
DURBAN – Contracting Process for new gTLD Applicants
Monday, July 15, 2013 – 16:30 to 17:30
ICANN – Durban, South Africa

DENNIS: Ladies and gentlemen [CROSSTALK 0:00:45]...

NIDENTIFIED: This is the ICANN 47, Contracting process for new gTLD Applications recording.

DENNIS: Ladies and gentlemen, if you could take your seat. We'll be getting started with our next session, Contracting Process for new gTLD Applications.

DENNIS: Okay. I think we're ready to get started here. Krista, go ahead.

KRISTA PAPAC: Thanks Dennis. Good afternoon everybody. My name is Krista Papac and I'm the gTLD registry services director. I have with me Cyrus Namazi who is the vice president domain name or DNS industry relations.

And Christine Willett who is our vice president of gTLD operations. Today we're going to talk about the contracting process for new gTLD applicants. I'm sure some you were in the earlier session, the new gTLD

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update session where we did actually cover some of these things, but we of course have a session dedicated to this now.

So we had our... We kicked off the contracting process a few weeks ago, or actually on June 13th with a webinar, and we took... Those of you who may have attended the webinar, took you through the contracting process and the different things to expect during contracting.

Because that's the first time that we actually had discussed contracting and the process in detail with the community, we thought we would review that again today, as well as providing you with updates that have occurred since the webinar.

So contracting milestones and status. Here is where we are today. On July 3rd, the registry agreement was approved by the ICANN Board. Also on July 3rd, we sent out contracting notifications, or invitations to contracting, for priority numbers one through 50.

31 one of the 50 were invited to begin the contracting phase. Applicants are invited to begin the contracting phase based on their eligibility. So there were 31 that were eligible based on various milestones that we published, but things like having past evaluation, not currently in contention, no outstanding objections, items like that.

On July... Or as of today, July 15th, we've received... Sorry. Let me just take one step back. Those contracting invitations including something called a contracting information request. Just basically a request for information that we need to in order to create your registry agreement.

Of the 31 that we sent out on July 3rd, we've received four responses to date, and all four of those signed contracts over the past couple of days. You would have seen at the opening ceremony this morning.

As I said, we signed four registry agreements this morning at the opening ceremony. We signed an agreement with International Domain Registry Pty. Ltd. [laughs] It was for an IDN string which is the Arabic word for web or network.

We signed one with Core Association, which was the Cyrillic word for online. We also signed one with again Core Association for the Cyrillic version for website. And we signed a registry agreement with Spring Fields, LLC, and their string was IDN for Chinese word for game.

So the contracting process, and these are the slides that some of you may have already seen. We've updated them to reflect changes that have occurred since the webinar. The first slide that we have here basically takes you through a high level overview of the process.

So at the very highest level, ICANN determines eligibility, so which applicants can be invited into the contracting process. Once we make that determination, we send out the contracting information request, and again, that's the document – the communication that we use to gather all of the required information that we need to create a registry agreement.

Once we receive the contracting information request back, and it's complete or it contains everything we need, we would then create a draft of the registry agreement and send that out to applicants to be signed.

Once the registry agreement is signed, by both parties, ICANN and the applicant, we submit – we push that applicant through to the pre-delegation testing or PDT process, and we would initiate other processes like posting the agreement and things like that. This slide is just meant to really graphically represent again the high level process.

As you can see we've got, the balls in the funnel going in which are the applications. Again, those are based on their eligibility at the time, which is again, you've past evaluation, there is no pending objections, contention, change requests, or GAC advice.

Those eligibility notifications, or those that are eligible receive the contracting information request. And once we get the information back, they proceed through actual contracting which is drafting the registry agreement and getting it signed.

So the contracting information request, or CIR, those are sent out in priority order and based on eligibility. We send out the CIRs to the primary contact, and it's the priority contact who has to respond to the CIR. All of these contracting information requests are initiated through the customer portal.

And all of the response and contact also goes through the customer portal. Once we have the CIR back with all of the relevant information, if no changes are being requested, and that's changes to the base language in the registry agreement, the applicant will be eligible for signing.

If they are requesting changes, they would go down a negotiation path with ICANN. One of the things in the contracting information request

that we ask for is a contracting point of contact. So the CIR has to be completed by the primary contact, but all communications and discussions about the contract and getting it through the contracting process would then be taken over by whoever you want to appoint as your contracting point of contact.

And finally, when we get to signing the agreement, currently applicants that are eligible that complete the CIR in full and send it back to us, and want to proceed with signing the agreement, are also – will also need to sign a supplement to the registry agreement.

The reason we're doing this is that there is a pending resolution of certain issues that are yet to be resolved by the community, such as some of the outstanding GAC advice, some of the RPM requirements, and things like the [pick 0:11:16] DRP.

And what the supplement does is it temporarily enables ICANN to update the executed registry agreements, again, pending the resolution of these outstanding items. So the contracting information request. The CIR has basically 10 things that it asks for.

The goal of the CIR, as I said, is to collect all of the information that we need in order to create a registry agreement for you. One of the things that we did right after the June 13th, or shortly after the June 13th webinar, is we posted something called – we posted a CIR guidance document.

It's basically a document to help you understand what the pieces are, how you can pull them together, and it's really meant to enable you to start collecting this information now in advance of receiving your

invitation to contracting. So for those of you who want to move as quickly as possible through the contracting process, you can essentially gather the information now and have it ready to go as soon as you receive your invitation to contracting.

So the... Okay. So I'm just going to drill down into the nine different elements of the contracting information request. Slide 15, you can go one more or two more. Next. Perfect.

So the first thing that's asked for is your points of contact. So again, contracting process contact. Who is going to engage with ICANN to talk about the contract and get it signed and go through all of that? Who is actually going to sign the agreement? And who is the legal notices contact?

So every contract that you enter into, you always appoint a person who receives legal notices that relate to that contract, and that's what the legal notice contact would be. Exhibit A to the registry agreement, which is basically your registry services portion of your agreement that outlines the services you're going to provide.

Exhibit A will include DNS Service TLD Zone Contents per the applicant guidebook, and additional services if any per your application. So with respect to the DNS service TLD zone contents, the AGB specifies certain things that can be in the zone.

Any other zone contents would have to be approved through a R step process. And so your Exhibit A will include language to address this. Secondly with additional services, any other services that you described

in your application, additional services that you want to provide would also be included in your Exhibit A.

Examples of additional services would be things like second level IDN registrations, searchable WHOIS, or some sort of additional RPG might have provided for in the application. Continued operations instrument.

The COI, or continued operations instrument, that you need for your registry agreement needs to contain the details that are outlined in specification eight of the registry agreement. We know that people have had a lot of questions with LOC, about LOC and so in the webinar, the June 13th webinar, we committed to doing a – excuse me, initiating a LOC outreach program.

We began that on July 5th, and have been reaching out to applicants to try and get ahead of their CIR requests. Obviously the initial phase can't get ahead of something that just started, but we're continuing to send out letters to applicants whose LOCs appear to be deficient or not meet the requirements of spec eight.

If your LOC is acceptable, you will not receive an outreach letter. The most common issues that we've noted from our outreach is inadequate duration, so the length, or the term, or the expiry date if you will of your LOC, and LOCs that are not unconditional. Changes to application data.

So you are required to... If anything in your application has changed, you're – or become untrue or inaccurate, you're required to – the applicant needs to submit a change request. Change requests do need to undergo a 30 day comment period, all change requests. And

applications may not proceed to the next step until that 30 day comment period has elapsed.

It's possible that some change requests will require re-evaluation. And for those of you... Most of you probably aren't familiar with this, but we have a change request process which is also posted on our microsite, new gTLD microsite.

Cross-ownership relationships. Per section 5.1 applicants need to provide... Excuse me, 5.1 of the guide book, applicants need to provide a statement of cross-ownership if applicable. Cross-ownership means if you have an interest in a registrar or reseller, and any interest that a registrar or reseller has in you.

You submit your cross-ownership statement with your CIR package. The CIR Guidance that we posted on the microsite contains a sample cross-ownership statement that you can download and just put your data in there and be done with it.

The statement includes things such as ownership type relationship, accreditation, contact information. Specification nine, code of conduct exemption requests. So, applicants can request an exemption from the code of conduct if all the domain they intend to register are registered to the registry operator for its exclusive use.

The registry operator doesn't sell or transfer use of any other registrations to a non-affiliate. And the application of the code of conduct isn't necessary to protect the public interest. We've had a lot of questions about this particular – or about the code of conduct exemption requests.

And when we talked about this on the webinar, we received questions as to what that exemption request should look like, what does it need to contain, and at the time, we were still awaiting – we needed some information or we needed the Board NGPC to respond to the GAC advice.

We now have enough information from the Board on the response to the GAC's Beijing communique, that we can adequately address the code of conduct exemption requests. So we have a draft process and a draft sample statement that is currently being reviewed within ICANN and that we intend to post as soon as we – it finishes the review process.

That will also be posted on the contracting page of the microsite. Special considerations. So there is two types of special considerations. There are applicants who are an IGO or governmental entity. And basically they need to submit to us documentation of that designation.

All of that documentation needs to be on official letterhead. There are also community applicants, who have applied for – submitted community applications. They will have a specification 12 to the registry agreement, which outlines their community registration policies.

And those policies must match what's in the application. The specification 12 will be developed jointly with ICANN. If an applicant is both an IGO or governmental entity as well as a community applicant, then they would need to provide both of the items I discussed on the slide.

So changes to the registry agreement. Per module five of the applicant guidebook, applicants are expected to enter into the registry agreement substantially as it is written. Applicants may request and negotiate terms by exception. Applicants who do request to negotiate terms will take substantially longer to complete the contracting process.

Just to be clear, and I think we've might even gotten a question about part of this in the earlier session, changes to the LOC, things like the Exhibit A, spec 12, and specification 11, those are not considered negotiation path, if you will, changes.

Electronic signature. So the CIR will ask if you wish to use electronic signature. We have implemented electronic signature through a vender called DocuSign, and we actually use DocuSign for two of the four agreements that we signed.

But of course, traditional signing, whether it's wet signatures, faxing, what have you, scanned email type of things, will still be available for those applicants wishing to use them. So next steps and additional information.

So next steps for ICANN, as I said earlier, we sent the first 50 CIR notices on July 3rd. We will be sending notices for priority numbers 51 through 108 beginning on July 24th. We didn't want to send them out before then because we're in the middle of an ICANN meeting, and we have received feedback previously that people don't like to receive requests for lots of information or lots of work during an ICANN meeting.

Subsequently, we will release CIRs at 40 per week until our pipeline is full. So, when we send these requests out, 51 through 108, not every

one of those applicants will be eligible to be invited to contracting. The ones that are, will be invited to contracting and we're – as Christine said earlier, endeavoring to send notices to all of those applicants letting them know if they are eligible or not, and why not if they're not.

We are trying to... We want to throttle up the pipeline as quickly as possible so that we can start getting these responses back and pushing them through. So again, I think you talked about this a little bit earlier Christine, but we would send them out at 40 a week, we could potentially – a minimum of 40 a week, we could potentially send out more.

But once the pipeline is full, we made need to throttle back just a little bit until we can kind of keep – get to a steady state. One other thing that I want to mention is that the customer service portal, where this contracting process is facilitated through, will be publishing an user guide also that will walk you through this CIR process and how it works inside of the portal.

Other next steps for ICANN. Our initial goal is to sign at least 20 contracts per week. Our standard contracting path, so no negotiation, is a two to three week turnaround time. And those that elect to enter into negotiation, the timing is going to depend completely on the negotiation, and response times also from the applicant themselves.

So next steps for applicants. If you haven't already done so, I would encourage you to access the CIR guidance on our microsite, and begin collecting the documents that you need to complete your CIR or CIRs if you are – have applied for multiple strings.

I would also encourage you to check your COI against specification eight requirements. Another thing that we've posted on the contracting page of the microsite with the guidance, is a sample LOC to hopefully help you see the type of language we're looking for in term – or duration and things like that.

Other next steps for applicants. If you have a change request that you have been meaning to submit but haven't, I would encourage you to do that now as well. And then I would encourage people to watch for posted updates on the contracting page of the microsite.

And then lastly, in order... One of the things that you'll be asked for during PDT is data escrow, is for your data escrow contract to be signed and I think there is a certificate that you have to provide. I would encourage you to get a head start on that now so that when you do get to the PDT process, you don't hold up your ability to progress through PDT because you haven't contracted with an approved data escrow agent yet.

And then this slide just provides some links which I'm sure are not very easy to see from back there but when you – these slides will be posted and you can access this information. These links can take you to various parts of our microsite where you can obtain all of the information I just discussed.

And with that, we'll take questions.

UNIDENTIFIED: Yes.

KRISTA PAPAC: Hi [? 0:26:21].

UNIDENTIFIED: Okay. Also I think for the green light. Before we get the questions, we get something else with congratulations. I am impressed. Last time [? 0:26:30] an agreement, either a renewal or a renewal with ICANN it took seven months, and this is not my personal record.

My personal record is more than that. This time it took 10 days, four was because there was the long July 4 weekend in the United States. And two because it was we made some mistakes on our side. So it took you four days.

Impressive. No really [applause].

UNIDENTIFIED: I think this is a first time you've said something positive about ICANN. [Laughter] Just for the record.

UNIDENTIFIED: No, no, no. Before you're right, but they were saying lots of positive things. Sorry [laughter]. Sorry. I had to retort to that somehow. No, the question is, I have some questions and some suggestions. Everything comes very well prepared and very simple to fill.

It really take one hour and a half to fill the CIR form and all of the documents. But, for instance, regarding the LOC, you were saying that you were reaching to the people regarding what happens, but I would have a suggestion that you explain there.

It seems that the logical reading of your explanation is that you need the documentary COI. And as you know, in many countries, only [swift 0:27:29] message LOC exists these days. So we only have a collection of print out of [swift] messages. The answer we got, and this is why we took five days to complete it, is that there is no problem with that.

But perhaps you should clarify this because we got a lot of questions from our customers in regarding your microsite that it seems that you need the documentary sign it by the bank, etcetera. And this as a [? 0:28:00] ...in many other European countries anymore.

The second worry regarding your [? 0:28:04] is the address of ICANN. You moved. It says there, you have to have all of these elements, and one of the element is ICANN is in Waterfront, when many of the LLCs you've got, you are still in [? 0:28:17] Way. Please explain whether we need to amend that or whether it's recommend, but as an answer, whether we shouldn't bother just amending the COI for this concrete issue.

Now on the questions, we get all of the agreement, pre-form, you know, all the registered services are there, all the peaks are there, and for the communities, I guess that we will also get the specification 12 reviewed by ICANN. And what I got is that in fact you are taking questions 20E, or the policies were specified, eligibility and name selection there.

I have a suggestion and a request. There is something that is of importance should also be there, is the definition of community. Because most of the cases, you know, this is include 20A normally. All the policies just say, eligible people are members of the community, but

if we only take 20AE, in most cases we will not have the finishing of the community.

It sounds very strange. And the complete question is, if we want something like adding to the finishing of the community, I understand that this is not asking for contractual negotiations, right?

KRISTA PAPAC:

Thank you [? 0:29:28]. That's... To answer your question, yes that's correct. I just wanted to also comment on something you said about us moving, because I wanted to maybe clarify something. So we did move. The... If the only thing in your LOC that's incorrect or inaccurate is our address, we will not – we will accept that LOC.

We only ask you, if we... If you need to update your LOC anyway, we will ask you to update the address as well. Thank you. Do we... Where did Wendy go? Do you want to... Okay. Go. Okay. Oh, Carol [laughs].

We're going to, sorry, we're going to rotate between the questions online and the queue here in the room.

CAROL:

Hi this is Carol. The first question is from [? 0:30:20], I'm sorry I can't pronounce it very well. What is the reason for the new requirements for the new COI?

KRISTA PAPAC: Thanks [? 0:30:29]. The requirements for the COI are not new. They've been in the guide – excuse me, in the registry agreement for some time. Jeff Newman.

JEFF NEWMAN: Hi Krista. Welcome. It's good to see you on that side of the table. Not that it's not good to see the rest of you. It's always a pleasure to see the rest of you. Just a couple, hopefully some quick questions. On the slide... If you can go back to the slide where you said the process... Actually you don't have to go to the slide.

You said it takes about two to three weeks. Is that from the time you send out or, I'm sorry, the time you receive the completed CIR or the time or measure from something else?

KRISTA PAPAC: From the time we receive the completed CIR.

JEFF NEWMAN: Okay, good.

KRISTA PAPAC: Sorry, could I just add one thing to that which is, all of the timelines that we're quoting here, we've taken Christine's lead, and are... It takes two to three weeks at the maximum would be want we want to do. Again, we're aiming to do better than that, but we want to set expectations appropriately.

JEFF NEWMAN: Okay. I know we've talked about this, but it would be good to clarify for everyone. You said, you're going to do 40 a week until pipeline is filled. Does that mean you'll take 40 a week and once your pipeline filled you're going to stop for a while? Or does it mean you're going to take 40 a week and then if you can take more, you'll take more?

KRISTA PAPAC: It's the latter. We want to fill the pipeline, we would continue to send out 40 a week, although if we all of the sudden get an onslaught of responses because we've sent out say 500 of these things and we get 100 back, we would throttle back the pipeline to allow us to work through the responses we received, and then we would throttle it back up.

One of the concerns, I think this has come up before, one of the concerns is that if we send out all CIR requests at one time, we get the data back, that data is going to get stale. And then we have to come back to and that doesn't seem very efficient. So we want to have enough in the pipeline to keep us busy, and we're counting on you guys to help with that [laughs].

But we don't want it to be so full that, again, it starts stagnating in there.

JEFF NEWMAN: Right. Just to... Thanks. And just to follow up with that, is it going to be a specific day of the week that we're going to send it out on this day every week? Or... I mean, I'm just trying to see what predictability there is going to be.

KRISTA PAPAC:

That's a great question. So we intend to send CIRs out on Wednesdays in the US, Pacific Time. And if we're sitting around twirling our thumbs, which I have yet to see happen at my seven weeks at ICANN, but if we're sitting around twirling our thumbs, we would certainly send out more CIRs before the next Wednesday if that seems to make sense.

JEFF NEWMAN:

Okay. My last question is on the code of conduct exemption request. I know that you said there is going to be a form or statement that will be posted, which I think is helpful. Can you just go into, or can someone go into, what your criteria will be to determine whether a request for exemption is in the public – or I should say, granting it is not against the public interest?

Or whatever the criteria is, or whatever it says. Can you just go over what you're thinking is as to how you're going to evaluate that? What steps are you going to take? Is it just you put it out there for public comment and then people...

What I'm worried about here, is I'm worried that you put it out for comment and a lot of people, maybe competitors to brands, put out all of these comments because they don't want them to get an exemption, or registrars put out a bunch of comments because they want to provide registrations in the TLD.

So can you just go over a little bit of what you're thinking is to that third element of the request, or exemption.

KRISTA PAPAC: So you know this, right? Until we find out what it is what we're putting out [laughs], we need to get that finalized first. So unfortunately, I don't have a lot of – I personally don't have a lot of information on that one. And second of all, it looks like Dan maybe wants to – no. Okay.

Yeah [laughs]. And the second thing I would just say is that, we're going – it's guidance that we're going to post. So it's implementation, it's guidance that we're going to post that we'll explain to you what the process is for requesting it and give you a sample that you can use to draft your own request, or you know.

JEFF NEWMAN: Sure. And that's why I'm asking the question. It's not... The process is great and you'll show a draft statement presumably for those that will request it. But what you're not telling me is when, how you're going to develop the criteria to except that request or reject that request.

The first [? 0:35:15] it's pretty simple, right? That's the self-certification and that's in line with the application, but how are we going to know as advising our customers is, dot new star, because I will be requesting that.

How will I know, how will I advise my CEO that my request will not be denied because of the third element?

KRISTA PAPAC: Again, I mean we're still developing that. So as soon as we have something, we'll get it out and it's – I mean, it's a high priority. Everything is a high priority.

JEFF NEWMAN: This is something we should engage in – I mean, if there is time, we should engage in a discussion with the community because I think – I don't see that as something as a one way, top down, ICANN is going to decide. This is the way it's in the public interest, and this is the way it is not.

I think it's more of a community dialogue as to think about that particular issue. I would think.

UNIDENTIFIED: Thank you Jeff. I think that's a great idea. I think we do need to actually consult with the community on that particular segment of it, so that we don't inadvertently actually put you at a disadvantage competitively when we do that.

So we'll have that dialogue with you in the community. Thank you for the input. That's great input.

KRISTA PAPAC: Thanks Jeff. Carol?

CAROL: So the next question in the queue was from Ingrid. Is there a deadline for the applicant to submit a completed CIR after the invitation by ICANN?

KRISTA PAPAC: No, there is no deadline. The responses, just to reiterate something Christine said earlier, the responses are – we put them into the next

phase of the contracting queue, if you will, in the order that we receive them back.

DAN: This is Dan from Legal. Just a slight asterisk comment. Right now there is no deadline, but maybe at some point we talked about... There is in the guidebook it specifies there is a certain end time, you can't just sit on your approval forever. But we're not currently starting the clock on that due to other issues and other stuff that's not settled like the supplementing, the GAC advice.

ADRIAN: When you said that you were going to do as they come in? Just say you don't want to talk to me and I'll walk, I'll sit back down.

UNIDENTIFIED: Adrian, it's just not fair if we go in front of other people. He can go back to the queue thanks.

PAM: It's my turn?

KRISTA PAPAC: Yeah, go ahead Pam, sorry.

PAM: Hi. Pam [? 0:38:03] representing [zoe-de-a 0:38:05]. [Zoe-de-a] has applied for multiple strings. My question relating to the COI, that of

credit, the letters of credit, 15 of them are all identical terms, we really appreciate the outreach effort. I think they are called notification.
[Laughs]

So we have five of those. And some of them... The trouble we have is that they are inconsistent, they seem to be sent by different evaluators or initiator. Some of the notification raise two questions, some raise three questions, and some with the same question but different languages required.

We also have three invitations for contracting to have those COI open issue, but we didn't receive the COI notification. So we are a bit confused as to how to address them. So we think some consistency would be helpful in terms of how you evaluate those COIs, and also the requests or the action items.

Otherwise we have to go to the banker, and every time we're giving him different instructions or different requests. Thanks.

KEVIN:

So this is Kevin from the Legal Department. And I'm the one writing all of them. The issue is we're going off what we have in our files, and they're not always – I don't think our files always represent the most current, I think some things are maybe lost in transit.

Or it's just not loaded properly. So ultimately, it's your document itself that governs. So if you note any inconsistencies in the letter that you're received, disregard it. And we did get this email from you, and we did respond, hopefully it will probably go out today or as we're speaking here.

And I have letters drafted for you guys and we corrected that issue, and we've seen that you made the corrections. Again, it's ultimately your LOC that governs not the letter. So I would not worry too much about it and as long as you meet the requirements, it's not an issue.

PAM: Right. Thank you. Thanks for that clarification.

UNIDENTIFIED: Just a quick reminder, please, yes, just like you were doing. Hold the mic in your hand and speak right into it because of the remote participants are having a hard time hearing if you don't do that. Thank you.

JAY: Hi. Jay [? 0:40:47]. So I don't know if we can get the slides back up, but I had a question.

KRISTA PAPAC: Which slide?

JAY: It was the slide regarding registry use of names, like reserving names. Let's see here. There wasn't slide numbers, so...

KRISTA PAPAC: Are you talking about the Exhibit A?

JAY: Yeah...

KRISTA PAPAC: This one here?

JAY: No. Keep going. There was three sections to it. There we go, yeah, go back. Okay. No. You're still going, go back. Yes. Okay, here we go. There we are. There we are. Okay. So all the mains are registered to the registry operator for its own exclusive use.

So my question there was, we basically reserve some names. At what point in the future – because I see the second bold point, the registry operator does not sell, if we have an inquiry in two years, five years, whatever, on one of these names, what's the process we go about if we wanted to actually open that up and sell it?

KRISTA PAPAC: So this is about specification nine, code of conduct, exemption request, right? So this is about the whole registry is exclusive use. Can you maybe just re-ask your question because I'm not sure...

JAY: ...register dot my TLD, right? And we set that up basically to serve as a registrar in our space. At some point, let's say that registrar gets outsourced and its being well, and it's doing well, and we say, "Okay. We want to jettison that name, that whole business unit."

How do we get around this point two?

DAN: It's Dan. Are you asking how to get rid of the exemption once you've got it? Or you want to amend your agreement on it? I'm not understanding the...

JAY: So if I have a reserve list of names...

KRISTA PAPAC: So Jay, yeah, it's not about reserve list of names, it's your whole registry is only names registered to you. So this is... No one else is registering domain names on the registry, only you are. And so I think the clarifying question we're trying – sorry, bad phrase.

[Laughs] The question we're trying to say, are you saying you want to go from being a registry that only registers names for yourself to being one that....

JAY: This is a brand specific one.

KRISTA PAPAC: Oh. Well we don't have a brand designation, but yes [laughs].

JAY: Okay. That's it.

KRISTA PAPAC: Okay. Never mind. Okay. Good. Do we have any more questions online Carol?

CAROL: Hi. The next one was from Yasmine. Question, “Will specifying additional services in Exhibit A require the applicant to automatically proceed to R sep, and must an applicant doing so, sorry, indicate that changes have been made to its application?”

KRISTA PAPAC: Actually can you read it again?

CAROL: Sure. “Will specifying additional services in Exhibit A require the applicant to automatically proceed to R sep, and must an applicant doing so indicate that changes have been made to its application?”

KRISTA PAPAC: So if I understand the question correctly, if an applicant has applied for additional non-customary registry services in their application, and they’ve been successfully gone through their evaluation and they’re approved for those registry services, then they’re eligible to include those registry services in the Exhibit A.

If the applicant will not be eligible to put any additional registry services in the Exhibit A at the point of contracting, after they have assigned registry agreement, they may initiate an R sep to request approval to provide additional registry services after contracting.

Jim...

JIM: Hello Krista. Jim [? 0:45:44], Gallway Strategy Group. Question about the outreach that you're going to be doing ahead of time on the COIs. You said that you're only going to be notifying people if they have an issue, but since you were able to score three in the evaluation and still may have an issue, will you be telling the community at what pace you've reached?

Like, we've already reached out to the first 500, so if you're below 500 and you haven't heard from us, you're good. There needs to be... I would recommend that there needs to be, okay, great, they've passed me, I don't have to worry, you're not going to come back to me on this.

KRISTA PAPAC: Yeah, yeah, no, that's a great suggestion and we'll do that.

JIM: Okay. Thanks.

KRISTA PAPAC: Thank you. Carol?

UNIDENTIFIED: We skipped one person, Michael Flemmings, so we're going to go back in the queue and his question is, "I believe this may have been stated earlier in a previous meeting, however for clarification purposes, is it

possible to receive clarification for when pipeline will be full concerning CIRs?”

KRISTA PAPAC: So, the pipeline being full is going to be based on how many people respond. Is that the question Wendy? Can we communicate – or its about communication, like how do we know the pipeline is full?

Yeah, yeah, no, we can absolutely do that.

UNIDENTIFIED: [? 0:47:19]

KRISTA PAPAC: Sorry, just to be clear, yeah, yeah, yeah, means yes [laughter]. Go ahead [laughter]. Yes Ruben.

RUBEN: Ruben [? 0:47:28]. I notice your answer to Jeff’s question on [? 0:47:32] exception, but just to ask if – if it is truly listed on the GAC advice, on closing generics, do you think that does create a strong presumption that such things shouldn’t be granted exception to the code of conduct?

KRISTA PAPAC: Sorry. Can you just ask that last part again?

RUBEN: Consider a string that was listed in the GAC Beijing communique under exclusive use, that they listed generic strings that they think shouldn't be run in a closed manner. Do you think that creates a presumption that ICANN shouldn't grant those strings an exception to the code of conduct provided they apply for that?

KRISTA PAPAC: So yeah, we can't... I don't think we can presume anything at this point.

RUBEN: Okay. Thank you.

KRISTA PAPAC: Thank you. Do we have another question online?

CAROL: The next one is for KOM, question, "Are the objection panels processing objections based on the prioritization draw? If they aren't it can affect contracting and help some applicants mark an advantage by filing the objection alone regardless of the outcome."

CHRISTINE WILLETT: This is Christine Willet. So the dispute resolution service providers are processing all objections simultaneously. Based on the sequence of when the objection came in, this specific timing as – for each objection, and when it was verified and moved forward in the process.

The objection process is all happening simultaneously, it's not – there is no queue for it, to be based on priority order.

KRISTA PAPAC: Jordan.

JORDAN: Hi. A question and a suggestion. First the question is, the question is, if – am I hearing correctly? If you've received the CIR and you haven't heard anything about your LOC, then your LOC is probably okay? Or does that... Or we don't hear anything until we respond back with the CIR with the information about the LOC?

KRISTA PAPAC: Your correct, the first way you said it was correct. So if you've received a CIR, and you have not received a LOC outreach letter, then your LOC is acceptable.

JORDAN: Great. So my comment is, I think – it strikes me that there are – it seems like there is a number of bottlenecks in the contracting process that are too small right now. Like our goal, I think, is to have 20 TLDs being delegated into the root per week because that's the scaling limit we've all agreed as a community is – we don't want to break the root, right?

So we want to have no more than 20 TLDs going into the root per week. I think we also... I think I've heard in the past that we want to actually

have 20 TLDs going into the root per week. So almost every step previous to delegation needs to have a lot more than 20 per week going through it in order to enable that to happen, at least until you get up into steady state.

And your CIR process is super demonstrative of this, right? You thought, “Oh, we can do 50 and then we’ll be doing 20 a week eventually.” And in reality, you send out 50 – you went through 50 numbers, you sent out 31, so we lost 20 right there, right? Because there are various people not eligible.

You’ve got four responses back [laughs], right? And so now even though you’ve gone through 50 numbers, you’ve only used 20% of your capacity at that stage in the week. And we never get that week back, that week is lost, right? [Laughs] So we need to...

I think I really strongly encourage you... Like you said that if you send out CRs to everyone right now, the information may get stale, I think you can just tell applicants if your information comes out of date, make sure you update us prior to contracting.

You could just have... Everyone could send in their contracting information right now, and you can work through in sequence. At the very least, when you’re debating whether the pipeline gets full or not, you should make sure that you have at least a week’s worth of contracting buffer in place, because that will also solve Adriane’s problem that he was going to come down and talk about.

Because if you’re doing things in priority order, and you have at least a week’s worth of buffer built up, then there is no advantage or

disadvantage based on when you receive and are able to respond to the CIR, you'll do everything in priority order.

But similarly, you're talking about doing 20 contracts a week. That's not enough. Some people are going to fail PDT. Some people aren't going to be ready for PDT after they do the contracting. Some people will fail TMCH testing, they won't be able to go through that process, right?

Like there is all sorts of places further down, and so I think until you're delegating 20 a week, everything should be whatever is the maximum you can operationally do, right up until the point that you get to the 20 per week that you're sending to IANA.

And at that point, you can stop, right? You have a break there that allows you to throttle the process at that point.

KRISTA PAPAC:

So just a couple clarifications. So our goal is to sign a minimum of 20 contracts per week. That's the first point. Second point is we just kicked off the process, so we're doing it the same way we've done other processes that we've kicked off, where we are starting off slow, making sure we have all the pieces that works, people are getting what they need, that we got the right processes in places, etcetera.

And then we want to throttle up. So absolutely not to have only 20 going through to PDT, because you're right. Some of them might be challenged in PDT, or might have issues and they may not want to schedule PDT right away, or what have you.

Absolutely we have thought of these things, but we also don't want to throw out 1,000 of these things, have a bunch of stale data sitting there and create – that creates additional bottlenecks downstream. And so, and we want to again, make sure the process is working. And I would just want to stress what I said, our goal – the goal is a minimum of 20 contracts a week.

JORDAN:

I guess my point is, please be careful to make those throttles as wide open as possible. Because like I said, we're not – that week – some weeks there will ideally be four names going to the root, and we'll never get that week back. Everyone else is backlogged behind them because we didn't get enough...

I mean, not enough people have responded to their CIRs the first week that we sent them out.

KRISTA PAPAC:

Yeah, absolutely. And sorry, just one more thing, and I know Christine wants to add something to this. We also have no way of knowing how quickly those come back, right? So we actually expected to get a lot more than four. And... But it's like everything else, you know, nobody really knows how many applications there would be, who knows?

So absolutely. Christine.

CHRISTINE WILLETT:

So absolutely. We have modeled many different scenarios. So I too am a fan of bringing as many into the pipeline as possible to move forward.

However, we are also trying to balance that with respecting prioritization.

So there is a fine line there. We want to move things into the contracting process and move forward, while still continuing to respect prioritization. I do anticipate that we will reach a point in a few weeks, I don't think it will take months, which everyone understands the necessity and value of responding the CIR quickly.

So I think that we will get to a point where we are issuing 20, 30, 40 CIRs per week, and we're getting them responded to. And that is, we are... I will commit to you, that's my team managing that and administratively collecting, sending those out and receiving them back in.

We will do that at our capacity, for sure.

JORDAN:

I'll make one very short last comment to just say, honoring prioritization is important, almost... As soon as the pipeline gets full and you're delegating 20 a week, it really doesn't matter if there is prioritization earlier in the process because you can do it at delegation time, right?

Just sort things, things that are ready, allow them to delegate in priority order and that solves the entire problem.

KRISTA PAPAC:

Thanks. Question online?

CAROL: Hi. The next one is from [? 0:56:24], “How many legal advisors are at your disposal for non-standard contractual negotiation? It will help us to estimate our timing.” Then the second part of that it says, “The 300 K cap was forgotten for a COI.”

UNIDENTIFIED: Lots. [Laughter] There is six of them actually sitting in this room and many more back in California and other places, so hopefully the staffing on the legal side is not going to be a bottleneck for any of the things that we’re trying to do.

And we also have, of course, Joan Day who has been our partner in this process with many of other firm’s attorneys on standby ready to kick in when necessary.

KRISTA PAPAC: Reg.

UNIDENTIFIED: [? 0:57:19] Machines, I have two requests and one question. And the requests have to do with the webinar and the question pod that disappears. I understand that you didn’t like the comment public pod, but it would be nice if we could see all of the questions that other people have submitted, because it appears as though questions get lost in the train between my computer and your computers.

So if the entire community can see the questions, then accountability is held to better. My other request is that you trade off and on between

the calls on the phone and the questions in the question pod, also on your webinars as we're doing here today.

My question refers to the 30 day comment period for change requests, and whether or not that applies to private parts of the application, because if it does not, is there a 30 day delay just sort of fun? And if it is, are you posting for comment some sort of redacted version of the confidential parts of our application?

KRISTA PAPAC:

So... I'll change your question subject to the 30 day comment period. And Christine is probably better with the answers, I know that the – my understanding is that if it's one of the private parts of the non-public portions of the application, the way that the comment period goes is that there was a change to section blah, blah, blah.

I don't – is it redacted? Or....

CHRISTINE WILLETT:

If it is a change to a confidential question, that change is not posted but it is noted.

UNIDENTIFIED:

And there is a comment period about whether or not the applicant is allowed to change something that nobody knows about?

CHRISTINE WILLETT:

So the comment period isn't about can they change it, the comment period is to notify everyone that something has changed. You wouldn't

have known what the answer was to begin with, so if some confidential portion, financial reports, etcetera, had changed, it wouldn't have been subject to an application comment.

I will address the webinar questions. So suggestions, thank you for the suggestions. We will certainly take it into consideration. We are working to make the webinars run as smoothly as possible. We have... Although it's never not as quick as I would like, we have for the last three or four webinars now, published Q&As.

So any outstanding questions that were not answered in this session, they get summarized, they are not everything, there are many repetitive questions, so they may get grouped together but they are answered in a Q&A document, and we try to get them posted within two weeks of the webinar.

We haven't been very good about that.

UNIDENTIFIED:

Okay. Where is that posted? Because that question you just answered, thank you for answering it, I asked at the last webinar. And I've been asking routinely weekly, in fact, for an answer.

CHRISTINE WILLETT:

Yes. You've emailed me. So your question, you had another question that got lost, it was not submitted into the queue, so I forwarded that, it got added to the Q&A and that's been posted to the microsite. It was posted a week or two ago.

UNIDENTIFIED: Do you know where on the microsite?

CHRISTINE WILLETT: On the webinar page.

UNIDENTIFIED: Okay. Great. Thank you.

CAROL: Question from the queue. Will the addendums and attachments that come with the contract be posted to review?

KRISTA PAPAC: The attachments and...

CAROL: Addendums and attachments that come with the contract, will those be posted to review? Supplement I think maybe.

UNIDENTIFIED: So the question that was asked was... Yes, we are going to post the contracts and the supplement that we're entering right now. That's in the process of being posted right now.

David just asked another question though about the supplement, the cross-ownership statement. I don't think we plan to publish that. We're not planning to publish the CIR responses.

ANTONY VANCOUVER:

Hi. Antony Vancouver of Minds and Machines. Perhaps this will be dealt with in the next session on post delegation, pre delegation testing. But since we're talking about contract changes and so on. The applications were submitted, I believe, 15 months ago.

I suspect that there are very few applicants that haven't made some kind of change to their technical infrastructure in the intervening time, whether it's getting an upgrade to their load balancer, adding one, changing IP addresses, any number of things.

To what extent do we need to notify ICANN about these? And it's a concern because it could engender quite a bit of delay and I don't want to inform people about things they don't want to know about particularly that are rather trivial.

On the other hand, we have undertaken to inform ICANN about any changes, and we heard at the last pre-delegation testing meeting that the guys from NIC SE are going to compare exactly what's in your application to exactly what you have in terms of your technical infrastructure.

So I'm trying to understand what we need to inform you of, and when we should inform you about it.

CHRISTINE WILLETT:

Thanks Antony. I know we talked about this in Beijing. So I will reiterate what I said then, and I do think we can discuss it further in the pre-delegation testing session, which starts in 12 minutes. Any time an application becomes inaccurate or untrue, the applicant is expected and required to notify ICANN, of that, the change request.

So that is still what is in the guidebook. I recognize that that is a challenging and we should discuss it further if the exact details of what is tested versus vis a vis what is on the application for the technical level. So let's talk about it more.

ANTONY VANCOUVER: Can I just... One follow up from what Reg asked, if there is a change to part of the application that is not public, and that is noted, are you still holding that up for 30 days because of that notification, even though there is no possibility of response because, what can you respond to?

CHRISTINE WILLETT: We are following the same process at the present time, regardless of what portion of the application has been changed. We are still following the same 30 day notice. So we are three minutes past due. I think maybe we need to let the other session setup.

Can we take just a few more questions very quickly?

UNIDENTIFIED: My name is [? 1:05:06]. Sorry. I am [? 1:05:10] ...participant from Nigeria. My question is on the issue of public interest. Some countries have a law subjecting every other rule or agreement to public interest on public policy. In view of this, and the exceptions made here, don't you think the provision of code of conduct is not necessary to protect public interest as said here which is one of the exceptions [? 1:05:42]?

KRISTA PAPAC: So if I understand you, you are saying that the exception to the code of conduct relates – should not relate to the public interest. Is that what you’re saying?

UNIDENTIFIED: Yes. What I’m saying is some countries have laws making provision for public interest and public policy as being superior to other rule or agreement. And here we are told that applicants have the option to request for exception through the application of the code of conduct that is not necessary to protect the public interest.

So since it is provided by the [? 1:06:34], is it necessary for the code of conduct to be included?

DAN: This is Dan from ICANN staff. I think the way we have the specification and set up is consistent with what you’re saying. If it is necessary, in the public interest, we will require compliance with the code of conduct even though those other two factors are met.

So it sounds consistent with what you’re saying, the trouble is, is that others have asked, “Well what does that mean exactly?” And that’s where we find ourselves trying to sort that out. So maybe you can help us explain – or understand how it’s done there.

Anyway, it sounds like the way we’re doing it is consistent with what you’re asking.

UNIDENTIFIED: Thank you.

KRISTA PAPAC: Thank you.

LIZ: Hi Liz [? 1:07:17] PIR. I wonder if you could just, and I know that we're short on time, but I wondered about the interrelationship of additional services under Exhibit A and the r sep process required for that, and a change request.

In other words, if a registry, if an applicant wanted to add services, would they do it through a change request? Or... In advance of contracting... How do those things interrelate?

KRISTA PAPAC: Sure. Obviously it's up to the applicant. But the way that we've setup the program and the contracting process, etcetera, is you can provide the services that you were evaluated for, and those go into your Exhibit A.

If you want to do something more than that, you can do one of two things. You can submit a change request and go through the 30 day comment period, etcetera. Or you can go through the contracting process and then contact us that you want to add a service, and then go through that process.

So it's really up to you to evaluate what makes the most sense for you at that time.

LIZ: Okay. Thank you very much.

KRISTA PAPAC: You're welcome. Thanks Liz.

CHRISTINE WILLETT: If I may just add to that. In order to move through the process most quickly, if a change request is submitted after you have received your initial evaluation results, and you've been evaluated for a certain set of registry services, that change would require, likely require, reevaluation or evaluation in a future round, at which point possibly extended evaluation.

Or evaluation – reevaluation during the extended evaluation phase. So unless it's something that you feel strongly about having a place at the point in which you sign the registry agreement, I think that the most expeditious process would be to move forward with your Exhibit A stating what you have already applied for, and then initiating the r sep after contracting.

JOHN: John [Berry Hill 1:09:33]. My question is a continuation of that theme, when you talk about the application having been evaluated. Is it safe to assume that registry services described within the application were evaluated such that, if we pass that section, and then provide Exhibit A consistent with the registry services that were in the application, that it's – we can safely assume that we might treat as a presumption that – to the extent that Exhibit A is consistent with the registry services that

were evaluated in the application and past, that that would be non-controversial?

The flip side of that is, if we do not provide an Exhibit A that describes registry services is varied from the standard that were evaluated and passed, is that problematic? To what extent, I guess, is I was assuming that what you say in the application more or less merges into the contract?

Is that a valid high level view of the process?

UNIDENTIFIED:

So I don't think it's necessarily safe to assume that anything you put in the application that passed the evaluation is necessary going to be okay to go straight into the contract. In most cases, that probably will be the case. But the evaluation we did on the services during the evaluation process was basically a technical evaluation purely, would this service break the internet?

And... So as we build the Exhibit As, we'll look at them again and more carefully because there might be other issues like compliance with other parts of the contracts, or policy issues, or is this consistent with the way we do invoicing, or just other kinds of practical and policy things that weren't part of....

Do you pass what was basically a technical evaluation.

JOHN:

Okay. All right. Thank you very much.

UNIDENTIFIED: Rob Paul.

ROB PAUL: Thank you. I've got a question about a different contract. So since this is the contracting, I thought I would stand up and ask. This morning I had the privilege of signing the registrar accreditation agreement, and I saw people sign the registry agreement.

No one is talking about the other one, the RRA, the Registry/Registrar Agreement. And as you can imagine as a registrar, we're starting to see a lot of these now from new gTLD registries. And there is things in them that I believe should not be.

And go a long way, I think, to breaking the structure setup by ICANN. So there is lots of oversight over the RA and the RAA, and almost none that I can tell over the Registry/Registrar Agreements. I believe ICANN has, in their provisions, that they get to review any changes down the road to those, but not the initial ones.

So perhaps you can give us 30 seconds or a minute on what is the process of the oversight ICANN's having over these. Because I think a lot of people are incorporating that they couldn't get into the RA or RAA into those agreements.

DAN: Rob, it's Dan. So you're right. The process that we have for RRAs is similar to the process we've had for years – I'm trying to think about how far back it goes. Maybe 12 years for sponsored agreements, which is that the registry when it starts up can sign up registrars with whatever

RRA it wants as long as it is consistent with all the other requirements of the registry agreement.

Which there are requirements in the registry agreement about what must be in the RRA. So if there is a compliance concern, we can take that on and we can look at a few specific concerns that a registry isn't complying with its registry agreement in terms of what is in the RRA or not in the RRA.

But in general, registries – because we looked into this, it would be very difficult to impose a one size fits all RRA across a thousand different registries. So registries can setup whatever kind of RRA they want in the first place, as long as it's consistent with their obligations.

Once they have registrars and registrants signed up, if they registry wants to change the RRA, then it has to go to ICANN for review. And we have a procedure for RRA changes that we've used for years. So if anyone has specific concerns about a registry allegedly having the improper RAA, we can look at that but there is no process for ICANN or you or approval of the initial RRA...

ROB PAUL: Do you see it even? Or is it just... No. Okay.

DAN: No.

ROB PAUL: Is there any provision for making sure that the same amongst all registrars or given registry? Because I know that we've got gTLDs out there now that have different RRA for different registrars.

DAN: So I don't want to get in... There are requirements, and I think one of the requirements I don't want to say off – it's not memorized yet, the new registry agreement, but one of the requirements does talk about having, I believe, it's the same RRA with all of your registrars.

ROB PAUL: Okay. Perfect.

DAN: With an asterisk, I'm not 100% sure...

ROB PAUL: ...compliance issue when we see one [CROSSTALK 1:14:25] Okay. Thank you.

DAN: Thank you.

KRISTA PAPAC: So thanks Rob. So we're way over on time and the next session starts in two minutes, and we still have 10 questions online. So I just wanted to... I know [? 1:14:37] if you have a quick question, and then I wanted to also let the folks that did submit questions online know that we have

your questions, and we will respond to them and put them out or whatever, so they'll get addressed.

So [? 1:14:53] quickly, please.

UNIDENTIFIED:

So I have a question that was sent to ICANN Legal but I was told it should be sent to customer support, but I don't have an answer yet. The question is regarding the language of the [error ways 1:15:04] and the registration policies.

In the old days, they had to be at least in English. But now for instance, for IDNs, etcetera, is this assumption valid that the [error way] and the registration policy, and the dispute resolution policies should be at least in English so all of the community may understand that and not in the languages that you want?

Or can be just directly in Russian or in Arabic and nothing else? Because now this question is pressing for some registries. I don't know. I have a position, but I don't know yours.

KRISTA PAPAC:

Sure. I know that the registry agreement is in English, I don't know about the other ones, maybe Dan...

DAN:

I would just say that I remember seeing this question and I think we were discussing it and – we'll endeavor to get an answer to you quick and get out information about that.

UNIDENTIFIED: And I hate to do that as the very last one [? 1:15:47] to do it [? 1:15:49] available for public signings, ceremonies with champagne photographs and all that jazz in Los Angeles? [CROSSTALK 1:15:57]

UNIDENTIFIED: You can ask him yourself, he's sitting right there [laughter].

KRISTA PAPAC: Thank you everyone.

UNIDENTIFIED: Thanks very much. So the pre-delegation in two minutes [applause].

[END AUDIO]