the IRP”. The IRP cannot “order” interim measures but do no more than “recommend” them, and this until the Board “reviews” and “acts upon the opinion” of the IRP. A board charged with reviewing an opinion is not charged with implementing a binding decision. Moreover, Section 3(15) provides that, “Where feasible, the Board shall consider the IRP declaration at the Board’s next meeting.” This relaxed temporal proviso to do no more than “consider” the IRP declaration, and to do so at the next meeting of the Board “where feasible”, emphasizes that it is not binding. If the IRP’s Declaration were binding, there would be nothing to consider but rather a determination or decision to implement in a timely manner. The Supplementary Procedures adopted for IRP, in the article on “Form and Effect of an IRP Declaration”, significantly omit the provision of Article 27 of the ICDR Rules specifying that award “shall be final and binding on the parties”. (C-12.) Moreover, the preparatory work of the IRP provisions summarized above in paragraph 93 confirms that the intention of the drafters of the IRP process was to put in place a process that produced declarations that would not be binding and that left ultimate decision-making authority in the hands of the Board.

134. In the light of the foregoing considerations, it is concluded that the Panel’s Declaration is not binding, but rather advisory in effect.

_The Standard of Review Applied by the Independent Review Process_

135. For the reasons summarized above in paragraph 56, ICM maintains that this is a _de novo_ review in which the decisions of the ICANN Board do not enjoy a deferential standard of review. For the reasons summarized above in paragraphs 100-103, ICANN maintains that the decisions of the Board are entitled to deference by the IRP.
EXHIBIT F
Approved Board Resolutions | Special Meeting of the ICANN Board

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16 Jul 2015

1. Main Agenda

   a. DotConnectAfrica Trust (DCA) v. ICANN IRP Final Declaration

   Rationale for Resolutions 2015.07.16.01 – 2015.07.16.05

   Whereas, on 9 July 2015, an independent review panel ("Panel") issued a final Declaration ("Declaration") in the independent review proceedings ("IRP") initiated by DotConnectAfrica Trust (DCA), in which DCA sought relief relating to Board action or inaction on its application for .AFRICA.

   Whereas, in the Declaration, the Panel set forth the following:

   148. Based on the foregoing, after having carefully reviewed the Parties' written submissions, listened to the testimony of the three witness [sic]. listened to the oral submissions of the Parties in various telephone conference calls and at the in-person hearing of this IRP in Washington D.C. on 22 and 23 May 2015, and finally after much deliberation, pursuant to Article IV, Section 3, paragraph 11 (c) of ICANN's Bylaws, the Panel declares that both the actions and inactions of the Board with respect to the application of DCA Trust relating to the .AFRICA gTLD were inconsistent with the Articles of Incorporation and Bylaws of ICANN.

   149. Furthermore, pursuant to Article IV, Section 3, paragraph 11 (d) of ICANN's Bylaws, the Panel recommends that ICANN continue to refrain from delegating the .AFRICA gTLD and permit DCA Trust's application to proceed through the remainder of the new gTLD application process.

   150. The Panel declares DCA trust to be the prevailing party in this IRP and further declares that ICANN is to bear, pursuant to Article IV, Section 3, paragraph 18 of the Bylaws, Article 11 of the Supplementary Procedures and Article 31 of the ICDR Rules, the totality of the costs of this IRP and the totality of the costs of the IRP Provider as follows:

      a) the fees and expenses of the panelists;
      b) the fees and expenses of the administrator, the ICDR;
      c) the fees and expenses of the emergency panelist incurred in
connection with the application for interim emergency relief sought pursuant to the Supplementary Procedures and the ICDR Rules; and
d) the fees and expenses of the reporter associated with the hearing on
22 and 23 May 2015 in Washington D.C.
e) As a result of the above, the administrative fees of the ICDR totalling
US$4,600 and Panelists’ compensation and expenses totalling
US$403,467.08 shall be borne entirely by ICANN, therefore, ICANN shall
reimburse DCA Trust the sum of US$198,046.04.

151. As per the last sentence of Article IV, Section 3, paragraph 18 of the
Bylaws, DCA Trust and ICANN shall each bear their own expenses. The parties
shall also each bear their own legal representation fees.

Whereas, the independent review process is an integral ICANN accountability
mechanism that helps support ICANN’s multistakeholder model, and the Board thanks
the Panel for its efforts in this IRP, and would like to specifically honor the memory of
former panelist Hon. Richard C. Neal, who passed away during the proceedings.

Whereas, in addition to the Declaration, the Board must also take into account other
relevant information, including but not limited to: (i) that ICANN received and accepted
GAC consensus advice that DCA’s application for .AFRICA should not proceed; and
(ii) that ICANN has a signed Registry Agreement with ZA Central Registry ("ZACR") to
operate the .AFRICA top-level domain.

Whereas, pursuant to Article IV, Section 3.21 of the Board considered the Declaration
at the Board’s next meeting, which the Board specifically scheduled in order to take
action on this matter as quickly as possible.

Resolved (2015.07.15.01), the Board has considered the entire Declaration, and has
determined to take the following actions based on that consideration:

1. ICANN shall continue to refrain from delegating the .AFRICA gTLD;

2. ICANN shall permit DCA’s application to proceed through the remainder of the
new gTLD application process as set out below; and

3. ICANN shall reimburse DCA for the costs of the IRP as set forth in paragraph
150 of the Declaration.

Resolved (2015.07.16.02), since the Board is not making a final determination at this
time as to whether DCA’s application for .AFRICA should proceed to contracting or
delegation, the Board does not consider that resuming evaluation of DCA’s application
is action that is inconsistent with GAC advice.

Resolved (2015.07.16.03), the Board directs the President and CEO, or his
designee(s), to take all steps necessary to resume the evaluation of DCA’s application
for .AFRICA and to ensure that such evaluation proceeds in accordance with the
established process(es) as quickly as possible (see Applicant Guidebook at

Resolved (2015.07.16.04), with respect to the GAC’s consensus advice in the Beijing
Communiqué that DCA’s application for .AFRICA should not proceed, which was
confirmed in the London Communiqué, the Board will ask the GAC if it wishes to refine
that advice and/or provide the Board with further information regarding that advice
and/or otherwise address the concerns raised in the Declaration.

Resolved (2015.07.16.05), in the event that DCA’s application for .AFRICA
successfully passes the remainder of the evaluation process, at that time or before, the Board will consider any further advice or information received from the GAC, and proceed as necessary, balancing all of the relevant material information and circumstances. Should the Board undertake any action that may be inconsistent with the GAC's advice, the Board will follow the established process set out in the Bylaws (see ICANN Bylaws, Article XI, Section 2.1).

Rationale for Resolutions 2015.07.16.01 – 2015.07.16.05

On 24 October 2013, DotConnectAfrica Trust (DCA) initiated an independent review proceeding (IRP) against ICANN, and filed a notice of independent review with the International Centre for Dispute Resolution (ICDR), ICANN's chosen IRP provider. In the IRP proceedings, DCA challenged the 4 June 2013 decision of the ICANN Board New gTLD Program Committee (NGPC), which was delegated authority from the Board to make decisions regarding the New gTLD Program. In that decision, the NGPC accepted advice from ICANN's Governmental Advisory Committee (GAC) that DCA's application for .AFRICA should not proceed.

On 9 July 2015, the IRP Panel (Panel) issued its Final Declaration (Declaration or Decl.). The Panel cited two main concerns relating to the GAC's advice on DCA's application: (1) the Panel was concerned that the GAC did not include, and that ICANN did not request, a rationale on the GAC's advice; and (2) the Panel expressed concern that ICANN took action on the GAC's advice without conducting diligence on the level of transparency and the manner in which the advice was developed by the GAC. The Panel found that ICANN's conduct was inconsistent with the ICANN Articles and Bylaws because of certain actions and inactions of the ICANN Board.

As provided in Article IV, Section 3 of the Bylaws, any person materially affected by a decision or action by the Board that he or she asserts is inconsistent with the Articles of Incorporation or Bylaws may submit a request for independent review of that decision or action. The Panel is charged with comparing the contested Board actions to the Articles of Incorporation and Bylaws, and declaring whether the Board acted consistently with the provisions of those Articles of Incorporation and Bylaws. The Panel must apply a defined standard of review to the IRP request focusing on:

a. did the Board act without conflict of interest in taking its decision?

b. did the Board exercise due diligence and care in having a reasonable amount of facts in front of them?; and

c. did the Board members exercise independent judgment in taking the decision, believed to be in the best interests of the company?

After the Panel issues its final Declaration, the Board is then required to consider the Declaration at its next meeting (where feasible). Pursuant to Article IV, Section 3.21 of the ICANN Bylaws, the Board has considered and discussed the Declaration and is taking action to: (1) continue to refrain from delegating the .AFRICA gTLD; (2) permit DCA's application to proceed through the remainder of the new gTLD application process; and (3) reimburse DCA for the costs of the IRP as set forth in paragraph 150 of the Declaration.

Additionally, the Board will communicate with the GAC and attempt to ascertain whether the GAC wishes to refine its advice concerning DCA's application for .AFRICA and/or provide the Board with further information regarding that advice and/or otherwise address the concerns raised in the Declaration. The Board will consider any response the GAC may choose to provide, and proceed as necessary, balancing all of the relevant material information and circumstances. Should the Board undertake any action that may be inconsistent with the GAC's advice, the Board will follow the established processes set out in the Bylaws. As required by the Bylaws, if the Board...
decides to take an action that is not consistent with the GAC advice, it must inform the GAC and state the reasons why it decided not to follow the advice. The Board and the GAC will then try in good faith to find a mutually acceptable solution. If no solution can be found, the Board will state in its final decision why the GAC advice was not followed.

The Board’s action represents a careful balance, weighing the opinion of the Panel, as well as other significant factors discussed in this rationale. In taking this action today, each of the Board members exercised independent judgment, was not conflicted on this matter, and believes that this decision is in the best interests of the ICANN. The Board considered several significant factors as part of its consideration of the Declaration and had to balance its consideration with other factors. Among the factors the Board considered to be significant are the following:

1. The IRP is an integral ICANN accountability mechanism that helps support ICANN’s multistakeholder model. The Board considers the principles found in ICANN’s accountability mechanisms to be fundamental safeguards in ensuring that ICANN’s bottom-up, multistakeholder model remains effective, and ICANN achieves its accountability and transparency mandate. The Board has carefully considered the Declaration, and in taking its action the Board, as did the Panel, takes specific note of the following regarding the independent review process and its obligations for accountability and transparency:
   - ICANN is bound by its own Articles of Incorporation to act fairly, neutrally, non-discriminarily and to enable competition. (Decl. ¶ 94.)
   - ICANN is also bound by its own Bylaws to act and make decisions "neutrally and objectively, with integrity and fairness." (Decl. ¶ 95.)
   - As set out in Article IV (Accountability and Review) of ICANN’s Bylaws, in carrying out its mission as set out in its Bylaws, ICANN should be accountable to the community for operating in a manner that is consistent with these Bylaws and with due regard for the core values set forth in Article I of the Bylaws. (Decl. ¶ 97.)

2. ICANN has a signed Registry Agreement with ZA Central Registry NPC trading as Registry Africa (ZACR) under which ZACR is authorized to operate the .AFRICA top-level domain. Parties affected by these resolutions have had, and may continue to have, the ability to challenge or otherwise question DCA’s application through the evaluation and other processes.

3. The Board considered the community-developed processes in the New gTLD Program Applicant Guidebook (Guidebook). According to Section 3.1 of the Guidebook, the GAC may provide public policy advice to the ICANN Board on any application, which the Board must consider. When the GAC advises ICANN that it is the consensus of the GAC that a particular application should not proceed, it "will create a strong presumption for the ICANN Board that the application should not be approved." In its 11 April 2013 Beijing Communiqué, the GAC stated it had reached consensus on GAC Objection Advice for .AFRICA application number 1-1165-42560, thereby creating a strong presumption for the ICANN Board that this application should not proceed through the program. Additionally, in its 25 June 2014 London Communiqué, the GAC stated that "Consistent with the new gTLD applicant guidebook, the GAC provided consensus advice articulated in the April 11 2013 communiqué that the DotConnectAfrica (DCA) application number 1-1165-42560 for dot Africa should not proceed. The GAC welcomes the June 2013 decision by the New gTLD Program Committee to accept GAC advice on this application."

The Guidebook does not require the Board to engage the GAC in a dialogue about its advice when consensus has been reached, or question the GAC how such consensus was reached. The acceptance of the GAC advice on this
matter was fully consistent with the Guidebook. Notably, however, the Board has requested additional information from the GAC when the Board thought it needed more information before taking a decision, both before and during the New gTLD Program. Here, the NGPC did not think it required additional information from the GAC. Further, in addition to the GAC advice, the Board also had DCA’s response to that advice, which the NGPC considered before accepting the GAC advice. Notwithstanding the Guidebook, the Panel has suggested that, "... the GAC made its decision without providing any rationale ..." (Decl. ¶ 104), and "... the Panel would have expected the ICANN Board to, at a minimum, investigate the matter further before rejecting DCA Trust's application." (Decl. ¶ 113).

4. The Board considered Section 5.1 of the Guidebook, which provides that, "ICANN's Board of Directors has ultimate responsibility for the New gTLD Program. The Board reserves the right to individually consider an application for a new gTLD to determine whether approval would be in the best interest of the Internet community. Under exceptional circumstances, the Board may individually consider a gTLD application. For example, the Board might individually consider an application as a result of GAC advice on new gTLDs or of the use of an ICANN accountability mechanism."

On balance, the Board has determined that permitting DCA’s application to proceed through the remainder of the new gTLD application evaluation process is the best course of action at this time. Doing so helps promote ICANN’s ability to make a decision concerning DCA’s application for .AFRICA by applying documented procedures in the most transparent, neutral and objective manner possible, while also recognizing the importance of ICANN’s accountability mechanisms. Completion of the application evaluation would allow DCA’s application to undergo the same review processes as other gTLD applicants, and is not inconsistent with the GAC’s advice. Further, completing the evaluation will provide additional relevant information for ICANN to consider as part of any final determination as to whether DCA’s application for .AFRICA should proceed beyond initial evaluation.

There will be a financial impact on ICANN in taking this decision in that resuming the evaluation process for DCA’s application for .AFRICA will result in additional cost, but that cost was anticipated in the application fee already received. The Board directs the President and CEO to re-engage the evaluation processes for DCA’s application as quickly as possible, and to strongly encourage any third-party providers charged with performing the relevant New gTLD Program evaluations and analysis also to act as quickly as possible in concluding their evaluations in accordance with the established processes and procedures in the Guidebook.

There may also be additional costs to ICANN the extent any party challenges this decision. This action will have no impact on the security, stability or resiliency of the domain name system.

The significant materials related to the matters at issue in the Determination include, but are not limited to the following:

- Dakar Communiqué (27 October 2011) (https://gacweb.icann.org/download/attachments/27132037/Communique%20Dakar%2027%20October%202011.pdf?version=1&modificationDate=1323489889000&api=v2)
- DotConnectAfrica Trust's application for .AFRICA
  (https://gtldresult.icann.org/application-result/applicationstatus/applicationdetails:downloadapplication/1276?ac=1276)

- ZACR's application for .AFRICA
  (https://gtldresult.icann.org/application-result/applicationstatus/applicationdetails:downloadapplication/1184?ac=1184)

- Letter from Heather Dryden to Stephen Crocker (17 June 2012) re: Processing of Applications for New Generic TopLevel Domain

- Letter from Stephen Crocker to Heather Dryden (27 July 2012) re: Processing of applications for New Generic Top-Level Domains

- GAC Early Warnings filed against DCA's application for .AFRICA
  
  - African Union Commission:
    https://gacweb.icann.org/download/attachments/27131927/Africa-AUC-42560.pdf?version=1&modificationDate=1353382039000&api=v2
  
  - Comoros:
    https://gacweb.icann.org/download/attachments/27131927/Africa-KM-42560.pdf?version=1&modificationDate=1353384893000&api=v2
  
  - Kenya:
    https://gacweb.icann.org/download/attachments/27131927/Africa-KE-42560.pdf?version=1&modificationDate=1353389367000&api=v2
  
  - Cameroon:
    https://gacweb.icann.org/download/attachments/27131927/Africa-CM-42560.pdf?version=1&modificationDate=1353430788000&api=v2
  
  - DRC:
    https://gacweb.icann.org/download/attachments/27131927/Africa-CD-42560.pdf?version=1&modificationDate=1353432869000&api=v2
  
  - Benin:
    https://gacweb.icann.org/download/attachments/27131927/Africa-BJ-42560.pdf?version=1&modificationDate=1353433003000&api=v2
  
  - Egypt:
    https://gacweb.icann.org/download/attachments/27131927/Africa-EG-1-42560.pdf?version=1&modificationDate=1353378092000&api=v2
  
  - Gabon:
    https://gacweb.icann.org/download/attachments/27131927/Africa-GA-42560.pdf?version=1&modificationDate=1353451525000&api=v2

  - Burkina Faso:
    https://gacweb.icann.org/download/attachments/27131927/Africa-BF-42560.pdf?version=1&modificationDate=1353451829000&api=v2

  - Ghana:
    https://gacweb.icann.org/download/attachments/27131927/Africa-GH-42560.pdf?version=1&modificationDate=1353451997000&api=v2

  - Mali:
    https://gacweb.icann.org/download/attachments/27131927/Africa-ML-42560.pdf?version=1&modificationDate=1353452174000&api=v2

  - Uganda:
    https://gacweb.icann.org/download/attachments/27131927/Africa-UG-42560.pdf?version=1&modificationDate=1353452442000&api=v2

  - Senegal:
    https://gacweb.icann.org/download/attachments/27131927/Africa-SN-42560.pdf?version=1&modificationDate=1353452452000&api=v2

  - South Africa:
    https://gacweb.icann.org/download/attachments/27131927/Africa-ZA-89583.pdf?version=1&modificationDate=1353452595000&api=v2

  - Nigeria:
    https://gacweb.icann.org/download/attachments/27131927/Africa-NG-2-42560.pdf?version=1&modificationDate=1353378092000&api=v2
- Tanzania: https://gacweb.icann.org/download/attachments/27131927/Africa-TZ-42560.pdf?version=1&modificationDate=1353452962000&api=v2


- NGPC Resolution 2014.06.04.NG01 (https://www.icann.org/resources/board-material/resolutions-new-gtld-2013-06-04-en#1.1.a)


- NGPC Resolution 2014.09.08.NG02 (https://www.icann.org/resources/board-material/resolutions-new-gtld-2014-09-08-en - 1.b)


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

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