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To Whom It May Concern,

fTLD Registry Services, LLC (fTLD), the community-based applicant for the .bank and .insurance generic Top-Level Domains (gTLDs), offers the following comments regarding the At-Large Advisory Committee's (ALAC) proposal ("Proposal") to require mandatory Policy Advisory Boards (PABs) for a subset of new gTLDs that are targeted at regulated industry sectors and other consumer-trust-sensitive fields.

fTLD agrees in principle with the spirit of the Proposal as is self-evident by our applications, submitted nearly two years ago, which included a reference for the creation of an Advisory Board as an accountability mechanism to the bank and insurance communities. Consistent with its commitment to serve and protect these respective communities, fTLD formed its Advisory Council in 2013.¹

fTLD acknowledges that the creation of a community-led accountability mechanism (e.g., PAB) could lead to increased protection for the public interest. We agree with the Proposals' authors and ALAC that gTLDs associated with regulated industries and professions should provide assurance to users that registrants have been verified as bona fide entities engaged in legitimate activities. As noted in our 8 November 2013, letter to ICANN², we were disappointed to learn of the New gTLD Program Committee's (NGPC) implementation of Safeguard #6 (re: verification of registrants) and believe it inappropriately weakens the Governmental Advisory Committee's (GAC) recommendation for this Safeguard. fTLD was pleased to see Mr. Lawrence Strickling's comments on 4 February 2014³, on behalf of the National Telecommunications and Information Administration (NTIA), reaffirming that gTLDs representative of highly regulated industries, "May raise certain consumer expectations and thus warrant the higher standards reflected in Safeguards #6, 7 and 8, as proposed by the GAC."

Notwithstanding an appreciation for the spirit of the Proposal, fTLD views it as flawed for many reasons including, but not limited to, the following:

- Limiting the role of the Registry Operator to technical management and prohibiting them from having a seat or vote on the PAB. Some applicants have invested years and expended significant resources to develop their applications and gTLD implementation plans. This investment has included cultivating relationships with the very community members that have agreed to serve on these policy advisory bodies. It is unacceptable for ICANN to propose a contractual limitation that has not been subject to the bottom-up consensus driven process.

¹ See www.ftld.com/advisory-council.html

² See <http://newgtlds.icann.org/en/program-status/correspondence/schwartz-to-crocker-08nov13-en.pdf>

³ See <http://www.icann.org/en/news/correspondence/strickling-to-crocker-04feb14-en.pdf>

- Those applicants which elected a community designation at the time of filing of their application were required to define their registration policies in response to Applicant Guidebook question 20. For ICANN to suggest at this point that those policies might be superseded by a to-be-created PAB is completely inconsistent with the contractual representations made by ICANN to applicants in the Applicant Guidebook.
- The proposed requirement that “all interested parties must be regularly advised of PAB activities and decisions with formal avenues for providing input and feedback” is vague and not implementable as written. While fTLD is fully committed to honoring the representations in its applications that will be hardcoded in its registry agreements as a community applicant, as well as the mandatory Public Interest Commitments, the vague and open-ended nature of “all interested parties” is an unacceptable business risk.
- The requirement that all parties that feel they are not adequately represented on the PAB have the right to take their grievance to a neutral third-party that will act as an Ombudsman to resolve the matter. Further, any grievance brought before an Ombudsman shall be paid for by the new gTLD applicant and shall be free of costs for the aggrieved party. Registries are private businesses and no one but them, notwithstanding their contractual commitments to ICANN, should have the right to define how the entity is run, much less how its governance, compliance and enforcement programs should be operated.

In closing, while fTLD acknowledges the role and value a properly constructed and supported “advisory” body could add to the administration of gTLDs targeted at regulated industry sectors and other consumer-trust-sensitive fields, we cannot support the inherent “mandatory” aspects contained in the Proposal. fTLD would participate in a community lead policy development process within the Generic Names Supporting Organization should an initiative ever be undertaken.

Sincerely,
Craig Schwartz