2012-08-02-01a- 2012-05-06-Board-Minutes

A Special Meeting of the ICANN Board of Directors was held on 5 April 2012 at 2:30 pm local time in Amsterdam, The Netherlands.

Chairman Steve Crocker promptly called the meeting to order.

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

The following Board Liaisons participated in all or part of the meeting: Heather Dryden, GAC Liaison; Thomas Narten (IETF Liaison); Thomas Roessler (TLG Liaison); and Suzanne Woolf (RSSAC Liaison).

Erika Mann sent apologies.

1. Consent Agenda

The Chair reviewed the list of items on the Consent Agenda and asked if there were any items that the Board wanted to move to the main agenda. Hearing no requests, the Board then took the following action:

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

1.1.   Ratification of Global Policy Proposal From ASO for Post Exhaustion IPV4 Allocation Mechanisms by the IANA

Whereas, the last five unicast IPv4 /8s were allocated to the five RIRs in accordance with Global Policy on 3 February 2011.

Whereas, there is currently no policy mechanism for redistributing IPv4 address space between RIRs.

Whereas, the addressing community has developed and reached consensus on a policy proposal allowing returned IPv4 address space to be shared equally between all five RIR regions.

Whereas, the Board on 21 April 2011 resolved to request ICANN staff to track the development of this policy proposal in background reports and such reports have been submitted regularly.

Whereas, on 13 March 2012, the ASO Address Council submitted the policy proposal to ICANN Board for ratification.

Whereas, the proposal was published for public comments from 14 March 2012 until 4 April 2012, during which time no comments were submitted.

Resolved (2012.05.06.01), that the Global Policy for Post Exhaustion IPv4 Allocation Mechanisms by the IANA is ratified in line with clause 9 of Attachment A to the 2004 ASO MoU.

Rationale for Resolution 2012.05.06.01

The proposed action is intended to ratify a policy proposal that has achieved consensus in all five addressing communities and to enable implementation of the policy by ICANN in performing the IANA functions. The action to be taken does not entail any budgetary consequences in and of itself, nor any potential negative effects. It is important to take this action now to respect the 60-day window for Board decision stipulated in the ASO MoU.

1.2..CAT RSEP Request to Allow Whois Changes

Whereas, PuntCAT submitted a Request pursuant to ICANN's Registry Services Evaluation Policy to amend the .CAT Registry Agreement to allow for Whois changes to comply with Spanish and EU data protection legislation.

Whereas, ICANN evaluated the proposed amendment to the .CAT Registry Agreement as a new registry service pursuant to the Registry Services Evaluation Policy, did not identify any security, stability or competition issues, and posted an amendment for public comment and Board consideration (http://www.icann.org/en/news/announcements/announcement-20jan12-en.htm).

Whereas, the potential issues cited during the public comment period and by ICANN were addressed by PuntCAT's responses.

Whereas, approving the proposal would enable puntCAT domain registrants who are individuals to opt out of having their contact information appearing in the puntCAT Whois when their domains are queried. In contrast, registrants representing businesses are not supposed to have this option, i.e. they are obliged to publish their contact information in the Whois.

RESOLVED (2012.05.06.02), the amendment to allow Whois changes in .CAT is approved, and the President and CEO and the General Counsel are authorized to take such actions as appropriate to implement the amendment.

Rationale for Resolution 2012.05.06.02

ICANN's stakeholder relations, legal, and technical teams reviewed the RSEP proposal for competition and DNS stability issues and found none.

According to the Registry, this service is endorsed by law enforcement and data protection agencies representatives from Catalonia, Spain and the EU, as indicated in the RSEP annexes.

puntCAT notes that the GAC communiqué issued on March the 28th, 2007 states the following:

"2.2 The GAC recognizes that there are also legitimate concerns about…conflicts with national laws and regulations, in particular, applicable privacy and data protection laws" (http://gac.icann.org/system/files/GAC_28_Lisbon_Communique. pdf)

ICANN held a public comment period from 20 January 2012 to 10 February 2012. During this time, the puntCAT proposal received four comments, three in support and one, from IPC, in opposition. The summary of the comments is available below.

Fundacio PuntCAT has conducted consultations with relevant data protection agencies representatives from Catalonia, Spain and the EU, as well as informal consultations with experts on the subject. The relevant authorities named by puntCAT are: the Art. 29 Working Group; the independent EU Advisory Body on Data Protection and Privacy; the Spanish Data protection Authority; and Catalan Data Protection Authority.

Per Fundació puntCAT, this request is the direct consequence of an increase in data protection concerns in the .cat community. The concerns have been directly addressed to Fundació puntCAT

throughout many registrants' petitions to allow private whois, as well as a general trend in the data protection fora that have specifically dealt with the subject. In that regard, see the documents referred above.

Registrars were consulted and informed in a meeting held on April 14th, 2011, between puntCAT and its registrars. The meeting had the whois system change proposal as one of its main topics, and none of the registrars attending the meeting had any objections to the proposal.

The proposed amendment was submitted for public comment support and one in opposition from the IPC. In its reply to IPC concerns, the PuntCAT registry continues to affirm that the proposed changes are in alignment with how the data protection framework must be interpreted when addressing the challenges posed by the Whois system. It also states that "the language used by the Spanish data protection Agency is, in our understanding, clear enough to proceed with the changes as proposed. puntCAT believes it would be a severe irresponsibility not to allow us to proceed with the changes. Delaying or, even worse, preventing puntCAT from abiding by the data protection regulation would put the Registry in a very risky legal situation, from which serious economic liabilities could derive."

In the past, ICANN received and, after public comment, approved a similar request from Telnic Ltd, the .tel registry. See: http://www.icann.org/en/registries/rsep/index.html#2007004. Telnic is similarly situated, i.e., subject to European privacy law.

1.3. Compensation Committee Charter

Whereas, the Compensation Committee is currently operating under a Charter approved in 2005, available at http://www.icann.org/en/groups/board/compensation/charter.

Whereas, as part of the Compensation Committee's obligation to review its operations and make appropriate recommendations for updates or enhancements, on 4 May 2012 the Compensation Committee recommended that its Charter be revised to better

reflect the Committee's current operations. The revised Charter also incorporates the standard language for Board Committee Charters as previously approved by the Board Governance Committee. See http://www.icann.org/en/minutes/resolutions-06mar09.htm#10.

Resolved (2012.05.06.03), the revised Charter of the Compensation Committee is approved.

Rationale for Resolution 2012.05.06.03

Approving the revised Compensation Committee charter at this time makes sense as the revised version better reflects the current operations of the Committee than the prior version, which was approved in 2005. The Charter also now conforms to all other committee charters. In developing the revised Charter both best practices as well as the actual operations of ICANN's Compensation Committee were reviewed and considered significant to approve the revised charter.

The approval of the revised Compensation Committee Charter should have a positive public effect in that it increases the accountability and transparency of the organization and aligns with the Committee's current activities and best practices. There is no financial impact on ICANN or the community by revising the Compensation Committee Charter. Confirmation of the Compensation Committee's mandate through revision to its Charter does not present any impact on the systemic security, stability and resiliency of the domain names system.

1.4. Overall Compensation Framework

Whereas, the retention of high calibre staff is essential to ICANN's operations and ICANN desires to ensure competitive compensation for staff.

Whereas, ICANN's current Compensation Framework establishes a target of compensation for staff between the 50th and 75th percentile of comparable for profit organizations.

Whereas, independent compensation expert consultant Towers Watson has recommended that ICANN's Compensation Framework be updated to also include review of comparable compensation of staff from not for profit organizations and high technology organizations.

Whereas, the compensation expert consultant's recommendation is consistent with ICANN's current compensation practices and goals.

Whereas, the Compensation Committee evaluated and agrees with the compensation consultant's recommendation.

Resolved (2012.05.06.04), the Board adopts the updated Compensation Framework recommended by the independent expert compensation consultant and instructs staff to implement it consistent with ICANN's compensation practices.

Rationale for Resolution 2012.05.06.04

ICANN's compensation philosophy is to ensure that remuneration provided to staff is competitive globally and that it engenders the appropriate motivation for high performance toward agreed objectives. Specifically, as stated in ICANN's Compensation Practices previously approved by the Board (see http://www.icann.org/en/financials/compensation-practices-31jan10-en.pdf), ICANN maintains a "[c]ommitment to continued payment in the salary span of 50th to 75th percentile of relevant comparable companies of a similar size and complexity to ICANN, with the actual salary within this band determined by the individual's experience and talent and market position." This Framework, which was initially based on a 2006 survey by outside compensation experts, included comparable for-profit entities. In order to ensure best practices in staff compensation, the Compensation Committee called for a review of the Compensation Framework established in 2006.

ICANN's independent compensation expert consultant, Towers Watson (TW), has conducted a thorough analysis of ICANN's existing Compensation Framework. TW advised that the

*comparable organizations ICANN uses in setting staff
compensation be updated to include, not only general for profit
organizations, but also not for profit and high technology
organizations. Including all three "buckets' of comparable
organizations has been recommended to ensure that ICANN is
using the right mix and of comparables in setting staff
compensation levels.   Making this change provides additional
transparency to ICANN's compensation practices and improves the
precision of the market comparables.*

*As part of its mandate, the Compensation Committee evaluated
the consultant's recommendation and has endorsed the adopting
of the updated Compensation Framework. Doing so will have
likely some financial impact on ICANN, but any such impact will be
budgeted for as part of ICANN's regular budgeting activities. This
action is not anticipated to have any impact on the security,
stability or resiliency of the domain name system.*

1.5. IRTP Part B, Recommendation 8

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

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

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

Whereas in relation to recommendation #8, the GNSO Council
resolved at its meeting on 22 June to request ICANN Staff to
provide a proposal concerning standardizing and clarifying Whois
status messages relating to Registrar Lock Status, taking into
account the IRTP Part B WG deliberations in relation to this issue
(see IRTP Part B Final Report - (Recommendation 8). Upon review

of the proposal, the GNSO Council would consider whether to approve the recommendation.

Whereas ICANN staff developed the proposal in consultation with the IRTP Part B Working Group, which was put out for public comment (see http://www.icann.org/en/public-comment/irtp-b-staff-proposals-22nov11-en.htm).

Whereas comments were received from the Intellectual Property Constituency, considered by the GNSO Council, and the proposal was updated accordingly for GNSO Council consideration.

Whereas the GNSO Council reviewed and discussed the proposal in relation to IRTP Part B recommendation #8 and unanimously adopted the recommendation and proposal at its meeting on 16 February 2012 (see http://gnso.icann.org/resolutions/#201202).

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

Whereas after the GNSO Council vote, a 21-day public comment period was held on the approved recommendation, and the comments have been summarized and considered (http://www.icann.org/en/news/public-comment/report-comments-irtp-b-rec8-16apr12-en.pdf).

Resolved (2012.05.06.05), the Board adopts the GNSO Council Policy Recommendations amending the Inter-Registrar Transfer Policy set forth at http://www.icann.org/en/transfers/policy-en.htm.

Resolved (2012.05.06.xx), the CEO is to develop and complete an implementation plan for these Recommendations and continue communication with the community on such work.

Rationale for Resolution 2012.05.06.05

Why is this issue addressed now?
The Inter-Registrar Transfer Policy (IRTP) is a consensus policy that was adopted in 2004 which provides for a straightforward process

for registrants to transfer domain names between registrars. The GNSO Council established a series of five Working Groups (Parts A through E) to review and consider various revisions to this policy.

The IRTP Part B PDP is the second in a series of five scheduled PDPs addressing areas for improvements in the existing policy. The IRTP Part B Working Group has addressed five issues focusing on domain hijacking, the urgent return of an inappropriately transferred name, and lock status. Most of these recommendations have already been adopted by the GNSO Council and the ICANN Board. In relation to recommendation #8, a proposal from staff was requested. Following consultations with the IRTP Part B Working Group and a public comment forum on the Staff Proposal, ICANN Staff submitted its proposal to the GNSO Council. Following this, additional comments were submitted by the Intellectual Property Constituency. The GNSO Council reviewed the comments and the updated staff proposal, which was submitted addressing the comments provided by the IPC. The GNSO Council approved IRTP Part B Recommendation #8 and the updated staff proposal unanimously at its meeting on 16 February 2012 (see http://gnso.icann.org/resolutions/ - 201202). The IRTP Part B PDP Final Report received unanimous consensus support from the IRTP Part B Working Group as well as the GNSO Council.

What is the proposal being put forward for Board consideration?

Recommendation #8 recommends standardizing and clarifying WHOIS status messages regarding Registrar Lock status. The goal of these changes is to clarify why the Lock has been applied and how it can be changed. Based on discussions with technical experts, the IRTP Part B WG does not expect that such a standardization and clarification of WHOIS status messages would require significant investment or changes at the registry/registrar level. The IRTP Part B WG recommended that ICANN staff is asked to develop an implementation plan for community consideration which ensures that a technically feasible approach is developed to implement this recommendation.

The ICANN Staff proposal agrees that the standardization and clarification of WHOIS status messages does not require significant investment or changes at the registry/registrar level. As outlined in the IRTP Part B Final Report, it is possible to associate each EPP status value with a message that explains the meaning of the respective status value. Registrars would be required to display a link to information on each status code directly next to the status in the output, for example: "Status: ClientLock http://www.internic.net/status/html/clientlock". This link would then direct to an ICANN controlled web page where the relevant status code information as described in the 'EPP Status Codes, what do they mean and why should I know?'1 is posted. ICANN will also post translations of the status information. The web page can make use of localization information from the browser the user is using to display the web page in the related language. The requirement for registries and registrars to provide this link and ensure uniformity in the message displayed could be implemented as a standalone 'WHOIS Status Information Policy' or as an addition to the IRTP. In order to avoid potential blocking or stripping out of URLs from WHOIS output for valid reasons, registrars would be required to not remove Internic.net hyperlinks (or particularly the Internic.net status hyperlink) from their WHOIS output. In addition to the link, registrars would be required to include in the WHOIS output a note that would state "For more information on WHOIS status codes, please visit Internic.net" where the link to the information would be posted.

Outreach conducted by the Working Group to solicit views of groups that are likely to be impacted:
Public comment forums were held by the Working Group on the initiation of the PDP, the Initial Report, the proposed Final Report and the Staff Proposal on Recommendation #8 in additional to

---

[1] The IRTP Part B Working Group, with the support of ICANN Staff developed this document, which provides an overview of EPP Status Codes and what they mean (see Annex F of the IRTP Part B Final Report [PDF, 972 KB] – EPP Status Codes, what do they mean and why should I know?)

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

What concerns or issues were raised by the community?
Following the closing of the public comment forum on the staff proposal (no comments received) and the submission of the proposal to the GNSO Council, the Intellectual Property Constituency submitted a number of comments, which ICANN staff responded to by submitting an updated proposal. The comments and updated proposal were considered as part of the GNSO Council deliberations. Subsequently, the GNSO Council adopted the recommendation and updated ICANN Staff proposal unanimously. Following the adoption by the GNSO Council, another public comment forum was opened on the recommendation and staff proposal. Two comments were received, but these comments did not require changes to the recommendation and/or staff proposal in the opinion of ICANN Staff (see http://www.icann.org/en/news/public-comment/report-comments-irtp-b-rec8-16apr12-en.pdf).

What significant materials did the PDP Working Group and GNSO Council review outlining the support and/or opposition to the proposed recommendations?

The materials and input reviewed by the IRTP Part B PDP Working Group are outlined in the IRTP Part B Final Report, which also outlines the full consensus support of the IRTP Part B Working Group for this recommendation. In addition to the regular updates as described above, the GNSO Council reviewed this Final Report

and the ICANN Staff proposal, as well as the comments submitted by the IPC and Staff's response to those comments.

What factors the GNSO Council found to be significant?

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

Are there positive or negative community impacts?

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

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

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

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

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

1.6. APPROVAL OF STRATEGIC PLAN

Resolved (2012.05.06.06), the Board approves the July 2012-June 2015 Strategic Plan, and directs the President and CEO to move forward with the Internationalization survey and community-based operational planning process based on the strategic objectives as set forth in the plan. The aspects of the 2012-2015 Strategic Plan that cover the expansion of ICANN's international presence and engagement efforts are deferred pending further direction from the Board.

Rationale for Resolution 2012.05.06.06

To remain accountable to the global Internet community, the Board is taking this action to allow for community input on the further planning for ICANN's international presence and engagement. There has been a community survey on these items, and a paper will be produced that will be the subject of public comment and discussion. In addition, continued work towards these efforts as set forth in the 2011-2014 Strategic Plan is not prudent, therefore those portions of the 2011-2014 Strategic Plan are deferred.

After review of these inputs, and as appropriate to respond to inputs, initiatives to expand ICANN's international presence and engagement may be updated within the 2012-2015 Strategic Plan, and included within the 2012-2013 Operating Plan. In order to allow for the 2012-2013 operational planning cycle to proceed, the Board approves the 2012-2015 Strategic Plan.

While there will likely be a fiscal impact as a result of this work, the fiscal impact of undertaking the survey and review process is minimal. Further, the deferral of current initiatives within the

2011-2012 Operating Plan regarding the further allocation or reallocation of staff and resources that relate to ICANN's international presence and engagement prior to the Prague Meeting will preserve resources from having to be reallocated as necessary after this review is complete.

This action is not expected to have any impact on the security or the stability of the DNS.

1.7. CONFLICT OF INTEREST REVIEW

Whereas, one stage of ICANN's three-stage review of its conflicts of interest and ethics regimes called for outside counsel that is familiar with ICANN, Jones Day, to perform a holistic review of ICANN's documented corporate governance policies and practices to make recommendations of how they can be approved.

Whereas, Jones Day recommended modifications to the Conflicts of Interest Policy, Code of Conduct and Expected Standards of Behavior in order to promote superior ethics, integrity and transparency into ICANN's deliberative processes.

Whereas, Jones Day also recommended the adoption of Corporate Governance Guidelines that provide a consolidated source of reference to ICANN's governance policies and practices.

Whereas, these four documents were posted for public comment, all of which were considered, and minor revisions were made to the Conflicts of Interest Policy and Code of Conduct to address those comments.

Whereas, the review of ICANN's conflicts and ethics practices is still underway, and further recommended changes to these documents may be identified as part of these reviews.

Whereas, the Board is committed to continue making improvements and enhancements to all of its conflicts and ethics practices and documentation, and recognizes that these documents may be further revised when further recommendations are made and accepted.

Resolved (2012.05.06.07), the Board adopts the revised Conflicts of Interest Policy, revised Code of Conduct and revised Expected Standards of Behavior, as well as the new Corporate Governance Guidelines.

Rationale for Resolution 2012.05.06.07

Adopting the Revised Conflicts of Interest Policy, Code of Conduct and Expected Standards of Behavior, as well as the new Corporate Governance Guidelines is another step in ICANN's enhancements to its conflicts of interest and ethics practices. As announced in October 2011, ICANN is undertaking a three-part review of these practices, and the continued enhancements of the documented policies and practices is just one way to demonstrate ICANN's commitment to ensuring the legitimacy and sustainability of the ICANN multi-stakeholder model. The adoption of these documents does not represent and end to the conflicts and ethics review work; it is expected that each of these documents are to be seen as evolving, and subject to change pending the needs of the ICANN community. In addition, the continued work to review the conflicts and ethics practices may necessitate further revision, or the adoption of additional documents as necessary.

With the adoption of these documents, ICANN recognizes that demonstrating adherence to these guidelines, policies and codes is an essential part of a commitment to enhance the organization's conflicts and ethics practices. Having strong documents are only a single part of the equation; it is now up to the Board and the ICANN community as a whole to meet the heightened practices set out therein in order to start putting the enhancements into action.

In response to the public comment received on these documents, ICANN has already incorporated a specific change to reflect individual Board member obligations to be free of conflicts that may impair ICANN's ability to operate for the benefit of the Internet community as a whole. Other comments, such as a request for documentation to be in less legalistic language, are under consideration.

Taking this action is expected to positively impact the ICANN community through the adoption of heightened practices to address and mitigate the potential for conflicts of interest in ICANN decision-making. While these changes are to be viewed as steps in the process of an ongoing review of conflicts and ethics practices, it is important to adopt incremental changes as feasible. The adoption of these guidelines and policy revisions is not expected to have a fiscal impact on ICANN, nor is this expected to have any impact on the security, stability and resiliency of the domain name system.

Resolutions 2012.05.06.01, 2012.05.06.02, 2012.05.06.03, 2012.05.06.04, 2012.05.06.05, 2012.05.06.06, and 2012.05.06.07 were passed in a single vote. Fifteen directors voted in favor of the resolutions. Erika Mann was unavailable to vote on the resolutions. The resolutions carried.

Ray Plzak inquired as to the process for notifying the ASO of the approval of the global policy proposal to meet the required deadline under the Memorandum of Understanding between the ASO and ICANN.

The General Counsel and Secretary confirmed that a Secretary's Notice would be issued in a timely fashion.

MAIN AGENDA:

2. RATIFICATION OF DECISIONS OF CONFLICTS & ETHICS SUBCOMMITEE

Cherine Chalaby introduced the work of the Conflicts and Ethics Subcommittee of the Board Governance Committee:

"By way of introduction, we have, over the last few months, discussed a lot and reviewed a lot. Today we need to present to you the determinations. And as a result of that, the composition of the New gTLD Program will also change, and, therefore, there's the second item on the agenda. So there will be in front of you two resolutions, but let me read the background and the details.

"In August 2011, the Ethics and Conflicts Subcommittee of the BGC, thereafter known as the subcommittee, was established to assess conflicts-of-interest issues for directors and liaison with regard to the New gTLD Program. The subcommittee agreed upon the following guiding principles. One, that the

collective interest of ICANN is greater than the interests of an individual director or liaison. Two, minimize liability risk to ICANN resulting from any action of conflicted director or liaison. Three, a definition of conflict was agreed by the Board and the law as actual, potential, and perceived. Four, find ways to include, not exclude, directors and liaisons in the New gTLD Program. And five, for conflicted directors and liaison, identify mitigating actions.

"All this was in August 2011.

"In February 2012, we all met in Los Angeles at the Board Workshop, and at the Board Workshop the subcommittee reviewed two things: the content of the new gTLD questionnaire that was sent to all directors and liaison as well as the yearly Statement of Interest that we all have to complete. The subcommittee made preliminary determinations that the following board members had a conflict with regard to the New gTLD Program. And I repeat again that the word "conflict" means actual, potential, or perceived.

"There were five directors that were identified as having conflict. These were Steve Crocker, Bruce Tonkin, Sebastien Bachollet, Bertrand De La Chapelle, and Judith Vazquez. There were three liaisons also found to be conflicted: Thomas Narten, Ram Mohan, and Suzanne Woolf.

"At subsequent meetings we received specific requests to review the position of Bill Graham and Kuo-Wei Wu. The subcommittee reviewed those positions and found that both of them had conflicts, but they had been already mitigated to the satisfaction of the subcommittee. And, therefore, the subcommittee determined that those two individuals, though conflicts were identified, had mitigated those conflicts with regard to the New gTLD Program.

"In terms of other members of the Board, two directors and one liaison officer requested meetings with the subcommittee to review the preliminary determination of the subcommittee and to talk about possible mitigation actions. These were Sébastien Bachollet, Bertrand de La Chapelle, and Thomas Narten. After several meetings, Thomas Narten was able to fulfill his mitigation actions, and the subcommittee now determines his conflict to be mitigated. Bertrand de La Chapelle made considerable progress in fulfilling his mitigation action, and the subcommittee expects his position to be resolved quite soon.

"Before I present the final determination, then, of the subcommittee to the Board, I would like to ask Sébastien, Bertrand and Thomas if they would like to say something."

Sébastien Bachollet stated that he is not prepared to offer any remarks, and commented that it was not fair that he is being offered to comment without receiving any advice.

Bertrand de La Chapelle noted his hope to finalize his mitigation efforts as quickly as possible.

Thomas Narten thanked Cherine and the Subcommittee as a whole for the due diligence, and noted that he was very pleased with the way the process was handled.

Judith Vazquez disclosed that she withdrew her new gTLD application through the customer service center, though the withdrawal cannot be completed through the TAS due to the system being offline.

Bruce Tonkin noted that this would have to be followed up on. Bruce also inquired as to the ability for Sébastien to provide a written statement in lieu of making comments during the meeting.

The General Counsel and Secretary confirmed that this is an option available to Sébastien.

Sébastien requested that he be provided with the Subcommittee determination to make sure he has the most recent version.

Mike Silber noted that Board members making statements to the Board or on Board mailing lists regarding the status of their applications places other members of the Board in an uncomfortable position.

Bertrand queried whether the New gTLD Program Committee, which was established for nonconflicted directors, maintained the appropriate terminology if there are directors with conflicts that have been mitigated.

The General Counsel and Secretary explained that there are situations where a conflict may still exist, but mitigation can be completed that will remove that conflict from having an impact on the fiduciary responsibilities to ICANN or the other entity with whom the conflict may have arisen. Those directors or

liaisons may then participate as if they were nonconflicted, acting without conflict in the decisions they make for the Board. He also noted that there could be situations where, upon mitigation, there may not be a conflict at all.

Ray Plzak then moved and George Sadowsky seconded the following resolution:

Whereas, ICANN is committed to attaining the highest ethical standard to ensure the legitimacy and sustainability of the multi-stakeholder model.

Whereas, ICANN's current corporate governance documents, as set out at http://www.icann.org/en/documents/governance/, include a Conflicts of Interest Policy and Board Code of Conduct (including ethical guidelines and confidentiality provisions).

Whereas, on 8 December 2011, the Board adopted specific, heightened conflicts of interest requirements to apply to the New gTLD Program, in furtherance of ICANN's commitment to demonstrating that it will treat decisions approving any new gTLD application in an ethical manner and with care to avoid even an appearance of a conflict of interest.

Whereas, pursuant to its charter, the Board Governance Committee (the "BGC") is responsible for the administration of the Conflicts of Interest Policy.

Whereas, the BGC has established a subcommittee on ethics and conflicts (the "Subcommittee"), comprised of Directors who are not conflicted on new gTLDs, or who have a conflict on new gTLDs and have mitigated that conflict, for the purpose of assessing conflicts of interest of all Board members (including Directors and Liaisons). The Subcommittee reviewed all Board member statements of interest to evaluate whether there are any potential or actual conflicts of interest in relation to the New gTLD Program.

Whereas, at the Board's February 2012 workshop in Los Angeles, California, the Subcommittee completed its initial identification of Board members (including liaisons) with potential or actual conflicts of interest in relation to the New gTLD Program.

Whereas, each Director or Liaison so identified has had the opportunity to discuss the facts and circumstances that resulted in the identification of the

potential or actual conflict of interest prior to a final determination being made by the Subcommittee.

Whereas, the Subcommittee has completed its determination regarding each Director or Liaison regarding the existence of a potential or actual conflict of interest in relation to the New gTLD Program, including (where applicable) potential steps towards mitigation to permit such Board members to participate in Board discussions and deliberations regarding the New gTLD Program.

Resolved (2012.05.06.08), the Board ratifies and adopts the Subcommittee's determinations regarding Directors and Liaisons with potential or actual conflicts of interest as it relates to the New gTLD Program.

Resolved (2012.05.06.09), if deliberations relating to the New gTLD Program call for expertise and experience about the industry operations, or any other matters, that could be provided by any of the Directors or Liaisons who have been determined by the Subcommittee to have potential or actual conflicts of interests as it relates to the New gTLD Program, such Board members or Liaisons can be asked to participate in the limited discussion requiring such expertise and experience. Independent experts could be similarly invited to participate in the deliberations. If such expertise is sought, the nature of the discussion and the expert will be identified in the meeting minutes or notes, as applicable.

Fourteen directors voted in favor of the resolutions. Sébastien Bachollet abstained from voting on the resolutions. Erika Mann was unavailable to vote on the resolutions. The resolutions carried.

Sébastien Bachollet provided the following statement (written on the 30th of June 2012 in Prague) regarding his abstention:

"I want to thank the subcommittee and the full Board for the work done in considering this issue. I received the Subcommittee's final determination in writing on the 23rd of June 2012. I still disagree with the conclusion of the Subcommittee and on the proposed mitigating measures. I will not enter into detail here, but now I have to accept this decision and I do.

"I take this opportunity to underline that there is no appeal procedure in place

allowing a second view on the matter."

Rationale for Resolutions 2012.05.06.08 – 2012.05.06.09

Over the past several months, ICANN has placed a strong emphasis on the need for enhancing ICANN's policies relating to conflicts of interest, ethics, confidentiality and an overall code of conduct. During the Singapore meeting, the President and CEO identified such issues as crucial given that the New gTLD Program was entering into a new phase with Board approval, which was taken on 20 June 2011. In addition, the community has been calling for a thorough review of these policies. Accordingly, ICANN has determined that it should strive to achieve a highest standards in both the documentation of polices and the adherence to polices relating to conflicts of interest ethics, confidentiality and code of conduct.

Part of ICANN's commitment to this standard is demonstrated through its rigorous application of its Conflicts of Interest policy through the institution of a Subcommittee of the Board Governance Committee, comprised solely of Independent Directors and focused on the application of ethics and conflicts policies and practices. Here, the Subcommittee's determination of which directors and liaisons have potential or actual conflicts of interest in relation to the New gTLD Program, and the Board's acceptance of those determinations, help ICANN remain accountable to the community and their expectations that ICANN's deliberations and decision making is not affected by individual conflicts of interest. The increased attention and review on this subject is expected to have a positive effect on ICANN and the community. There is no financial impact to the organization as a result of this decision, and this decision will not have any impact on the security or the stability of the DNS.

3. UPDATE OF NEW GTLD PROGRAM COMMITTEE MEMBERSHIP

The General Counsel confirmed that he would review the text of the Committee Charter to properly reflect the status of members who have mitigated previously identified conflicts of interest.

The President and CEO stated that the formation of this committee represents an important and valuable step forward in enhancing ICANN conflict-of-interest practices. The committee has already proven itself to be highly valuable to the staff of ICANN by defining a clear subgroup of directors that staff can consult with jointly or individually on new gTLD issues.

George Sadowsky moved and Mike Silber seconded the following resolution:

> Whereas, on 10 April 2012 the Board created the New gTLD Program Committee, to which it delegated all legal and decision making authority of the Board relating to the New gTLD Program (for the round of the Program, which commenced in January 2012 and for the related Applicant Guidebook that applies to this current round) as set forth in its Charter, which excludes those things that the Board is prohibited from delegating by law, or pursuant to Article XII, Section 2 of the ICANN Bylaws.

> Whereas, Thomas Narten has been determined by the Board Governance Committee's Subcommittee for Conflicts & Ethics to have mitigated the previously-identified conflict of interest with respect to the New gTLD Program, and that determination has been accepted by the Board.

> Resolved (2012.05.06.10), Thomas Narten is hereby approved as a non-voting Liaison member of the New gTLD Program Committee.

> Resolved (2012.05.06.11), all members of the New gTLD Program Committee reinforce their commitment to the 8 December 2011 Resolution of the Board (Resolution 2011.12.08.19) regarding Board member conflicts, and specifying in part: "Any and all Board members who approve any new gTLD application shall not take a contracted or employment position with any company sponsoring or in any way involved with that new gTLD for 12 months after the Board made the decision on the application."

Fourteen directors voted in favor of the resolutions. Sébastien Bachollet recorded a non-vote. Erika Mann was unavailable to vote on the resolutions. The resolutions carried.

Rationale for Resolutions 2012.05.06.10 – 2012.05.06.11

The Board reaffirms its Rationale for Resolutions 2012.04.10.01-2012.04.10.04, stating in full: In order to have efficient meetings and take appropriate actions with respect to the New gTLD Program for the current round of the Program and as related to the Applicant Guidebook, the Board decided to create the "New gTLD Program Committee" in accordance with Article XII of the Bylaws and has delegated decision making authority to the Committee as it relates to the New gTLD Program for the current round of the Program which commenced in January 2012 and for the related Applicant Guidebook that applies to this current round.

Establishing this new Committee without conflicted members, and delegating to it decision making authority, will provide some distinct advantages. First, it will eliminate any uncertainty for conflict Board members with respect to attendance at Board meetings and workshops since the New gTLD Program topics can be dealt with at the Committee level. Second, it will allow for actions to be taken without a meeting by the committee. As the Board is aware, actions without a meeting cannot be taken unless done via electronic submission by unanimous consent; such unanimous consent cannot be achieved if just one Board member is conflicted. Third, it will provide the community with a transparent view into the Board's commitment to dealing with actual, potential or perceived conflicts.

This resolution should have a positive impact on the community and ICANN as a whole as the New gTLD Program Committee will be able to take actions relating to the New gTLD Program for the current round of the Program and as related to the Applicant Guidebook without any question of conflict arising.

No fiscal impact is anticipated as a result of this action and there will be no impact on the security, stability no resiliency of the domain name system.

Cherine noted that the work around identification of conflicts of interest is not easy and is touches each member of the Board personally, and assured the

Board that the Subcommittee takes it work seriously. Cherine thanked the members for participating in the process.

The Chair thanked Cherine for his work in administering the process.

4. Any Other Business

The Chair called for discussion of any other business.

Bruce Tonkin noted that with the refinement of conflicts of interest and ethics materials, it is important to now start creating user-friendly training materials, as this is a very complex topic.

Bertrand de La Chapelle raised the issue of the communications around the change in the Board schedule in Prague and removing the Friday Board meeting, noting that it is important that this is not a move towards reducing transparency. In addition, some community members have indicated a wish to have sessions on Friday, and Bertrand asked how they can be accommodated. Finally, Bertrand asked about the scheduling of time with the new CEO, if he or she would be present in Prague.

The Chair confirmed that he is aware of the discussions around the change in the Board schedule, and noted that the public participation aspects of the Board interactions would be maintained. In terms of community meetings on Friday, that is a staff planning issue. The Chair also confirmed that work is already underway to plan for CEO-related activities in Prague.

Chris Disspain confirmed that, aside from the Friday morning schedules, the only group that he's aware of that meets on Friday is the ALAC, and those sessions will continue as they have already started organizing with staff. The removal of the Board meeting has sent the message that the full meeting is closed on Friday, and that message has to be changed. However, there are clear communications from other parts of the ICANN community that they are not interested in scheduling their meetings on Fridays.

George Sadowsky noted that perception is important on this topic, and ICANN has not done a good job communicating regarding the opportunities for interactions with the Board and responding to concerns about transparency.

Thomas Narten requested information on what type of response is going out to the public on this.

The Chair responded that the first major communication was to assist people in making their travel plans and to set expectations. That announcement opened up a lot of questions about the interactions regarding SO/AC reports and community interactions. A clear statement that there will be opportunities for interactions is still needed.

Sébastien noted that its not just a communication issue but a process issue as well. There is already a packed agenda, and now the items from Friday have to be moved to fit in elsewhere. Simply providing written reports does not address the community concerns, particularly when some of these are not translated. There has to be time for the chair of each SO and AC to be in front of the community.

Chris acknowledged Sébastien's comment, but noted that there was clear acceptance from the SO and the AC chairs that providing written reports was fine, and if translation could be arranged, that would be good. There were concerns raised by some groups, such as the SSAC and the RSSAC, regarding the ability to address the community when needed, and it was agreed that plenary sessions on specific topics could address those concerns. To address George's comment, Chris confirmed that there is planning underway to allow for more interaction between the Board and community, instead of a Board meeting where the community watches the Board. For example, there will be a discussion time at the end of the Prague meeting for the Board to discuss what has been heard over the week, and it is expected that the Toronto meeting will have this type of discussion session at the beginning. The structure of those sessions is not yet clear, but is being worked on.

George requested more information from Chris, as it appears that the presenters were consulted but not the listeners, who may have a different perspective on the removal of the SO/AC reports. In addition, it's not clear where the extra time needed in the other days of the meetings would come from. Finally, the structure of those new meetings described by Chris is important; there has to be an opportunity for interaction and for the community to understand what the Board thinks on certain issues. It's not clear that ICANN is doing the right thing.

The Chair countered that the Friday Board meeting did not provide for the type of interaction that George is describing.

Chris noted that at a Board meeting, individual members were able to read statements into the record. However, what needs to be made clear is that the removal of the Friday meeting does not mean that the Board is doing away with public Board meetings; instead, the Board will hold them when necessary, so the opportunity to make statements will still exist.

Mike Silber raised a concern that at least one of the SO chairs claimed to not be aware of the discussions about the shift of the schedule. The communications have to improve.

The Chair accepted the full weight of the messaging, in providing the explanation of what is happening with the change in schedule, and that will be communicated out. The Chair noted that there would be a need to change some of the prior patterns within ICANN; for example, the community has gotten used to having a sessions on a particular topic at the public meeting, and then the Board taking a resolution on it within days. However, having the discussion and then immediately going to a resolution gives the appearance of pro forma decisions or decisions made ahead of time. For items such as the budget, where public comment has long been underway, it's important to note that public sessions are for explanation of the budget. The meeting does not have to be Friday to allow for that type of discussion prior to the vote.

Sébastien noted that with the budget, the community needs tie to discuss the details among themselves and with the CFO during the meeting, with the possibility for identifying changes. There may have to be a modification of the public comment process on the budget to allow for discussion in public prior to Board approval.

Bruce suggested that having a timeline with some identified dates for Board meetings between Prague and Toronto, to vote on matters discussed during the Prague meeting, such as the budget.

Chris confirmed that the Board could not be in the same position it was the year before, where questions were being raised on the budget in the public forum, yet the Board voted on the budget the next day.

The Chair noted that there either has to be clear communication that discussions in Prague will not affect the budget, or there is time built in for consideration of comments prior to a vote.

Ray Plzak added to Bruce's suggestion, noting that he has proposed a workplan with a meetings of the Board scheduled after the public meetings, to allow for the Board to take action on items raised at those meetings after consideration of the community discussion. Ray urged the Board to schedule telephonic meetings between public meetings, and noted that these meetings must be efficient. The Board has to be able to demonstrate that it listened to the community.

The Chair asked for staff to identify some times for holding a telephonic meeting after Prague.

Bruce queried the General Counsel and Secretary on the possible need for a resolution to bridge a gap in budgets if the budget is not passed by 1 July 2012, and it was agreed that the Board could address this issue before the end of June.

Cherine Chalaby commented that the Board should not be negotiating details of the budget with the community, as that is not the proper job of the Board. Building a process to have discussions that are intended to alter the Board decision on the budget is not practical. The job is for the finance team to work with the community to iron out the details and present those to the finance committee.

The Chair addressed Cherine's suggestion that there have to be ground rules for bringing the budget to closure, and noted that there are differences of opinion about whether that is through the finance team working with the community, or whether the Board is involved in that process. The Chair suggested that a memo should be produced that lays out the process clearly, to guide Board and community conduct.

Cherine agreed with the Chair, and confirmed that the budget process has been ongoing for a long time, including the posting of a budget framework, consideration of comments, and now the work to review the final darft as posted.

Mike Silber reminded the Board that at the Brussels meeting, the comment period for the budget closed the morning of the Board vote, which did not allow time for the processing of comments. This was improved in Singapore, where the comment period closed in time for consideration, and the process

continues to improve. The Board cannot return to the situation where it takes a vote on the day comments close.

Cherine confirmed that the comment period here closes well in advance of the Prague meeting, which was deliberate to allow for sufficient consideration.

Mike queried Cherine as to whether the finance committee would have the opportunity to sufficiently review and process the comment to the point that discussion is not needed with the community on particular adjustments that were suggested? The Board has to be open to engagement with the community. If the process as run to date does not require community interaction in Prague because, that is fine, but that evaluation has to be made.

Cherine noted that the Board will be able to evaluate that after the comment period closes.

Thomas Roessler stated his opinion that the Board needs to get away from the notion that the Board and the community will be in negotiations of a budget in the last weeks of a fiscal year. That is a fundamentally bad idea.

Chris clarified that it's not the Board that has the interaction with the community on the budget, but the staff. As Mike noted, if there's comfort after the comment period closes in June, there is no requirement for a session on the budget in Prague. If there is a session, there will be an expectation that the comments will be listened to and consider.

The Chair requested a memo laying out the sequence of the budget process and the interactions expected with the community. Once that is laid out, then the Board can subject that to scrutiny.

Sébastien noted that the budget cannot be in final form until ICANN knows the number of applications for new gTLDs and the budget is adapted. That could take some time.

Judith Vazquez stated her belief that the budget should be passed by the Board, and if there is a need to present the passed budget to the community, that can be done. Community comments can be considered for the next year.

The Chair thanked the Board for their discussion on this item and called for further items of any other business.

Sébastien reported that the Public Participation Committee and the Board Global Relationships Committee would be discussing the location for the Asia-Pacific meeting prior to the item reaching the Board.

2012-08-02-01b 2012-05-31-Board-Meeting-Minutes

A Special Meeting of the ICANN Board of Directors was held on 31 May 2012, starting at 5:00 UTC.

Chairman Steve Crocker promptly called the meeting to order.

In addition to the Chair, the following Directors participated in all or part of the meeting: Sébastien Bachollet; Cherine Chalaby, Chris Disspain, Bill Graham, Bertrand de La Chapelle, Ray Plzak, R. Ramaraj, George Sadowsky, Mike Silber, Bruce Tonkin and Kuo-Wei Wu.

Rod Beckstrom (President and CEO), Heather Dryden, GAC Liaison; Ram Mohan, SSAC Liaison; Erika Mann, Thomas Narten, IETF Liaison; Gonzalo Navarro, Thomas Roessler, TLG Liaison, Judith Vazquez; and Suzanne Woolf, RSSAC Liaison sent apologies. John Jeffrey, General Counsel and Secretary, and Amy Stathos, Deputy General Counsel were also present.

1. Agenda

    1. **Election of Fadi Chehadé as ICANN's President and CEO**

The Chair provided an overview to the Board regarding how the CEO Search Process Management Work Committee ("CEO Search Committee") operated and the steps that were taken to find the right candidate for the position of ICANN's President and CEO.

The Board then reviewed the Compensation Committee's recommendation to engage Fadi Chehadé as the new President and CEO. The Board further considered the compensation package that the Compensation Committee recommended, which they reported was based on the recommendation and opinion of reasonableness of Towers Watson, independent compensation experts.

All Board members who voted discussed and ensured that they were free from conflict regarding the President and CEO's compensation and that they had access to and considered appropriate data provided by independent compensation experts as to reasonableness of the President and CEO's compensation.

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

Whereas, Rod Beckstrom will step down as President and CEO of ICANN on 1 July 2012 at 11:59 a.m. PDT.

Whereas, in order to conduct a search for a new President and CEO, the Board established a CEO Search Committee consisting of eight Board members.

Whereas, a description of the position of ICANN President and CEO was posted on the ICANN website at http://www.icann.org/en/groups/other/ceo-search.

Whereas, the CEO Search Committee engaged Odgers Berndtson, an international executive search firm, to identify candidates for the President and CEO position.

Whereas, the executive search firm conducted a detailed, thorough, global and international search for a CEO candidate, and identified numerous candidates for the CEO Search Committee to consider.

Whereas, the CEO Search Committee carefully considered the qualifications of all identified candidates and chose a number to interview at length.

Whereas, approximately 150 candidate resumés were received, 27 candidates were we chosen for further evaluation, 17 candidates were interviewed by telephone by the CEO Search Committee, 10 candidates were interviewed in face-to-face meetings by the CEO Search Committee, and four candidates were interviewed in face-to-face meetings by the full Board.

Whereas, after lengthy interviews and deliberations, the Board identified Fadi Chehadé as the leading candidate for the President and CEO position.

Whereas, the Board finds that Fadi Chehadé possesses the leadership, political, technical and management skills necessary to lead ICANN as President and CEO.

Whereas, the Compensation Committee has recommended that Fadi Chehadé be elected President and CEO.

Whereas, Fadi Chehadé will not begin his full time employment with ICANN until 1 October 2012.

Whereas, the Board has determined that Akram Atallah, ICANN's current Chief Operating Officer should be appointed interim President and Chief Executive Officer for the period of 1 July 2012 through 30 September 2012.

Resolved (2012.05.31.01), beginning on 1 July 2012 at 12:00 noon PDT, through 30 September 2012 at 11:59 p.m. PDT, Akram Atallah, ICANN's current Chief Operating Officer, shall also serve as interim President and Chief Executive Officer at the pleasure of the Board and in accordance with the Bylaws of the Corporation, and shall hold this office until his resignation, removal, or other disqualification from service, or until his successor shall be elected and qualified.

Resolved (2012.05.31.02), ICANN's Chairman and its General Counsel are authorized to negotiate and finalize a reasonable consulting agreement with Fadi Chehadé for the period of 1 June 2012 through 30 September 2012, and ICANN's General Counsel is

authorized to execute that consulting agreement on behalf of ICANN.

Resolved (2012.05.31.03), beginning on 1 October 2012 at 12:00 a.m. PDT, and contingent upon the execution of an agreement based on terms that have been approved by the Board, Fadi Chehadé is elected as President and Chief Executive Officer, to serve at the pleasure of the Board and in accordance with the Bylaws of the Corporation, and shall hold his office until his resignation, removal, or other disqualification from service, or until his successor shall be elected and qualified.

Resolved (2012.05.31.04), ICANN's Chairman and its General Counsel are authorized to finalize an employment agreement with Fadi Chehadé, and ICANN's Chairman is authorized to execute that employment agreement on behalf of ICANN.

Resolved (2012.05.31.05), the Board wishes to thank Odgers Berndtson for its assistance with the CEO search process.

Resolved (2012.05.31.06) this resolution shall remain confidential as an "action relating to personnel or employment matters", pursuant to Article III, section 5.2 of the ICANN Bylaws, pending public announcement of the selection of the new President and CEO.

Eleven voting Board members voted in favor of the resolutions. Rod Beckstrom, Erika Mann, Gonzalo Navarro, Mike Silber and Judith Vasquez were unavailable to vote on the resolutions. The resolutions carried.

> Rationale for Resolutions 2012.05.31.01 – 2012.05.31.07
>
> In August 2011, the current President and CEO announced that he was going to step down as President and CEO of ICANN on 1 July 2012 at 11:59 a.m. PDT. With that information, the Board was responsible for finding a replacement for this top position in the organization.
>
> To undertake the search for a new President and CEO, the Board formed the CEO Search Process Management Work Committee ("CEO Search Committee") consisting of eight Board members. See http://www.icann.org/en/groups/other/ceo-search. To ensure that the search was thorough, global and international, the CEO Search Committee engaged Odgers Berndtson, an international executive search firm, to identify candidates for the President and CEO position.
>
> Throughout the search process, approximately 150 candidate resumés were received, 27 candidates were chosen for further evaluation, 17 candidates were interviewed by telephone by the CEO Search Committee, 10 candidates were interviewed in face-to-face meetings by the CEO Search Committee, and four candidates were interviewed in face-to-face meetings by the full Board.

After lengthy interviews and deliberations, the Board identified Fadi Chehadé as the leading candidate for the President and CEO position. The Board has determined that Fadi Chehadé possesses the leadership, political, technical and management skills necessary to lead ICANN as President and CEO.

Once the Board selected a leading candidate, the Compensation Committee undertook its responsibility of seeking independent compensation expert advice on comparable salaries. These experts, Towers Watson, provided an opinion that the salary, recommended for Fadi Chehadé, was reasonable based on the comparable compensation packages and the particular nature of the position and the skills of Mr. Chehadé. The Board discussed this advice and Tower Watson's opinion regarding the reasonableness of the compensation package and were satisfied.

Given that the chosen President and CEO required some time to satisfy his prior commitments, the Board determined that the current Chief Operating Officer, Akram Atallah, was the appropriate person to name as the interim President and CEO, pending Mr. Chehadé ability to take the position full time, which is scheduled to occur on or before 1 October 2012. Mr. Atallah is already in charge of the organization's operations and Mr. Chehadé will be consulting with Mr. Atallah throughout this interim term.

This decision should have a positive impact on the organization and the community as it ensures that there is no gap in top management. There will not be any unanticipated financial impact. This decision is not likely to have an impact on the security, stability or resiliency of the domain name system.

2012-08-02-02 ICANN Board Submission for SSAC Appointments Ondrej Filip July 2012

ICANN BOARD SUBMISSION NO. 2012-08-02-02

TITLE: **Appointment of Ondrej Filip to the Security & Stability Advisory Committee**

PROPOSED ACTION: For Consent Agenda

EXECUTIVE SUMMARY:

The Chair of the Security and Stability Advisory Committee respectfully requests the

appointment of Ondrej Filip as a new Committee member.

COMMITTEE RECOMMENDATION:

The Committee desires the appointment of Ondrej Filip to the Security and Stability

Advisory Committee.

PROPOSED RESOLUTION:

Whereas, the Security and Stability Advisory Committee (SSAC) does review its

membership and make adjustments from time-to- time.

Whereas, the SSAC Membership Committee, on behalf of the SSAC, requests that the

Board should appoint Ondrej Filip to the SSAC.

It is resolved (20XX.xx.xx.xx) that the Board appoints Ondrej Filip to the SSAC.

PROPOSED RATIONALE:

The SSAC is a diverse group of individuals whose expertise in specific subject
matters enables the SSAC to fulfil its charter and execute its mission. Since its
inception, the SSAC has invited individuals with deep knowledge and experience in
technical and security areas that are critical to the security and stability of the
Internet's domain name system.

The SSAC's continued operation as a competent body is dependent on the accrual of
talented subject matter experts who have consented to volunteer their time and
energies to the execution of the SSAC mission. Ondrej Filip is the Chief Executive
Officer of NIC.CZ, the registry for .CZ in the Czech Republic. He brings to the SSAC
broad experience in the security and stability of the Internet relating to registries.

Submitted by: Ram Mohan, SSAC Liaison to the Board

Position: Liaison to the ICANN Board from the Security &
                       Stability Advisory Committee

Date Noted: 09 July 2012

Email: rmohan@afilias.info

2012-08-02-02 Board Cover Letter SSAC New Member Ondrej Filip July 2012

09 July 2012

To: ICANN Board
From: The SSAC Chair
Via: The SSAC Liaison to the ICANN Board

The purpose of this letter is to bring you up-to-date on proposed changes to the membership of the Security and Stability Advisory Committee (SSAC) and to provide an explanation for the attached request for Board actions. These changes are the result of ongoing new member evaluations conducted by the SSAC Membership Committee and approved by the SSAC.

The SSAC Membership Committee considers new member candidates and makes its recommendations to the SSAC. The SSAC has agreed with the Membership Committee's recommendation to nominate Ondrej Filip as a new member of the SSAC. Ondrej is the Chief Executive Officer of NIC.CZ, the registry for .CZ in the Czech Republic. He brings to the SSAC broad experience in the security and stability of the Internet relating to registries. The SSAC Membership Committee respectfully requests that the Board appoint Ondrej Filip to the SSAC. Attached is his resume for your reference.

The SSAC welcomes comments from the Board concerning this request.

Patrik Fältström, SSAC Chair

1

2012-08-02-02-cv-ssac

2012-08-02-03 Board submission completed implementation of ALAC and NomCom Reviews

ICANN BOARD SUBMISSION NO. 2012-07-04

TITLE: **ALAC and NomCom Reviews completed**

PROPOSED ACTION: **For Board Approval**

EXECUTIVE SUMMARY:

The implementation plans for the ALAC Review and NomCom Review were adopted by the Board on 5 August 2010 and 10 December 2010, respectively. The respective bodies and their supporting staff have since advanced the implementation work, with regular reports to the Structural Improvements Committee (SIC). At its meeting in Prague on 27 June, the SIC noted that all the implementation steps for both these reviews had been completed and proposed that these events be recognized in Board resolutions for the public record, in order to fulfil transparency requirements.

PROPOSED RESOLUTIONS:

> At-Large Review Completion:
> Whereas, the At-Large Advisory Committee, ALAC, and supporting staff have been working to complete the implementation of recommendations arising from the organizational review called for in the Bylaws. The "ALAC/At-Large Improvements Implementation Project Plan" was approved by the Board on 5 August 2010, http://www.icann.org/en/groups/board/documents/resolutions-05aug10-en.htm.
>
> Whereas, in coordination with the Structural Improvements Committee (SIC), the At Large Advisory Committee confirms that it has completed the implementation steps called for in the plan.
>
> Resolved (2012.08.xx.xx), the Board thanks the members of the At Large Advisory Committee and the supporting staff that have brought this work to completion, and recognizes the significant effort and dedication involved.
>
> ### *Rationale for Resolution 2012.08.xx.xx*
>
> The proposed actions are intended to note the completion of the ALAC review for the public record. The actions to be taken do not entail any budgetary consequences. It is important to take these

actions now to fulfil transparency requirements in a timely manner. This action is not expected to have any impact on the security, stability or resiliency of the domain name system.

NomCom Review Completion:
Whereas, the Nominating Committee and supporting staff have been working to complete the implementation of recommendations arising from the organizational review called for in the Bylaws. The "Nominating Committee Improvements Implementation Project Plan" was approved by the Board on 10 December 2010, http://www.icann.org/en/minutes/resolutions-10dec10-en.htm.

Whereas, in coordination with the Structural Improvements Committee (SIC), the Nominating Committee and supporting staff confirm that the implementation steps called for in the plan have been completed.

Resolved (2012.08.xx.x), the Board thanks the members of the Nominating Committee and the supporting staff that have brought this work to completion, and recognizes the significant effort and dedication involved.

Rationale for Resolution 2012.08.xx.xx

The proposed actions are intended to note the completion of the NomCom review for the public record. The actions to be taken do not entail any budgetary consequences. It is important to take these actions now to fulfil transparency requirements in a timely manner. This action is not expected to have any impact on the security, stability or resiliency of the domain name system.

Submitted by:	Olof Nordling
Position:	Director, Services Relations
Date Noted:	18 July 2012
Email and Phone Number	olof.nordling@icann.org