ICANN

2009 Annual Report
Addressing the Global Internet

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Ex officio member
March 2003–June 2009

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Ex officio member
Beginning July 2009

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Peter Dengate Thrush
Chairman of the Board of DirectorsJanuary
2005–June 2011

- New Zealand barrister practicing in civil litigation and specializing in intellectual property, competition and Internet law. Legal advisor to InternetNZ from 1996 to 1999; chair for two terms; past chair of its International Affairs Committee; member of its Legal and Regulatory Committee.
- Active in setting up and developing APTLD, the body of national domain name registry managers for the Asia Pacific region; immediate past chair; leader of the ccTLD community
- Involved in ICANN since its inception; provided comments on the early ICANN bylaws; co-chaired a preformation meeting of the IP Constituency.
- Chair, Compensation and Executive committees.

Dennis Jennings
Vice-Chair
November 2007–October 2010

- Cofounder, 4th Level Ventures, an Irish venture capital company that invests in companies commercializing business opportunities that arise from university research in Ireland; also an "Angel", investing in early stage technology companies.
- An Internet pioneer, responsible for the decisions that created NSFNET, the US research network of networks that evolved into the Internet, while working for the US government; actively involved in the startup of research networks in the Europe (EARN, President; Ebone, Board member) and Ireland (HEAnet, initial proposal and later Board member); chaired Board and General Assembly of the Council for European Top level domain Registries (CENTR); actively involved in the startup of ICANN.
- Currently chairman or board member of several small technology companies, with wide experience in issues relating to the startup, funding, supervision and governance, and survival of early stage technology companies.
- Chairman of the Oversight Board of the Irish Centre for High-End Computing. Previously Director of University College Dublin Computing Services, responsible for the university IT infrastructure; interim President of the Consortium for Scientific Computing at the John von Neumann Centre in Princeton, New Jersey, responsible for the start-up of the supercomputer center;
- Chair, Board Governance Committee; member, Finance and Public Participation committees.

President and Chief Executive Officer
Ex-officio member

- President and CEO since July 2009. Serial entrepreneur, founder and CEO of a publicly-traded company, author, environmentalist, public diplomacy leader and, most recently, the head of a top-level government agency entrusted with protecting U.S. Federal networks against cyber attacks.
- In 2008, Director, National Cybersecurity Center (NCSC) reporting to the Secretary of Homeland Security; charged with supporting the Attorney General, National Security Council, and the Secretary of Defense. Developed a new economic model for valuing networks and cybersecurity risk management.
- Coauthor of *The Starfish and the Spider: The Unstoppable Power of Leaderless Organizations*.
- Trustee: Environmental Defense Fund and Jamii Bora Trust (micro-finance institution in Africa).
- Cofounded and led CATS Software, Inc., a derivatives trading and risk management company with offices in New York, London, Tokyo, Geneva, Sydney, Palo Alto, Los Angeles, and Hong Kong. Helped advance the financial theory of "value at risk."
- Chairman of Privada, Inc, a pioneer in Internet privacy technology.
- Graduate of Stanford University with an MBA and a BA; served as Chairman of the Council of Presidents of the combined Stanford student body; Fulbright Scholar at the University of St. Gallen in Switzerland.
- Member, Executive Committee.

Harald Tveit Alvestrand
November 2007–October 2010

- Worked for Norsk Data, UNINETT (the university network of Norway), EDB Maxware, Cisco Systems and, since 2006, for Google. Currently a board member of NORID, the .no domain name registry, and of the Unicode Consortium.
- Active in Internet standardization via the Internet Engineering Task Force since 1991, writing a number of RFCs, including RFC 1766, the first standard for language tags in Internet protocols; area director of the Applications area (1995–1998) and of the Operations & Management area (1998–1999; member of the Internet Architecture Board (1999–2001), and chaired the IETF from 2001 to 2006.
- Alternate chair of the ICANN DNSO General Assembly from December 1999 to April 2001; member, WIPO panel of experts on the DNS in 1998-1999.
- Chair, IANA Committee; member, Audit Committee.

Raimundo Beca
May 2004–April 2010

- Partner, Imaginacción, a Chilean consulting company; board member of several major companies. Served for 11 years as CRO of Telefónica CTC Chile, the Chilean telephone company and a leader in the long distance, mobile, data networks and ISP markets.
- Regional expert in information technologies at ECLAC, the UN's regional economic agency for Latin America and the Caribbean; drafted a Green Book on information technology policies, including a decalogue on telecommunications privatization best practices.
- Chargé de Mission at the French Ministry of Industry, leading development of a national on line data industry. French delegate to the OCDE and the European Commission, involved in international debate on the information society in the 1970s; involved in the enactment of the first rulings in the fields of data privacy, data security, access to public files and software intellectual property rights.
- Former member, ASO Address Council, appointed first by ARIN and then by LACNIC; member, Steering Committee of NIC Chile and Board Director of LACNIC.
- Member, Executive and Structural Improvements committees.

Steve Crocker
November 2008–October 2011

- CEO and cofounder of Shinkuro, Inc., focused on dynamic sharing of information across the Internet and deployment of DNSSEC.
- Chair of ICANN's Security and Stability Advisory Committee since 2002.
- Experience includes research management at DARPA, USC/ISI and The Aerospace Corporation, vice president of Trusted Information Systems, and cofounder of CyberCash, Inc., Executive DSL, and Longitude Systems, Inc.
- Involved in the Internet since its inception. As a graduate student at UCLA in the late 1960s and early 1970s, helped develop protocols for the Arpanet and laid the foundation for today's Internet; organized the Network Working Group, the forerunner of the modern Internet Engineering Task Force, and initiated the Request for Comment (RFC) series of notes through which protocol designs are documented and shared; remains active in Internet standards work through the IETF and IAB. For this work, Dr. Crocker was awarded the 2002 IEEE Internet Award.
- Public service has included first area director for security in IETF, IAB and Internet Society Board of Trustees.
- Member, Audit and Risk committees.

Rita Rodin Johnston
June 2006–June 2011

- Partner, Skadden's Intellectual Property and Technology and Internet and E-Commerce practices; cited in Chambers USA: America's Leading Lawyers for Business in 2005, 2006 and 2007, and Chambers Global: The World's Leading Lawyers for Business in 2006 and 2007.
- Frequent lecturer and author of a variety of e-commerce and technology-related topics, including outsourcing, e-mail policies, Internet security, trademark and domain name developments and privacy-related issues; advises companies on Internet and e-commerce business and compliance issues, open source issues, privacy matters and branding issues; regularly addresses intellectual property and technology and operational issues that arise in mergers and acquisitions, project finance matters and initial public offerings.
- Worked extensively on matters of Internet policy, in particular ICANN, working on policy initiatives. Assisted in drafting ICANN's UDRP, which is used today by thousands of companies to challenge domain name registrations; member of the ICANN committee that drafted documentation to implement the UDRP. Appointed by ICANN to chair an international task force that established the PDP that is now used by ICANN to develop and implement future ICANN policies.
- Chair, Audit Committee; member, Board Governance Committee.

Gonzalo Navarro
October 2009—October 2012

- Youngest Director ever appointed to the ICANN Board; served over six years on the Governmental Advisory Committee, representing Chile, with significant experience in international trade negotiations and Internet governance.
- Served as senior adviser on international affairs, Undersecretary of Telecommunications of Chile, representing Chile on the GAC.
- Associate and part of the IT Practice at Morales & Besa, a well-known Chilean law firm.
- Advised the Chilean government on the implementation of public policies derived from international processes, negotiated and drafted telecommunications chapters in several free trade agreements (including US–Chile FTA and China–Chile FTA); permanent representative of Chile at the International Telecommunication Union (ITU), the World Summit on the Information Society (WSIS), the Internet Governance Forum, CITEL and APEC TEL.
- Educational qualifications include informatics and telecommunications law from the Universidad de Chile and a Masters in Law (LLM) from Columbia University, New York.
- Member, Finance and Public Participation committees.

Raymond A. Plzak
May 2009–April 2012

- Involved in Internet registry operations since 1991, first with the DDN/DoD NIC, then as President and CEO of ARIN; extensive experience in managing the allocation of Internet Number Resources, the administration of domain names (the .mil domain), managing an Internet root server (g.rootserver.net), managing directory services such as Whois and IRR, and help desk operations.
- Past co-chair of the Domain Name System Operation Working Group of the Internet Engineering Task Force; coauthor/contributor of several RFCs including RFC 2870, Root Name Server Operational Requirements (June 2000).
- Past member of the RSSAC and charter member of the SSAC; active in the WSIS and IGF; principle author/editor of several Internet governance documents including the NRO MoU, the ASO MoU, and the ARIN PDP.
- Coauthor of Legal and Policy Aspects of Internet Numbers published in the Santa Clara Computer & High Technology Law Journal (2008) which demonstrates the heightened need for a consistent legal and public policy approach to critical management issues regarding Internet number resources.
- Chair, Structural Improvements Committee; member, Board Governance Committee.

Rajasekhar Ramaraj
December 2006–October 2012

- Founder and former CEO of Sify Limited, the pioneer and leader in Internet, Networking and eCommerce Services in India. Recognized as Evangelist of the Year at the India Internet World Convention in September 2000. In October 2000, Sify was voted Company of the Year at the Silicon India Annual Technology and Entrepreneurship Conference in San Jose, California, USA. In 2001, in a CNET.com poll in India, Ramaraj was voted the IT Person of the Year 2000; invited by the UN Secretary-General Kofi Annan to be a member of UN's Working Group on Internet Governance.
- President of the ISP Association of India for about five years. This body works with the government and other stakeholders to formulate policies for the growth of the Internet in India.
- Pioneered the retail marketing of computers in India by establishing Computer Point in 1984; founder director of Microland Ltd before a stint in cellular telephony as Director, Sterling Cellular up to 1996.
- Currently Ramaraj is associated part time as a venture partner/mentor at Sequoia Capital and is a member of the global Board of Trustees of The Indus Entrepreneurs.
- Chair, Finance Committee; member, Compensation and Risk committees.

George Sadowsky
October 2009—October 2012

- Studied and taught mathematics at Harvard and received his Ph.D. in Economics from Yale.
- Worked as a mathematician and programmer, and headed computing centers at the Brookings Institution, Northwestern University and New York University.
- At the United Nations, he supported technical assistance projects and has worked in more than 50 developing countries; consultant to the US Treasury, UNDP, USAID, W3C, the Swiss Government, and the World Bank, among others; served on Boards of AppliedTheory Corporation, educational networks CREN and NYSERNet, and the Internet Society where he directed ISOC's Developing Country Network Training Workshops.
- Executive Director of GIPI, the Global Internet Policy Initiative. He has written and lectured extensively on ICT and development.
- Member, Finance and Structural Improvements committees.

Mike Silber
May 2009–May 2012

- South African attorney and General Manager: Regulatory for Neotel after years as an independent legal and regulatory consultant in the information and communication technologies spheres; selected as a leading South African Internet and e-Commerce lawyer by Who's Who Legal and as one of the leading Technology, Media and Telecommunications lawyers in South Africa by Expert Guides.
- Management Committee member and previously regulatory advisor to the South African Internet Service Providers' Association; helped form and served as a regulatory advisor and adjudicator to the South African Wireless Application Service Providers' Association.
- Founder member of the South African chapter of the Internet Society (ISOC-ZA) and chaired the ISOC-ZA Drafting Committee responsible for restructuring the administration of the .ZA ccTLD; served a Director of the .ZA Domain Name Authority since its formation in 2003.
- Member, Structural Improvements and Risk committees.

Jean-Jacques Subrenat
November 2007–October 2010

- Currently involved in EUNIC (European Union National Institutes of Culture). Writes and debates on global issues, current affairs, international relations, governance. Recent responsibilities: Chair of the advisory board, Institut Pierre Werner, Luxembourg (2007–2009); tutor at the French national school of public administration (ENA), Strasbourg (2007–2008).
- In the French diplomatic service (1972–2005): Policy Planning Staff; on secondment to the Ministry of industry to help set up the Solar Energy Authority, where he headed the international affairs department; Diplomatic Adviser to the Minister for Europe; Deputy director for Asia and the Pacific; Alternate director for development aid; Alternate director for the Americas.
- Postings: Singapore (Embassy Secretary 1973–1976), Japan (Counsellor 1981–1984, Minister Counselor and Deputy Head of mission 1988–1992). Ambassador, Permanent Representative to the Western European Union in Brussels 1995–1998, Ambassador to Estonia (1998–2002), Ambassador to Finland (2002–2005), acting Governor for France at the ASEF Board of Governors (2005).
- Chair, Public Participation Committee; member, Structural Improvements Committee.

Bruce Tonkin
June 2007–April 2010

- Chief Strategy Officer, Melbourne IT Limited, responsible for assisting with creating, communicating, executing, and sustaining strategic initiatives within Melbourne IT. The role includes evaluating new product opportunities from the point of view of mid to longer term benefits for the company, and analyzing emerging technology trends. Melbourne IT was one of the first five test-bed registrars when ICANN established registrar competition for the existing com/net/org registry. Melbourne IT now provides domain name registration services for many gTLDs and ccTLDs. Fellow, Australian Institute of Company Directors.
- Involved with the registrars constituency on behalf of Melbourne IT beginning in 2001; later, elected to the GNSO Council by the Registrars constituency; chair of the DNSO Names Council and GNSO Council, during which time, the GNSO introduced new ICANN policies for transfers, Whois, and deleted names, and has also progressed the work on new gTLDS and further improvements in Whois.
- Active participant in policy development for the .au ccTLD. Major policy work includes the introduction of registrar competition in the .au namespace and the introduction of a range of policies covering areas such as domain name registration policies and Whois.
- Chair, Risk Committee; member, Compensation Committee.

Katim Touray
November 2008–October 2011

- Independent development consultant based in Gambia. A follower of the early Internet, he is a well-known advocate for the network and its uses across a range of media and to a wide variety of audiences for over 15 years.
- Worked for Ministry of Agriculture in The Gambia; now Chairman of the National Agricultural Development Agency. Conducted consultancies on the Millennium Development Goals, the media, strategic planning, project evaluations, HIV/AIDS, and other subjects for nongovernmental organizations, as well as government and UN agencies.
- Experienced producer and host of African music, educational, and public affairs talk shows on community radio in the US, and national radio in Gambia; served on the board of directors of a public access cable TV channel in the US.
- Written articles about the Internet and ICT, and helped found the Consumer Protection Association of The Gambia; an advocate for leveraging ICTs for development; free and open source software enthusiast, and serves on the Council of the Free Software and Open Source Foundation for Africa.
- Member, IANA and Public Participation committees.

Ambassador Janis Karklins
Governmental Advisory Committee Liaison

- Before assuming duties in Paris as Latvian ambassador to France and UNESCO in September 2007, Ambassador Karklins served as the Permanent Representative of Latvia to the UN in Geneva for seven years.
- First Vice-Chairman and later Chairman of the Council of the International Organization for Migration; held several elected posts in the World Intellectual Property Organization and UN Commission of Science and Technology for Development; presided over the Group of Governmental Experts on Cluster Munitions in the framework of the Convention on Certain Conventional Weapons. Also, Vice-President of the Preparatory Committee of the Geneva Phase of the World Summit on the Information Society and President of the Preparatory Committee of the Tunis Phase of WSIS.
- Earlier, Undersecretary of State in Latvia; Counselor in the Latvian Embassies in France and Finland.

Ram Mohan
Security and Stability Advisory Committee Liaison

- Executive Vice President & Chief Technology Officer of Afilias Limited; oversees key strategic, management and technology choices in support of the generic top-level domains (gTLDs) .INFO and .ORG, sponsored domains .mobi, .asia, and .aero and country code domains including .IN (India) and .ME (Montenegro).
- Led the strategic growth of the company in registry services and security as well as new product sectors such as RFID/Auto-ID, global DNS and Internationalized Domain Names.
- Earlier, at Infonautics Corp., founded award-winning CompanySleuth product, and created the Sleuth line of business; helped architect Electric Library, North America's most used online reference database in schools and libraries, and Encyclopedia.com, the first free encyclopedia on the Internet.
- Worked with First Data Corporation, Unisys Corporation and KPMG Peat Marwick in a variety of leadership, engineering and technology positions; founder of the technology behind TurnTide, an anti-spam company acquired by Symantec.
- Named one of the Philadelphia Business Journal's 40 under 40; founding member of the ISOC Philadelphia Area Chapter; serves on the advisory boards of several Philadelphia-area startup companies; actively involved in cancer-related nonprofits.
- Active in the ICANN community; coauthor of the Redemption Grace Period (RGP) and the IDN implementation guidelines, now global industry standards; led the GNSO IDN Working Group; cofounder (along with the UN and the Public Interest Registry) of the Arabic Script IDN Working Group. Founding member of the ICANN Security and Stability Advisory Committee.
- Liaison to Board Governance Committee.

Thomas Narten
Internet Engineering Task Force Liaison

- Works on Internet Technology and Strategy at IBM in Research Triangle Park, North Carolina since 1995 and has been involved in networking for 20 years.
- Active contributor in the IETF for 15 years, coauthoring 10 RFCs, including two core IPv6 specifications; IETF Area Director for the Internet area, focused on strengthening the working relationship between IANA and the IETF and between the IETF and the RIR community.
- Active in the development of IPv6 address policy in the RIR community; helped develop RFC 3177, IAB/IESG Recommendations on IPv6 Address Allocations to Sites, which served as input to the RIR discussions; participates in public policy discussions in the APNIC, ARIN and RIPE regions; key participant in the process that produced the globally-coordinated IPv6 address policy adopted by each of the RIRs in 2002.
- Before joining IBM, he was on the faculty of the Computer Science Department at SUNY-Albany.
- Liaison to IANA and Public Participation committees.

Jonne Soinenen
Technical Liaison Group Liaison

- Has participated in ICANN for several years and active participant to the Internet Governance Forum since its creation.
- With Nokia since 1999; joined Nokia Siemens Networks at its foundation in 2007. Currently, head of Internet Affairs responsible for Internet technology standardization and technical regulatory topics at Nokia Siemens Networks.
- Active in Third Generation partnership project (3GPP), the Open Mobile Alliance (OMA) in various working groups and roles; active in the Internet Engineering Task Force as co-chair of IPv6 operations working group; member of the IETF administrative Oversight Committee (IAOC); co-chair of the Network-based Localized Mobility Management working and chairman of the IAOC.
- Liaison to Structural Improvements Committee.

Vanda Scartezini
At-Large Advisory Committee Liaison

- From 2000 to 2004, Brazilian representative on the ICANN Governmental Advisory Committee.; served as GAC Vice Chair until March 2004.
- Member of the ICANN Board from December 2004 to November 2007.
- Served in management positions in private technology companies and public institutions; cofounder and partner in Polo Consultores, a Brazilian IT consulting company established in 1985, and IT-Trend Consulting, a company dedicated to the development of e-commerce and other internet based business established in 2008
- President of ALTIS, a software and service outsourcing company; board chair of FITEC, an ICT R&D foundation; associate partner of Getulio Vargas Foundation Projects; member of the board of ABES, the Brazilian Software Industry Association, of INSTITUTO ELDORADO, an IC Research Institution, and Advisory Board member of Perform Management and Turnaround Consulting, a Brazilian consulting company.
- National Secretary of Industrial Technology and National Secretary of Information Technology in the Brazilian government; former president of the Brazilian Patent Office.
- Brazilian Government representative in many international missions around the world; expert and consultant for international institutions; honored with many of the major prizes in the Brazilian IT Industry; honorable member of Abranet, the IST Brazilian Association, and of the Brazilian Chamber of Electronic Commerce; member of the World Technology Network; voted ICT most influential woman in the Country by Gazeta Mercantil in 2007, among many other honors.
- Graduated with degree in electronics engineering in 1970.
- Liaison to Public Participation Committee.

Suzanne Woolf
Root Server System Advisory Committee Liaison

- Experienced in both the technical and policy aspects of the evolution of the Internet. Senior Programme Manager for OARC and Software Engineering Manager.
- Technical operations manager for ICANN working on the initial design and implementation of ICANN's internal network and providing operational support for ICANN's root nameserver. Earlier, performed programming and systems administration for USC Information Sciences Institute. Projects include programming and systems support, network engineering, and nameserver management.
- Current networking interests center on large scale infrastructure, DNSSEC deployment, promoting the operational use of IPv6, and IETF participation in related working groups such as DNSEXT and V6OPS. She is especially interested in securing the DNS and the global routing system, implications of the growing adoption of IPv6 in areas such as multi-homing, and global policy issues for the IP address registries to consider together.
- Member, ICANN Root Server System Advisory Council and ARIN Advisory Council and actively participates in NANOG and IETF.
- Liaison to IANA and Risk committees.

The entire ICANN community extends its sincerest gratitude and highest esteem to these Board members who terms ended in 2009, for the work they have done and for the work they continue to do on behalf of the Internet. We all benefit in so many ways as a consequence of their commitment, energy, determination and style in the arena of ideas, policy, technology, diplomacy and operations. We appreciate their service on a global scale and hope they will find time to continue to join us occasionally and to continue to share their insights, ideas and energy. We wish them well in all their future endeavors.

Paul Twomey
March 2003–June 2009
Paul was selected as ICANN's CEO in March 2003. His service to the ICANN community and the Internet started with his sending the only formal written response by a government to the US 1997 Green Paper, and with Joe Sims, proposing a committee for governments during discussion of the new organization. As CEO, Paul chaired the President's IDN advisory committee, the President's Privacy Committee, and the President's Strategy Committee, and served as a member of the Board's Executive Committee. Also as CEO, he successfully promoted the concept of multi-stakeholder coordination of Internet governance and presented the position of ICANN within the World Summit on Information Society.

Paul also served as the first Chair of the Governmental Advisory Committee, serving two terms, during which time the GAC Operating Principles were adopted, the UDRP was established, and the WIPO review was undertaken, and he oversaw the GAC response to the Evolution and Reform process.

Under his tenure as CEO, ICANN grew in maturity from one office and twenty-three staff from four nations to four offices with 108 staff from twenty-one nations.

ICANN's formal ties with the community under Paul's tenure were strengthened by the accreditation of 873 new registrars, the signing of 59 ccTLD agreements and seven global partnership MOUs, the establishment of the ccNSO now with 93 members, and the signing of the Memorandum of Understanding with the NRO and the Regional Internet Registries establishing the Address Supporting Organization.

His included negotiation of the 2003 Memorandum of Understanding and the 2006 Joint Project Agreement with the US Department of Commerce; oversight of ICANN's preparation to support DNSSEC, including a signed root; establishment of ICANN's Strategic and Operational Planning process, the Regional At-Large Organizations, the fellowship program, staff functions in security, stability and resiliency; implementation of inter-register transfer policy and redemption grace policy in gTLD contracts, as well as changes to address domain name tasting abuses in the Add Grace Period; expansion of L-Root resources and UDRP providers; and the staff response to failed registrars and to SiteFinder.

Roberto Gaetano
December 2006–June 2009
Roberto was selected by the Nominating Committee to serve a three-year term on the Board beginning at the São Paulo meeting in December 2006, following his term as a Liaison to the Board, making him one of the longest-serving Board members.

He served as Vice Chairman of the Board, as both the Chair and as a member of the Board Governance Committee and the Executive, Meetings and Reconsideration committees, as a member of the Board Review Working Group, and as Chairman of the Structural Improvements Committee

Demi Getschko
January 2005–May 2009
Demi was elected to the ICANN Board by the Country Code Names Supporting Organization starting in January 2005. He was elected to a second term in 2006.

He chaired the Conflicts of Interest and Reconsideration committees, has been a member of the Board Governance, IANA, and Meetings committees and has provided excellent insight, leadership and expertise in these roles, serving with great integrity and consistency to ICANN's core principles.

Steve Goldstein
December 2006–October 2009
Steve Goldstein was selected by the Nominating Committee to serve a three-year term on the Board beginning at the São Paulo meeting in December 2006. Steve concluded his term at the Seoul meeting.

During his tenure, Steve served on the Finance, Reconsideration, Board Governance, Compensation and Risk committees, the Board Review Working Group, the Nominating Committee Review Finalization Working Group, and as a member and Chair of the Conflicts of Interest Committee.

Dave Wodelet
June 2006–May 2009
Dave was elected to the ICANN Board by the Address Supporting Organization starting in June 2006. He has been a member of the Conflicts of Interest, Finance, Meetings and Public Participation committees, and has provided excellent insight, leadership and expertise in these roles, serving with great integrity and consistency to ICANN's core principles.

Thomas Roessler
Technical Liaison Group Liaison 2009
Thomas was selected by the Technical Liaison Group to serve as its Liaison to the Board beginning at the Cairo meeting in November 2008, and concluded his term at the annual general meeting in Seoul. He also served as a liaison to the Public Participation Committee and as Chairman of the Nominating Committee Review Finalization Working Group.

Wendy Seltzer
At-Large Advisory Committee Liaison 2008–2009
Wendy was selected as nonvoting liaison to the Board by the At-Large Advisory Committee to serve from the annual meeting in 2007 until the annual meeting in 2009. She also served as liaison to the Risk Committee.

Section 1. MISSION

Since ICANN's creation in 1998, the Internet community has vigorously discussed and reviewed the mission and values that guide its actions. This extensive, inclusive and bottom up discussion has been encapsulated in ICANN's bylaws, its mission and its core values.

The limited and distinct mission of ICANN is clearly set out in Article I of its bylaws:

The mission of the Internet Corporation for Assigned Names and Numbers (ICANN) is to coordinate, at the overall level, the global Internet's systems of unique identifiers, and in particular to ensure the stable and secure operation of the Internet's unique identifier systems. In particular, ICANN:

1. Coordinates the allocation and assignment of the three sets of unique identifiers for the Internet, which are:

    a. Domain names (forming a system referred to as DNS)

    b. Internet protocol (IP) addresses and autonomous system (AS) numbers, and

    c. Protocol port and parameter numbers

2. Coordinates the operation and evolution of the DNS root name server system

3. Coordinates policy development reasonably and appropriately related to these technical functions

Section 2. CORE VALUES

In performing ICANN's mission, the following core values guides its decisions and actions.

1. Preserving and enhancing the operational stability, reliability, security, and global interoperability of the Internet.

2. Respecting the creativity, innovation, and flow of information made possible by the Internet by limiting ICANN's activities to those matters within ICANN's mission requiring or significantly benefiting from global coordination.

3. To the extent feasible and appropriate, delegating coordination functions to or recognising the policy role of other responsible entities that reflect the interests of affected parties.

4. Seeking and supporting broad, informed participation reflecting the functional, geographic, and cultural diversity of the Internet at all levels of policy development and decision-making.

5. Where feasible and appropriate, depending on market mechanisms to promote and sustain a competitive environment.

6. Introducing and promoting competition in the registration of domain names where practicable and beneficial in the public interest.

7. Employing open and transparent policy development mechanisms that (i) promote well-informed decisions based on expert advice, and (ii) ensure that those entities most affected can assist in the policy development process.

8. Making decisions by applying documented policies neutrally and objectively, with integrity and fairness.

9. Acting with a speed that is responsive to the needs of the Internet while, as part of the decision-making process, obtaining informed input from those entities most affected.

10. Remaining accountable to the Internet community through mechanisms that enhance ICANN's effectiveness.

11. While remaining rooted in the private sector, recognizing that governments and public authorities are responsible for public policy and duly taking into account governments' or public authorities' recommendations.

These core values are deliberately expressed in very general terms, so that they may provide useful and relevant guidance in the broadest possible range of circumstances. Because they are not narrowly prescriptive, the specific way in which they apply, individually and collectively, to each new situation will necessarily depend on many factors that cannot be fully anticipated or enumerated; and because they are statements of principle rather than practice, situations will inevitably arise in which perfect fidelity to all eleven core values simultaneously is not possible. Any ICANN body making a recommendation or decision shall exercise its judgment to determine which core values are most relevant and how they apply to the specific circumstances of the case at hand, and to determine, if necessary, an appropriate and defensible balance among competing values.
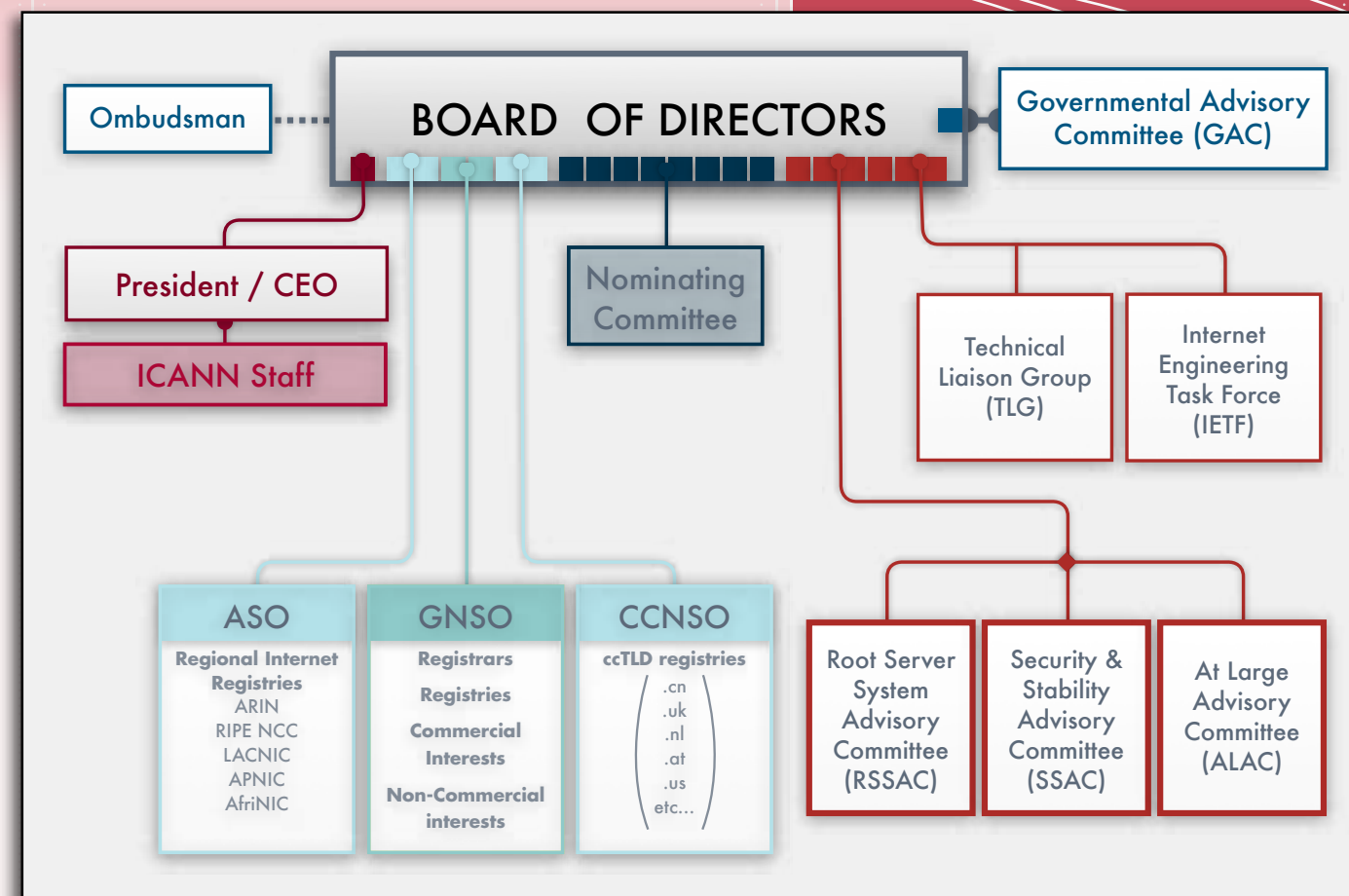
Within ICANN's structure, governments and international treaty organizations work with business organizations and individuals to maintain the stability of the global Internet.

Innovation as well as continuing growth bring constant challenges to stability. Working together, ICANN participants address issues that are directly concerned with ICANN's mission of technical coordination.

ICANN's policy development process (PDP) originates in three supporting organizations: the Generic Names Supporting Organization, the Address Supporting Organization and the Country Code Names Supporting Organization. Advisory committees composed of representatives from individual user organizations and technical communities work with the supporting organizations to create policy. In addition, over 120 governments and government institutions closely advise the Board via the Governmental Advisory Committee.

Peter Dengate Thrush

Chairman of the Board of Directors

This year, 2009, has been another pivotal year at ICANN. We have proudly begun to deliver on ICANN's mission to foster choice and competition in the domain name space, continuing our steady preparation for the most significant changes in the Internet since its early beginnings.

The policies that have been in development over the past few years to deal with the stable, predictable introduction of new gTLDs and with Internationalized Domain Names, or IDNs, are finally enabling us to realize the Internet of the future. Just 10 years ago we had 100 million users of the Internet. Today we have 1.5 billion—and growing. All those users are demanding all the products, services and features the Internet community has come to expect—everything from financial services to healthcare to transportation and navigation to education and social networking.

Remarkably, now many of them can expect to do so in their own languages and language scripts. These amazing innovations offer a wealth of opportunities but also a myriad of challenges: access, multilingualism, cybersecurity and cybercrime, achieving a balance between privacy and openness, root scalability and a smooth transition from IPv4 to IPv6. The ICANN community is addressing these issues in concert with stakeholders in the global Internet community.

Also signaling the increasing globalization of the Internet in 2009 were two major achievements in relationships. First, ICANN and the Universal Postal Union (UPU) reached an agreement in principle for the UPU sponsorship of the dot-post top-level domain.

The agreement represents a significant accomplishment for ICANN, the UPU, and the global Internet community, as it is the first gTLD registry agreement between ICANN and an intergovernmental organization (IGO). It provides additional validation of the ICANN model for fostering expansion and competition in the domain name space. By entering into this agreement, the UPU has also helped mark out a path for other IGOs to sponsor their own top-level domains. Final approval by the Board of Directors is expected soon.

Then, shortly after the Internet Government Forum in Egypt in November, the Russian Federation formally joined ICANN's Governmental Advisory Committee, or GAC. The GAC now represents every major country around the world, reflecting the increasing globalization of the Internet.

We are in the midst of fundamental changes in the way the Internet operates, and the ICANN community took some very important steps this year to prepare a secure, stable and scalable foundation for an Internet for everyone, for the next billion users and beyond.

The challenges we face in opening the Internet to the world are greater than ever, but the opportunities for participation and involvement are equally great, and the time couldn't be more exciting. ICANN has responded to these challenges this year, and I record my thanks to the Board, staff and community for its commitment to the ICANN vision of a single, global, interoperable Internet for all.

Peter Dengate Thrush
Chairman of the Board of Directors

Rod Beckstrom

President and Chief Executive Officer

One of the extraordinary things about the Internet is the pace of its growth. Things that are now in everyday use were barely heard of a year ago, and were mere concepts before that.

As more and more people come online, so the demand for new services and new ways of using the Internet increases: we are all benefitting from an open network that links billions with the click of a button.

As you might expect, with the explosion of Internet use, ICANN has plenty of work to do. That has never been more true than this year. In the short time since I became ICANN's President and Chief Executive Officer in July of this year, I've witnessed major changes in the Internet, the Domain Name System, and ICANN itself that are the culmination of years of hard work.

For example, in September ICANN signed a new agreement with the United States government called an Affirmation of Commitments. This Affirmation represents a sea change in the way ICANN now relates to the world. Its signing brought to a conclusion the previous agreement requiring ICANN to report annual on its progress to the US government; an agreement that had stood since the organization's inception in 1998. ICANN will now report to the whole world, and it has undertaken to produce four new reports covering all the important areas of its work.

As coordination body for the global domain name system and other unique identifiers, ICANN is now globally accountable. At the same time, the ICANN model of private sector-led, consensus-based decision-making is affirmed as the one model suited to ensuring that all policies and technologies implemented on the Internet are globally interoperable.

We are pleased about this development. We are especially pleased with the thousands of articles from the global media reporting on this remarkable change, and with the dozens of letters of support from every corner of the globe and from every part of society in response to this new Affirmation.

But no sooner was the Affirmation in place than the ICANN organization began focusing on the next issue, the introduction of new Internet top-level domains.

If you follow ICANN's work, you know that we have been working toward greatly increasing the number of Internet extensions, or top-level domains available to users, in two ways. This has not been an easy task, and the entire Internet community has worked long years to bring it about.

The first way is a final plan to introduce Internationalized Domain Names, or IDNs, which are Internet extensions in languages other than Latin script; for example, in Chinese or Arabic or any of the thousands of languages that use more than the limited 0–9 and a–z ASCII characters to represent words.

To make these available as quickly as possible, ICANN established a fast track process for certain specific extensions. Broadly, these extensions represent different language versions of existing country-code top-level domains such as dot-cn for China. The idea is to provide these noncontroversial extensions in people's languages so they can start to enjoy the full benefits of the Internet without having to finish every domain name with a Western ending.

The fast track implementation plan was approved by ICANN's Board at its annual general meeting in Seoul in October, and the fast track application process was launched in November. Within minutes of the site's launch, country-code top-level domain operators from around the globe began filling out applications. This means we could see the first IDNs on the Internet very soon—a real milestone in the Internet's development.

We are also working on the introduction of generic top-level domains, which allow anyone to apply for any extension they wish in any language they wish. So long as the application meets a set of rules and the extension is run correctly, it can potentially be approved.

The difficulty of course is in deciding what that set of rules is to cover. ICANN recently published the third version of an Applicant Guidebook that seeks encompass all the rules. There are, however, some big issues that must be resolved, such as how to deal with trademark rights in this expansion, and how to ensure that the Internet's domain name system can scale safely when potentially hundreds of new Internet extensions are introduced.

These are just the big issues ICANN dealt with in 2009 to keep up with the pace of progress. But alongside that there are a number of smaller issues, all of which require attention and resolution. These and other issues will continue to keep the ICANN organization and community, as well as the broader Internet community, working together well into the future to ensure that the Internet remains secure, stable, resilient and open to all its users.

Rod Beckstrom
President and Chief Executive Officer

2009 — MAJOR MILESTONES

34 – MEXICO CITY

1–6 March

- GNSO Constituency Renewals – Board acknowledged submissions from six existing constituencies and asked for staff analysis and follow-up submissions by the June Sydney meeting.
- Board approved global policy for handing out the last available IPv4 address blocks.
- Board asked that the IDN ccTLD Fast Track Implementation Plan be made available for consideration before the last Board meeting of 2009; directed staff to outline costs to ICANN of country code top-level domains, including IDN ccTLDs.
- Trademark Protection for New gTLDs – created a new Implementation Recommendation Team (IRT) to develop and propose solutions to the overarching issue of trademark protection with introduction of new gTLDs. Draft report to be ready by 24 April 2009.
- Geographic Term Protection for New gTLDs – Applicant Guidebook to be revised to give more specific scope of protection at the top level for the names of countries and territories. Staff to exchange letters with the GAC to find a solution before end of May 2009.
- GNSO-approved RAA amendments put out to public comment for 30 days.
- Charters for four new Board Committees (IANA, Public Participation, Risk and Structural Improvements) approved; Conflicts of Interest and Reconsideration committees dissolved.
- Ombudsman Framework posted for public comment.
- President's Strategy Committee report on Improving Institutional Confidence consultation posted.
- Global fellowships program draws 105 applications and 23 attendees.
- Relationships formalized with ccTLD managers for Korea, Bolivia, Aruba, and Austria.

35 – SYDNEY

21–26 June

- Board approved 2010 budget and operating plan.
- Ban on the use of redirection of DNS records for all gTLD registries; i.e., registries will not be allowed to display anything but an error message if someone types in an unregistered domain name.
- A new Board-GAC working group to review GAC role within ICANN
- Publication of two proposed bylaw amendments to improve accountability: one to allow the community to vote for a review of a Board decision; and a second to established an independent review body.
- Series of initiatives from the Improving Institutional Confidence consultation: look for ways to improve participation across supporting organizations and advisory committees; a staff code of conduct; the production of executive summaries of documents.
- New CEO, Rod Beckstrom, introduced.
- Staff to work on GNSO stakeholder charters and present them for decision by the Board at its July meeting; the new GNSO Council to be seated in Seoul
- New version of Applicant Guidebook to be produced incorporating feedback from the meeting in time for the October Seoul meeting.

2009 — MAJOR MILESTONES

35 – SYDNEY

21–26 June

- Structural Improvements Committee (SIC) and staff to work on new GNSO constituency applications and provide recommendations as soon as practicable; SIC recommendations for the review process, including expansion of the timeframe for review cycles from three to five years – to be published for public comment.
- Dot-pro registry receives permission to allocate single and two-character domains.
- New working group to look at specifications for the internationalization of registration data; i.e., allowing Whois records to be produced in more languages and scripts.
- Charter approved for working group to review ICANN's geographic regions
- ccNSO review working group approved.
- Board acknowledged receipt of At Large Summit final declaration and final ALAC review report.
- Global fellowships program draws 97 applications and 29 attendees.
- Relationships formalized with ccTLD managers for Portugal, Paraguay, Mexico, Uruguay, and Haiti.

36 – SEOUL

25–30 October
11th annual meeting

- Board approved Document Publication Operational Policy giving timeframe for submittal of final documents up for Board review during ICANN international meetings.
- ICANN and the Universal Postal Union (UPU) agreed in principle for the UPU sponsorship of the dot-post top-level domain. Final approval of the agreement is subject to consideration by the Board of Directors.
- Affirmation of Commitments of 30 September sets a major milestone in the maturation of ICANN's development and the perception of oversight by any single government, group of governments or solitary stakeholder. Replaces Joint Project Agreement, the seventh in a series of Memorandums of Understanding between ICANN the US Department of Commerce dating from 1998. Reporting focus now more global: from US government to global stakeholders.
- Staff and community to continue collaborating to substantively improve existing GNSO constituency charters to reflect the GNSO improvements and to seek Board reconfirmation of existing GNSO constituencies by the Nairobi ICANN meeting in March 2010.
- IDN ccTLD application site launched – staff to monitor IDN ccTLD Fast Track Process operation to ensure its smooth operation, and update the process when new technology or policies become available, to more efficiently meet the needs of requesters and to best meet the needs of the global Internet community.
- Staff to study the potential impact of a call for formal expressions of interest and provide a plan for Board consideration at the next Board meeting in December 2009. The plan should include possible options and a risk analysis relating to the proposed action.
- 2009 Registrar Accreditation Agreement and its added protections prove successful. By year-end more than 90 percent of registrants are covered.
- Global fellowships program draws 132 applications and 31 attendees.
- Relationships formalized with ccTLD manager for Singapore, bringing the total to 59 relationships with ccTLD operators and managers worldwide.

Mexico City
1–6 March 2009

ICANN's 34th international public meeting was the first of three held this year to conduct policy development and outreach. A total of 1,219 people attended from over 100 countries, which was hosted jointly with the Mexican Internet Association (AMIPCI), the Network Information Center (NIC) Mexico, and the Internet Society (ISOC) Mexico. For the first time, the largest number of attendees, 275, came from the host country (excluding meetings held in the United States).

Gariela Hernandez, Vice Minister of Communications of Mexico, opened the meeting, speaking about the positive impact that information technologies have on productivity, competitiveness, and the living conditions of ordinary people.

ICANN President and CEO Paul Twomey (left) and Chairman of the Board Peter Dengate Thrush (right) sign an exchange of letters with the ccTLD manager for Korea (dot-kr).

Accountability Framework signing by ccTLD manager for Bolivia (dot-bo) and Paul Twomey, ICANN President and CEO.

Several key issues and themes evolved during the meeting.

The work on new gTLDs started with a session in which ICANN staff outlined changes to the second version of the Applicant Guidebook. The community also had the opportunity to ask questions and comment on progress of the new gTLD process.

The Board approved the establishment of an Implementation Recommendation Team (IRT) to develop and propose solutions to the overarching issue of trademark protection in new generic top-level domain names. The IRT was asked to produce a final report for consideration at ICANN's Sydney meeting in June.

Discussions during the week highlighted the need for additional study and consultation on other additional overarching issues including DNS stability and an economic analysis of the effect of new gTLDs on the marketplace.

The results of all this work was used to produce a revised guidebook.

IDNs were one of the main topics of discussion throughout the week. The latest version of the IDN ccTLD Fast Track Implementation Plan was outlined, along with three papers that identified open issues requiring further input from the community to complete implementation.

The Board requested that the Implementation Plan be finalized for the last meeting of 2009.

The GNSO Council approved a wide range of amendments to the Registrar Accreditation Agreement, or RAA, the contract that ICANN has with the companies that register generic top-level domains. The 17 amendments cover four broad categories:

- New enforcement tools – among them a new registrar audit and a group liability provision.
- Registrant protections – shining a light on the risks of proxy registration.
- Consistent minimum standards of service for all registrars.
- A modernizing of the agreement to get up-to-date with the domain name market.

The President's Strategy Committee published its draft Implementation Plan with a set of proposed recommendations on how to improve institutional confidence in ICANN ahead of the conclusion of the Joint Project Agreement (JPA) in September 2009.

The Mexico City meeting saw widespread discussion of these documents. A special session was held on the issue, which was also discussed at the At-Large Summit and within a number of supporting organizations and advisory committees.

Representatives from over 90 At-Large Structures representing ICANN's global individual Internet user community came together at its special At Large Summit. The Summit featured:

- Two general sessions of all participants.
- Thematic sessions and workshops on issues that concern individual Internet users worldwide.
- Five policy-focused working groups that produced statements on important subjects to the whole ICANN community; and many other events.

Progress continued on structural and operational changes to ICANN's main policy-making body, the Generic Names Supporting Organization, or GNSO.

Several new stakeholder group charters were submitted throughout the week, and the community heard from proponents of the Cybersafety, City TLD and Consumer constituencies.

And finally, ICANN signed formal accountability frameworks or exchanges of letter with the country-code top-level domain operators for Aruba (dot-aw), Austria (dot-at), Bolivia (dot-bo) and Korea (dot-kr).

For a full account of activities during the Mexico City meeting, go to http://mex.icann.org/.

Sydney 21–26 June 2009

ICANN's 35th international public meeting was hosted jointly with AusRegistry International, operator of Australia's dot-au register, and auDA (.au Domain Administration), the policy authority and industry self-regulatory body for the dot-au domain space. There were 1,052 attendees from 106 countries. The largest group came from the United States (286), followed by local host Australia (224).

The meeting was opened by New South Wales premier Nathan Rees and by Senator Stephen Conroy, Minister for Broadband Communications and the Digital Economy. Premier Rees spoke about the impact and importance of the digital revolution, the important role that ICANN plays with the Internet, and the possibilities that new generic top-level domains will open up.

Senator Conroy spoke about the Australian government's plan to build a high-speed broadband network connecting everyone in the country, using fiber to reach 90 percent of homes and businesses, and wireless and satellite technology to reach the remaining 10 percent.

The four overarching issues that need to be addressed before the introduction of new generic top-level domains were the focal point of the meeting. Those four issues are trademark protection, malicious conduct, security and stability, and demand and economic analysis. A more general update session on the new gTLD program outlined the most recent documents and the changes made to them following the second public comment period of the Applicant Guidebook.

The results of these discussions and others were used to produce a third version of the guidebook for the Seoul meeting in October.

An early session during the week gave the latest information on the IDN fast track process. The latest Implementation Plan was published before the meeting, alongside three papers that identified open issues for further community input.

Remaining tasks included production of an online application form, IDNA implementation, finalizing the evaluation process, formation of a stability panel, and finalizing a linguistic process. Work done during the week and later was used to produce a final Implementation Plan for approval at the Board meeting in October in Seoul.

The Operating Plan and Budget was outlined early in the week, concluding six months of work and repeated community

consultation. The Board then approved the budget, meaning that ICANN then began work on the next year's Strategic Plan, which will be used to produce the 2011 budget.

A report that provided detailed proposals following the year-long improving institutional confidence (IIC) consultation was published for review before the Sydney meeting. Two proposals in particular were the focus of attention, both requiring bylaw changes. One would allow the community to request review of a Board decision through a majority vote, and the second would establish an independent review body for Board decision.

Other changes, including looking for ways to improve participation across supporting organizations and advisory committees, a staff code of conduct, and the production of executive summaries of documents, were also highlighted.

Paul Twomey, ICANN CEO (left) and Peter Dengate Thrush, Chairman of the Board (center) sign Accountability Framework with ccTLD manager for Aruba (dot-aw).

Paul Twomey (left) and Peter Dengate Thrush (right) sign an exchange of letters with ccTLD manager for Austria (dot-at).

A few weeks before the start of the Sydney meeting, ICANN outlined an interim solution for digitally signing the root zone. The solution sees ICANN working with the US government and VeriSign to help secure the domain name system through the use of the DNSSEC protocol. ICANN will continue to work with the US Department of Commerce and VeriSign on the interim solution with the goal of a signed root zone by the end of calendar year 2009.

Two new Board members took their seats at Sydney, and a new CEO for the organization was named.

Ray Plzak and Mike Silber joined the Board, replacing Demi Getschko and Dave Wodelet. Rod Beckstrom was named the new President and CEO, replacing Paul Twomey, who will stay on in the role of Senior President until the end of 2009.

And finally, ICANN signed formal accountability frameworks or exchanges of letter with the country-code top-level domain operators for Haiti (dot-ht), Mexico (dot-mx), Paraguay (dot-py), Portugal (dot-pt) and Uruguay (dot-uy).

For a full account of activities during the Sydney meeting, including presentations and transcripts, go to http://syd.icann.org.

Seoul 25–30 October 2009

ICANN's annual general meeting was jointly hosted with KISA (Korea Internet & Security Agency), a public agency that plays a major role in developing and researching the Internet in Korea. There were 1,346 attendees to the conference from 111 countries.

The meeting was opened by three local dignitaries: Mr. See Joong Choi, chairman of the Korea Communications Commission; Mr. Heung Kil Ko, Senator and Chairman of the Culture, Sports, and Tourism, Broadcasting and Communications Committee of the National Assembly; and Ms. Hee Jung Kim, president of KISA.

Mr. See Joong Choi spoke about how the Internet was 40 years old, and the impact it has had in that time. He talked about how important IP addresses were as assets for the future and that they become a common resource for all. And he welcomed the introduction of IDNs as paving a new way toward the future.

Mr. Heung Kil Ko spoke about how Korea was a leader in the knowledge and information society, with 77.6 percent of its citizens online. He spoke of the importance of an efficiently and stably managed IP address system, as well as dealing with security threats such as hacking and phishing. The conference would hopefully lead to close ties between ICANN and Korea, he added.

Ms. Hee Jung Kim also heralded the introduction of IDNs, and welcomed a recent change in the agreement that ICANN has with the United States government as strengthening the autonomy of the IP addressing system.

The most significant progress at the Seoul meeting was the approval of the IDN fast track, which will see a limited number of Internationalized Domain Names introduced to the Internet's root possibly before the end of the year. A special evening reception was held to celebrate the occasion.

The fast track was formally approved by the Board, and although concerns remain about their introduction, the Chairman noted it as an historic achievement and the Board vote was met with a standing ovation by the audience. Dozens of press articles from across the world also recognized the event.

For the first time, Internet users that speak something other than Western languages will be able to represent an entire Internet address in their own language. Applications to the fast track will open on 16 November.

The third version of the New gTLD Applicant Guidebook, as well as a range of other papers and explanatory memoranda, were produced for discussion during several sessions over the week. Because several overarching issues must be addressed before new top-level domains can be introduced, the launch date will depend on community efforts to find solutions instead of on a certain date or quarter. This change in approach prompted some in the community to argue that ICANN needed to demonstrate its dedication to the process.

The week ended with a compromise solution, approved in a Board resolution, which asked staff to look into introducing a system that allowed expressions of interest to be shown in new gTLDs. That process may allow for likely demand to be gauged and provide useful data to move some discussions from theoretical to pragmatic.

The latest draft Applicant Guidebook was posted for public comment. The overarching issues remaining to be resolved encompass trademark protection, malicious conduct, secure and stable scaling of the Internet's root to accommodate a potential flood of new domain names, and a demand and economic analysis.

ICANN held its first strategic planning session for 2010 during the meeting. The Strategic Plan, which covers a three-year period, is the process by which the organization's priorities are mapped out, feedback is received from the community, and all input is pulled into an Operating Plan for the current fiscal year, from which the organization's budget is decided and allocated.

The plan recognized four main areas of focus for ICANN: preserve Domain Name System stability and security; promote competition, trust and consumer choice; excel in IANA and other core operations; and maintain ICANN's long-term role in the Internet ecosystem. Within these major areas, no fewer than 18 projects were highlighted as being of strategic priority over the next three years.

The Joint Project Agreement (JPA) that ICANN had with the US government concluded in September and was replaced by an Affirmation of Commitments. Under that Affirmation, ICANN becomes accountable to the global Internet community and a series of reviews are outlined that help ensure a high degree of public, global accountability.

During a special session, Chairman of the Board of Directors Peter Dengate Thrush and Chief Executive Officer Rod Beckstrom answered questions about the Affirmation and outlined a path forward. An initial draft of how the Affirmation's review process might work will be produced following community feedback and will be presented at the next ICANN meeting in Nairobi in March 2010.

After years of hard work, the new GNSO Council sat for the first time in Seoul. There are now two main stakeholder groups: Contracted (made up of registries and registrars), and Non-Contracted (made up of commercial and non-commercial interests). A new chair, Chuck Gomes, was chosen by both houses. He is supported by two new vice-chairs, Olga Cavalli (Non-Contracted) and Stephane van Gelder (Contracted).

Because this was ICANN's annual general meeting, there was turnaround in Board and Council members. In particular, Roberto Gaetano, Steve Goldstein, Wendy Seltzer and Thomas Roessler left the Board.

Peter Dengate Thrush was re-elected Chairman of the Board of Directors, and Dennis Jennings was elected vice-chair.

For further information about the meeting, including presentations and transcripts, go to http://sel.icann.org.

Rod Beckstrom, ICANN's new CEO and President, and country code TLD operator for Singapore, pose center after signing an exchange of letters.

Affirmation of Commitments

On 30 September 2009, ICANN and the United States Department of Commerce signed an historic agreement, the Affirmation of Commitments (http://www.icann.org/en/announcements/announcement-30sep09-en.htm#affirmation), which supports the ICANN model of multi-stakeholder and bottom-up governance of the global Internet addressing and naming system.

The Affirmation marks a major milestone in the maturation of ICANN's development and the perception of oversight by any single government, group of governments or solitary stakeholder.

Global leaders and Internet founders immediately heralded the signing as an endorsement of the ICANN model of governance and as a new beginning in making ICANN accountable to its entire global community of stakeholders. The comments can be reviewed at http://www.icann.org/en/affirmation/affirmation-reaction.htm.

The Affirmation of Commitments succeeds the Joint Project Agreement (JPA) between the US Department of Commerce and ICANN, which expired on 30 September. The JPA was aimed at transitioning the Internet Domain Name System (DNS) to a structure defined by a private sector multi-stakeholder leadership. The JPA can be read at http://www.icann.org/en/general/JPA-29sep06.pdf.

The JPA was the seventh amendment of the original Memo of Understanding (MOU) between ICANN and the US government. Over the past 11 years there have been thirteen report cards on performance of responsibilities to the US Department of Commerce alone. Now ICANN will report its accountability processes to the entire world.

The Affirmation mandates that ICANN's accountability to its community of global stakeholders be reviewed at least every three years by a committee made up of representatives of the community and it will include the US Assistant Secretary of Communications and Information of the Department of Commerce.

The new agreement is of long standing and is not limited to the three-year terms that defined the previous agreements.

Under the new Affirmation, the US will remain committed to participation in ICANN's Governmental Advisory Committee (GAC), a key body that advises the corporation in its crucial mission of ensuring that Internet naming and addressing system remain stable and secure.

The Governmental Advisory Committee's role has been reaffirmed in this accord. And the GAC will be a key participant in selecting the membership of the review teams.

In short, the Affirmation of Commitments establishes beyond doubt that the ICANN model is best equipped to coordinate this vital resource and places reviews of ICANN's performance in the hands of its global community of stakeholders.

The Affirmation of Commitments by ICANN and DOC fulfills a long-standing objective of the original formation of ICANN: to create an organization that can serve the world's interest in a robust, reliable and interoperable Internet.

Vint Cerf, co-inventor of the Internet

This framework puts the public interest front and center, and it establishes processes for stakeholders around the world to review ICANN's performance

Lawrence E. Strickling, Assistant Secretary for Communications and Information and NTIA Administrator US Department of Commerce

Google and its users depend every day on a vibrant and expanding Internet; we endorse this Affirmation and applaud the maturing of ICANN's role in the provision of Internet stability.

Eric Schmidt ,
Chief Executive Officer of Google

We congratulate the US Government for taking this next step in line with its landmark 1998 Policy on the Management of Internet Names and Addresses. At the same time we salute the efforts of ICANN and its many supporters for their dedication to ensuring the transition of the technical coordination and management of the Internet's domain name system to a public sector led organization.

Lynn St. Amour
President and CEO Internet Society

The expiration of the Joint Project Agreement is an important moment in the process toward the increased internationalisation of ICANN's coordination and management of the Internet DNS.

Statement of the Swedish Presidency of the European Union

ICANN's strategic planning process takes place from June through December, and the ICANN Strategic plan for the period July 2010 through June 2013 is being finalized. The process anticipates approval of a final draft plan by ICANN's Board in February 2010. ICANN strategic planning balances input from the broad multi-stakeholder base along with strategic input from ICANN's Board.

The planning process this year has focused on identifying community work, strategic projects and ongoing staff work under the four main elements of ICANN's work:

- Preserve DNS stability and security
- Promote competition, trust, and consumer choice
- Excel in IANA and other core operations
- Maintain ICANN's long-term role in the Internet ecosystem

In addition, key initiatives have been identified for strengthening each of ICANN's enablers:

- Vibrant multi-stakeholder community model
- Partnership approach
- International perspective
- Accountability and transparency

The development of the plan started with input from the Board at its retreat in September 2009. This input was synthesized into a set of possible strategic priorities for the organization. These priorities were then presented to the community at a public consultation session at the Seoul meeting in October. A trial survey was conducted at that time. A full survey was launched in November so that all members of the community could put their views on ICANN's priorities.

Based on the survey responses, the views of the Board, and other community and staff input, a draft plan was circulated for community comment in late November. After responses have been received, a revised plan will be presented to the Board for their approval at the February 2010 meeting in Nairobi.

Operating Plan for Fiscal Year 2010

Each ICANN Operating Plan is a one-year action plan targeted at accomplishing the first year of objectives set out in the three-year Strategic Plan, and contains specific projects to be initiated, continued or closed during a fiscal year.

ICANN is operating under the fiscal year 2010 (1 July 2009 through 30 June 2010) Operating Plan and Budget approved in June 2009. As with the Strategic Plan, the Operating Plan is the product of extensive community consultation.

The Operating Plan describes ICANN's work and its measurable work objectives set out for the fiscal year. Several of these goals or groupings are of prime importance to ICANN's mission and to many constituency groups. The Operating Plan is posted at http://www.icann.org/en/financials/adopted-opplan-budget-fy10-07jul09-en.pdf. Highlights of this plan include the following.

New gTLD Implementation and Delegation. Implementation of the process for introducing new gTLDs is one of the two most significant changes that have been made to the name space. The other is Internationalized Domain Names, or IDNs.

IDN Implementation. The introduction of IDN TLDs at the top level, as well as the launch of IDN ccTLDs within the fast-track process, remain a priority for ICANN, and are intended to fulfill a global need for domain names in the scripts and languages of the world. The IDN ccTLD fast-track implementation plan, launched in mid-November, will result in the delegation of IDN ccTLDs in the root zone in the near future.

IANA and Technology Operations. The IANA department will continue to grow to accommodate process development and execution for new gTLDs and IDN ccTLDs. ICANN's internal organization is adapting to address the expectation of additional operational requirements accompanying new services, including DNSSEC, scaling the number of TLDs, and other online services such as the Interim Trust Anchor Repository. At one time software and computer operations resources were decentralized across ICANN, in IANA and elsewhere. This capability is now being centralized, with additional people and resources invested in expertise in DNS operations and high-availability computer and network operations.

Contractual Compliance. ICANN's contractual compliance activities grew significantly in fiscal 2009. These activities included an enhanced Whois Data Problem Reporting service, adding staff in Washington, DC, and a new senior director in Los Angeles, and higher levels of audit and enforcement activity. ICANN continued to invest and grow this function in fiscal year 2010.

Core Meeting Logistics. Little change occurred in the current meetings approach in fiscal 2009. Core meeting logistics are efforts to ensure that community groups, the Board, staff and others come together in face-to-face meetings as well as remotely in ways that help ensure that ICANN's work is completed efficiently and timely. Initial efforts to review the three ICANN international meetings structure are under way. Any changes will more likely influence the fiscal 2010 budget.

Constituency Support. Changes in the makeup of the ICANN community, stemming from the addition of IDNs and gTLDs, will increase the number of registries and registrars around the globe. Increased support for these constituencies continues to be a priority for ICANN. Staff members are working to make the procedures and operations of the constituencies more transparent, accountable and accessible to increase global participation in, and understanding of, the activities of the constituencies. This work includes implementation of the GNSO review.

Policy Development Support. ICANN continues to invest in processes to ensure policies are developed as fairly, effectively and expeditiously as possible to meet community needs. The volume of policy support work has increased significantly over the past fiscal year, and this level of work is expected to continue in fiscal year 2011. In addition, the Board has asked the community and staff to implement many improvement initiatives for ICANN's policy structures.

Global Engagement and Increasing International Participation. ICANN will continue globalizing all aspects of its operations that support the maintenance of its multi-stakeholder model to appropriately and effectively service the needs of a multilingual global stakeholder base. To reach out to the ever-increasing and diverse number of individuals and organizations, global partnerships managers of regional relations (MRRs) create and deliver presentations laying out key projects and initiatives with stakeholder-specific constituent groups, provide training and education to the Internet community in the growing ICANN regions, and conduct one-on-one briefings with governmental and regulatory representatives on local and regional levels. These support initiatives run the gamut from promoting and facilitating participation in ICANN processes by drawing people to ICANN meetings to broad-based education and promotional activities in the various constituency arenas.

Travel Support for ICANN Community. To increase global awareness of ICANN and its mission, increase participation levels in the ICANN regions and key stakeholders, and support those who may not otherwise be able to attend the international or regional meetings, ICANN continues to fund limited travel support for certain stakeholders who provide leadership and productivity to ICANN's volunteer community.

Ombudsman. The Ombudsman continues to serve as an objective advocate for fairness and seeks to evaluate and, where possible, resolve complaints about unfair or inappropriate treatment by ICANN staff, the Board, or ICANN constituent bodies. The Ombudsman also clarifies issues and uses conflict resolution tools such as negotiation, facilitation and shuttle diplomacy to achieve these results.

Board Support. ICANN's Board consists of 15 directors and six liaisons, all of whom are volunteers except for the President and CEO. These Board members will continue to travel to all three ICANN international public meetings as well as other intercessional meetings.

Nominating Committee Support. The Nominating Committee continued its work of appointing members to several of ICANN's key structures, including the ICANN Board.

Domain Name System Operations. Ensuring stability and security of the DNS and other unique identifiers remains a core function and key priority for ICANN. Work in fiscal year 2010 involved maintaining and improving the L-root server by upgrading routers and DNS servers, simplifying and increasing the performance of the L-root server architecture and deploying improved L-root server Anycast cluster monitoring and management systems. In addition, fiscal year 2010 saw the deployment of ICANN's production DNSSEC-signing infrastructure, which will enable ICANN to sign the zones it is responsible for in a highly secure, reliable and resilient manner.

Administrative Improvements. ICANN continued to focus on preparing for a post-Joint Project Agreement (JPA) environment, to maintain an

appropriate organizational structure to serve ICANN's increasingly globalized technical coordination functions. With the conclusion of the JPA and the signing of the Affirmation of Commitments (AoC) in September 2009, this focus will continue into fiscal year 2011 and beyond.

Management of Operating Plan Objectives

How the Work Is Managed

ICANN's goal is to ensure the completion of Operating Plan objectives through the use of best management practices. ICANN uses two primary methodologies for monitoring progress toward accomplishing plan objectives. For more complex or long-term efforts, ICANN uses a tried-and-true project management process with documented processes and management practices. First implemented during fiscal year 2006–2007, the process has matured over time and has been used in both the IDN Program and the New gTLD Program, among others.

Other Operating Plan deliverables that are less complex (for example, having a shorter term or fewer interdependencies) are managed with through explicit goal setting and performance monitoring. Three times each year, ICANN identifies the business initiatives or goals to be accomplished during the coming trimester period. A standard management process is used to monitor progress toward plan, bring additional focus and resources to areas needing help, and assess actual accomplishments at the end of each period. This process ensures that all Operating Plan items are executed during the plan year.

To enhance transparency and accountability, early in 2008 ICANN made financial and other operating information available to the community through a Dashboard accessible from ICANN's home page on the web, http://icann.org/. Recently, this data set was broadened to include many more operating measures, and the process of posting additional information will continue to expand over time. For example, during 2008 the Dashboard was expanded to provide further details on Operating Plan items and their current status.

Throughout 2009, ICANN has further enhanced its security programs to address both external and internal security and resiliency matters. These efforts remain focused on ICANN's mandate to ensure the security and stability of the Internet's unique identifiers as outlined in ICANN plans in this area.

ICANN's security staff is responsible for day-to-day integration, planning and execution of operational ICANN efforts toward security as directed by the ICANN Board and CEO in fulfillment of ICANN's strategic and operational plans. The security team coordinates across the range of ICANN programs and activities to help ensure effective engagement by ICANN staff and the broader community related to security, stability and resiliency.

ICANN continues to address the stability and resiliency of the Internet's unique identifier system through a broadening range of activities. These activities include analysis of a wide variety of risks to the Domain Name System (DNS) and to the Internet more broadly by ICANN's Security and Stability Advisory Committee (SSAC), which reports to the ICANN Board and the ICANN community on the findings of these investigations and makes recommendations for improvement. The SSAC meets on an ongoing basis to coordinate, review and approve activities and reports related to its initiatives. In September 2009, the SSAC held its first in-person retreat and defined a broad agenda of key concerns and upcoming work, which can be viewed at http://www.icann.org/en/committees/security/ssac-workplan.htm.

ICANN's broader security work is also enhanced by the work of the Root Server System Advisory Committee (RSSAC) which, in conjunction with meetings hosted by the Internet Engineering Task Force (IETF), met in San Francisco on 22 March 2009, in Stockholm on 22 July 2009, and in Hiroshima on 8 November 2009. RSSAC is focused on considering technical issues around the evolution of the DNS root server system in particular and the DNS in general. Specific topics about which RSSAC has offered both formal and informal support and guidance to ICANN include the introduction of Internationalized Domain Names (IDNs) at the top level of the DNS, the expansion of the root zone expected as part of the new generic top-level domain (gTLD) and IDN top-level domain (TLD) processes, Domain Name System Security Extensions (DNSSEC) deployment and the signing of the root zone, and the introduction of IPv6.

In February of 2009, ICANN jointly sponsored the first DNS Security, Stability and Resiliency Symposium. Held at the facilities of the Georgia Tech Information Security Center in Atlanta, the symposium was the first of its kind to bring together cross-functional stakeholders to address risk to the DNS. A summary of the discussions and recommendations from this event can be found at www.gtisc.gatech.edu/pdf/DNS_SSR_Symposium_Summary_Report.pdf.

ICANN plans to continue to cosponsor annual DNS symposiums, the second of which, aimed at identifying methodology and metrics for measuring the health of the DNS system, will be held in February of 2010 in Kyoto.

During the spring of 2009, ICANN became heavily involved in responding to the spread of the Conficker worm, principally through facilitating the sharing of information between security researchers and the operators of potentially impacted TLD registries. ICANN's collaboration related to the efforts to combat Conficker continues to the present time. Our engagement in this activity highlighted both the utility of collaborative response that reached broadly across the DNS community in matters related to abuse of the DNS, and the challenges of doing so in an ad-hoc manner. ICANN initiated efforts to collaborate with others to improve the security, stability and resiliency response capacities of the DNS community and to ensure that these efforts are linked with the broader cyber-security community.

In May 2009, ICANN released its *Plan for Enhanced Internet Security, Stability and Resiliency*, which sets out ICANN's role in Internet security, stability and resiliency and provides details of the programs and activities that ICANN has in each area as well as specific initiatives for 2009. The plan also identifies partners that ICANN teams with in its efforts. The plan's appendix also provides detail regarding the scope of ICANN efforts, costs and deliverables. The 2009 plan can be found at www.icann.org/en/security. This plan is a living document that will be updated for fiscal year 2011.

Other activities involve outreach to registries, registrars, domain name system operators and others more broadly in business, government and other sectors to ensure awareness of security risks and the means to mitigate those risks. Much of this work is being supported by the Global Partnerships team, which works closely with TLD operators and Internet businesses to encourage participation in ICANN's processes and activities.

We continue to improve the security and resiliency of Internet Assigned Numbers Authority (IANA) and the L-root operations through investment in increased capacity and implementation of more effective processes. Specifically, a new L-root, high-capacity, global node was added on 16 October 2009 in the Czech Republic. ICANN is working with the US Department of Commerce National Telecommunications and Information Administration (NTIA) and VeriSign to ensure that a fully-signed, operational, production-ready, signed root zone will be published in July 2010.

In addition, over the past year, ICANN began collaborating with the regional country code top-level domain (ccTLD) organizations to enhance the security and resiliency of TLD operations through sponsorship of a program of training and exchange of best practices. A technical training program has been developed in partnership with the Internet Society (ISOC) and the Network Startup Resource Center (NSRC) to complement existing training programs.

ICANN's management of the IANA function continues to be recognized by its users for strong performance and responsiveness. Regular reporting on activities through the ICANN Dashboard and monthly reports to the IETF ensure stakeholder communities that performance continues to be maintained within agreed work times, many of which were adjusted to shorter periods to reflect IANA's increased efficiency.

IANA also added a significant new service this year with the introduction of the Interim Trust Anchor Repository, or ITAR. These achievements were recognized by renewal of the contract with the US Department of Commerce. This contract, signed 15 August 2006, is a sole-source contract with a period of one year plus four renewal periods of the Joint Project Agreement between ICANN and the Department of Commerce, which ended 30 September 2009. The third renewal period was exercised in the third quarter of 2009.

ICANN initiated an IANA Business Excellence project this year that follows the principles of the European Foundation for Quality Management, or EFQM. This project will allow ICANN to assess its performance of the IANA functions against industry standards for excellence, and compare our results with those of similar organizations. Embedding this exercise as a core strategic goal for IANA, ICANN will ensure that its management of the IANA functions continuously improves in specific, measurable ways even as the scope of that work grows to meet new needs.

ICANN has increased to three the number of full-time-equivalent staff performing root management services and other domain-related issues, including managing the ITAR and the dot-int domain. Five full-time-equivalent staff are devoted to IETF-related request processing. Number resources and other activities consume an additional full-time-equivalent in staff resources.

ICANN has prepared IANA staffing plans to support the envisioned new gTLD and IDN ccTLD processes. Specific workload goals have been identified that will initiate new hire positions and ensure appropriate staffing for all IANA services.

New Request Tracking System

IANA's Root Zone Management automated system was initially tested in June 2009; however, the results of these tests helped identify additional requirements and functionality. When this new functionality is added, IANA staff will coordinate with VeriSign and the NTIA to re-initiate testing. We expect this activity to begin in January 2010.

Request Processing

ICANN continues to increase productivity in IANA request processing. Between 1 January 2009 and 31 December 2009, IANA handled more than 3,500 requests. For complete information on IANA's progress in managing requests, go to its Dashboard page at http://forms.icann.org//idashboard/public/.

Root zone management requests remain a critical, high-visibility portion of the IANA function, but these requests represent less than 10 percent of the total requests IANA receives in any given year. The ratio of root zone requests to other requests is expected to change as new TLDs are entered into the root. On average, each TLD generates 1.2 requests per year.

The bulk of requests IANA receives are for IETF-related registries. The IANA function is involved in several steps toward implementing new registries created through the IETF RFC standards process, and is responsible for managing those registries once they are established. IANA staff members have succeeded in improving processing time year-over-year for the past three years, thus allowing us to shorten the service level commitment times for the IETF-related requests.

Our past annual reports have cited what each supporting organization and advisory committee worked on during the past year. In 2009, these ICANN community structures were involved in so many combined efforts and joint interactions that attempts to attribute all accomplishments to any one body would be inaccurate. Therefore, this report focuses primarily on summarizing some of the general organizational and policy accomplishments of 2009, rather than on the specific organizational bodies that contributed to them.

Robust Growth

In 2009, ICANN's policy development process drew greater interest, greater representation, greater diversity and greater participation. In addition to the policy achievements reached during the year, many ICANN substructures grew markedly in 2009. The At-Large community, coordinated by the international At-Large Advisory Committee (ALAC), added roughly 20 individual Internet user groups, At-Large Structures, or ALSs, this year, sending the total of world-wide ALSs past 135. Among these are the first ALSs from Pakistan. Simultaneously, the Country Code Names Supporting Organization (ccNSO) welcomed notable additions such as Russia (.ru) and the European Union (.eu), boosting its membership to 100 country code operators in 2009. The Generic Names Supporting Organization (GNSO) also has attracted new participants and, for the first time since ICANN's inception, applications to create four new GNSO Constituencies were submitted for ICANN Board consideration.

In separate efforts, the At-Large community held a successful, first-ever gathering of all five Regional At-Large Organizations (RALOs) and more than 100 ALSs at a June summit in Mexico City, and the Security and Stability Advisory Committee (SSAC) had its first-ever face-to-face meeting of all participants at a strategic planning meeting in Washington, DC.

Notable Achievements

ICANN's bottom-up, consensus-driven, multi-stakeholder policy development process invests the time required to ensure that all affected parties have a voice in ICANN policies. Although the process involves many steps and several checks and balances, eventually it produces results. Some of the policy accomplishments of 2009 are described here.

Internationalized Domain Names Began Implementation

There are more non-English speakers on the Internet than English speakers, but before 2009, all Web users had to resort to Latin-based characters when creating top-level domains (TLDs). Beginning 16 November, for the first time in the history of the Internet, countries and territories that do not use Western script for their official language(s) could request IDN country code top-level domains (ccTLDs) resembling their country or territory names in their own scripts. Years in the making, this first step towards a truly international Internet opens possible domain names from a mere three dozen characters to nearly 100,000. The process got a jump start when a broad-based community working group driven by representatives of the Governmental Advisory Committee (GAC) and the ccNSO recommended a fast track approach that limits the initial IDNs to noncontentious strings associated with official two-letter country codes. These strings can meet near-term demand, while an overall, permanent IDN ccTLD policy finishes development. The foundation for this substantial accomplishment was made possible by a committed community-wide effort that included contributors from the GAC, ccNSO, GNSO and At-Large.

Registrar Accreditation Agreement Was Amended

Since ICANN first began 11 years ago, each of more than 900 ICANN-accredited registrars has signed the same contractual agreement with ICANN. The Internet has changed radically in 11 years, and the agreement was showing its age. The amended Registrar Accreditation Agreement, or RAA, includes many protections for registrants, including data escrow (an individual registrant's DNS information must be kept in secure storage, so if the registrar goes out of business, the registrant does not); no name deletions or auto-renewals occur unless the registrant is notified; strict responsibility and accountability for the registrar; and more. Registrars representing over 87 percent of all gTLD registrations have signed or asked to review the 2009 RAA. The GNSO not only unanimously recommended that the amendment package be approved by the Board, but also committed to consider additional RAA amendments and create a Registrant Rights charter.

Policy Established for Allocating the Remaining IPv4 Addresses

Due largely to work from the Address Supporting Organization (ASO), in March, the ICANN Board ratified a global policy for allocating the rapidly depleting IPv4 address blocks. Once all IPv4 addresses are dispensed, entities requiring new IP addresses must use IPv6. Five Regional Internet Registries (RIRs) manage Internet Protocol (IP) addresses on IANA's behalf. The practical effects of the new allocation policy are that when the IANA pool of free IPv4 addresses is reduced to five remaining blocks, each RIR will receive one block, or approximately 16 million addresses per RIR. This scenario is expected to occur in 2011. However, depletion of IPv4 addresses could be delayed slightly by current ASO efforts, which intend to allow RIRs to return unused IPv4 addresses to IANA. IANA might then be able to dispense addresses in blocks smaller than the /8 (16 million address) blocks it has always used.

GNSO Restructured, Lowering Barriers to Participation

The ICANN Board approved a comprehensive set of recommendations to improve the inclusiveness and representativeness of the GNSO's work while increasing its effectiveness and efficiency. The GNSO made significant strides in 2009 toward reorganization and improvement. At the Seoul meeting in October, the GNSO seated a newly restructured Council representing four broad stakeholder group structures: Registrars; Registries; Commercial interests; and Non-Commercial interests. Stakeholder groups allow for constituencies to select Council representatives, are intended to represent more broadly the wide variety of groups and individuals that comprise the global ICANN community, and are expected to adapt more easily and fluidly to the new gTLD environment and its interested parties.

The GNSO Improvement Initiative also shifted the GNSO Council away from a tightly controlled legislative model to a more strategic managerial role for policy development, and directed the GNSO to establish a more open, participatory working group model of developing policy. Although the working group model is still being defined by community work teams, several working groups are already functionally addressing policy issues such as inter-registrar transfers of domain names and registration abuse policies. This new model is intended to make it much easier for interested volunteers and experts to join working groups.

The reorganization also made starting a new GNSO constituency a more straightforward process, and for the first time in 10 years, the GNSO received formal Notices of Intent to Form from several potential new constituencies: CyberSafety, City TLDs, IDN gTLDs, and Consumers. GNSO improvements are still in progress, but the reform effort has already brought new participants and fresh energy to GNSO policy development processes.

Ongoing Work

In addition to hitting notable policy milestones in 2009, the ICANN community continues work on a wide variety of important issues. Some highlights follow.

The **At-Large Advisory Committee** and its supporting At-Large community advised the ICANN Board on a record number of issues in 2009, including Internationalized Domain Names, Registrar Accreditation Agreements, applying for a new generic top-level domain, intellectual property recommendations for new gTLDs, root server system scaling, travel support requirements and improving confidence in ICANN as an institution. In August, the ICANN Board approved in principal that the At-Large community should be able to name a voting member to the ICANN Board of Directors.

Motivated by the rapidly-spreading Conficker threat, in June the **ccNSO Council** set up an ad-hoc working group to establish a more systematic and coordinated approach among ccTLDs for addressing global events affecting the DNS. This group, now known as the Incident Response Planning Working Group, outlined a global plan for how ccTLD registries should engage one another and interact

during emergent incidents. The ccNSO also completed its second DNSSEC survey of country code operators. Whereas only 7 percent of country code registries had implemented DNSSEC in 2007, in 2009, 25 percent had implemented DNSSEC, and 80 percent of the remaining registries have plans to implement DNSSEC.

Other important work being advanced by the ccNSO includes development of a permanent, global policy for the introduction of internationalized country-code top-level domains (which will incorporate lessons learned from the limited IDN fast-track effort), as well as addressing the issue of how to more effectively delegate, re-delegate, and retire country code top-level domains.

The **GNSO** continues work to improve, streamline and standardize its policy development processes, while at the same time continuing to develop policy to address a myriad of gTLD issues. It ended 2009 with more than a dozen teams and groups tackling issues such as:

Inter-Registrar Transfer Policies. There are so many aspects to transferring domain names between registrars that the issues have been grouped into bundles as Part A and Part B. A team has already provided recommendations on Part A, which addressed questions about the exchange of registrant email information, the potential for including new forms of electronic authentication and potential provisions for partial bulk transfers. A second team, chartered in June, is meeting every other week to resolve Part B. Issues included in Part B relate to how to undo inappropriate transfers; for example, if a domain name has been hijacked, should there be a process for urgent return of the domain to its rightful owner? How should a transfer be implemented when the official registrant has a dispute with the entity listed as its administrative contact? These and many related questions will be answered in 2010.

Post-Expiration Domain Name Recovery. What happens to a domain name if it is allowed to expire? Should a registrant be able to get it back? How long should a registrant have to retrieve it? Are registrars doing an adequate job of notifying registrants when domain names are about to expire? The Post-Expiration Domain Name Recovery (PEDNR) working group will make recommendations to answer these and other questions.

Fast Flux Hosting. DNS fast flux techniques often figure into cybercrimes, whereby malicious parties abuse DNS protocols to automatically change the location of DNS resolvers and websites every few minutes, thus evading authorities. However, there are also legitimate reasons to use some fast flux techniques. The GNSO Council launched a policy development process on fast flux hosting that resulted in a definition of fast flux attacks to distinguish them from legitimate uses of fast flux, and provided fast flux metrics as a suitable foundation for further work on the issue.

Registration Abuse Policies. What is the difference between registration abuse and domain name use abuse? How effective are existing registration abuse policies? Registrars and registries have defined their own responses to abuse. Could there be benefits to defining and implementing a uniform response? A working

group is tackling these questions, and has drafted a document that provides working definitions of types, targets and categories of abuse.

Further RAA Amendments and Registrants Rights. The GNSO is undertaking a further review of the RAA to identify and recommend even more amendments to bolster the rights of registrants. To accomplish this review, a joint working group has been created with the At-Large community. This joint working group is expected to draft a registrant rights charter, among other tasks.

Whois Studies Proceed. Whois began as a look-up service to enable Internet operators to find one another and communicate directly if abnormalities in traffic occur between servers. From public comments and comments from the Governmental Advisory Committee (GAC), suggestions in 2008 outlined two dozen related areas worthy of study. Those areas were later grouped into five broad areas of inquiry. In 2009, ICANN staff issued two requests for proposals inviting responses from qualified independent researchers to quote the cost and feasibility of studying the extent to which public Whois information is used for harmful purposes, and the extent to which registrants have not clearly represented who they are in Whois data. These explorations, and other Whois study-related efforts, will continue into 2010.

The **Security and Stability Advisory Committee** set a new standard for sheer volume of work in 2009. Besides providing valuable technical expertise and education to the ICANN community, it pursued a full set of initiatives all year, including:

- Completing recommendations on how registrars should provide a contact point for receiving reports of abuse
- Developing measures to protect registrant high-value domain name portfolios
- Developing a report on the status of DNSSEC
- Initiating study of the combined effect of IPv6, DNSSEC and IDNs on the DNS infrastructure, in collaboration with the **Root Server System Advisory Committee**
- Assessing the likely impact of Internationalized Domain Names on Whois

At SSAC's request, the ICANN Board passed a resolution calling for the formation of a community working group on internationalized registration data. The SSAC also presented an Advisory recommending the prohibition of redirection and synthesized responses for all top-level domains, a practice that returns links to marketing websites when the proper response should return an error message. The ICANN Board adopted SSAC's recommendation and passed a resolution directing staff to pursue implementation of this restriction.

These and other ongoing policy issues currently involve every aspect of the ICANN community. The breadth and importance of topics within ICANN's remit deserve the attention of the best minds that can be brought to bear. The year 2009 shows that ICANN's policy development efforts provide more opportunities than ever before for volunteers to participate and shape the future of the Internet.

EXECUTION OF THE FISCAL YEAR 2009 OPERATING PLAN

Each year, through a broad consultative process, ICANN creates an Operating Plan along with a proposed Budget needed to execute that plan. The Board approves the plan and associated expenditures. The Operating Plan is a detailed work map for the ICANN organization, which identifies top areas of organizational focus and desired outcomes and deliverables.

The table here summarizes actual fiscal year 2009 results for each initiative identified in the final Operating Plan, which was posted and approved in June 2008, and is available at http://www.icann.org/en/financials/proposed-opplan-budget-v3-fy09-25jun08-en.pdf

SUMMARY OF ACCOMPLISHMENTS IN FISCAL YEAR 2009

FISCAL YEAR 2009 OPERATING PLAN INITIATIVES	ACCOMPLISHMENTS AS OF JULY 2009
1. Complete new gTLD policy implementation	• Two versions of draft applicant guidebook published along with a broad set of issue-specific explanatory memoranda; extensive public consultation in writing and in conferences. These were the first-ever specific, documented implementation processes for community consideration. Generated substantial comment and awareness of this process in the broad Internet community. These documents included concrete proposals for all of the aspects of processing new gTLDs, including dispute resolution, community standards, fees and much more. • Compiled and published detailed analysis of comments received, showing connection between decisions made in the new gTLD process and these comments. • Based on community feedback, ICANN not yet ready to close the implementation definition during fiscal year 2009. Implementation proceeds on a path that strives to move ahead rapidly, while accommodating the legitimate concerns that were raised.
2. Progress on IDN activities	• Provided the community with two detailed implementation plans for the IDN Fast Track Process for consideration. Additionally provided various explanatory memoranda. Conducted extensive discussion of these proposals both on line and in fora around the world. Based on this work, a next version of the implementation plan is intended for final consideration in the first half of fiscal year 2010. • Initiated a process to solicit expressions of interest from potential Fast Track participants around the world, and published the results, informing community of likely scope of Fast Track adoption. • Provided support/facilitation to various technical aspects of IDN process, including consideration of character limits in IDN strings and variants, and tracking the finalization of the IDNA protocol standard in the IETF. • Launched ccNSO IDN policy development process.
3. Strengthen the IANA function and infrastructure	• Announced approach for cooperative DNSSEC signing of the root zone, with partnership of ICANN, VeriSign and the US Department of Commerce, NTIA. Began in earnest the process of detailed plan definition, community consideration, and infrastructure buildout. • Initiated root zone automation testing with VeriSign. Through this testing work, identified further work that will be required in fiscal year 2010 to roll out the project. • Rolled out trust anchor repository as a production service. Delivered more robust IT support for IANA's services. • Provided approach to NRO for randomization of further IPv4 address allocation. • Some process issues deferred until fiscal year 2010, including root zone change request review process.
4. Broaden participation	• Conducted 34 outreach and educational efforts including two group Ministerial meetings, the European commission High Level Group discussion on Internet Governance in Paris and Russian ministerial. • Led/collaborated with others in security, stability and resiliency exercises with ccTLD managers, running five different sessions throughout the year. • Expanded fellowship participation to 60 people around the world, with a focus on new participants. • Published over 95 substantive ICANN documents which equated to over 425 translated documents published in languages other than English. • Conducted in-person and telephonic policy briefings for community members in all 5 ICANN geographic regions, and conducted 6 multilingual webcasts, to educate, inform, encourage involvement in policy activities, and increase participation in supporting organizations and advisory committees. • Created new GNSO constituency application process, conducted international outreach and supported development of community applications for four new GNSO constituencies – first applications in a decade. • Conducted global At-Large summit to support and broaden participation of the individual Internet user community in ICANN. • Increased ccNSO membership to 100 ccTLD operators from all 5 geographic regions. • Increased At-Large community membership to over 120 At-Large user groups from all 5 geographic regions. • Revamped At-Large and GNSO websites to make them more accessible and informative, and to help increase participation of a broader, global set of Internet stakeholders. • Issued monthly policy updates in six languages, and launched podcast and videocast series to educate, inform, encourage involvement in policy activities, and increase participation in supporting organizations and advisory committees.
5. Expand contractual compliance activities	• Completed next stage of significant effort to enforce RAA requirement to investigate Whois data accuracy claims. Followed up on 50,000 valid Whois inaccuracy claims, and performed detailed investigations on approximately 2,700 of these claims. ICANN's investigation efforts resulted in all but 1,026 Whois inaccuracy claims (less than 1%) with an outstanding complaint. Rolled out a new software system to facilitate this effort. • With a focus on registrar compliance through advisories, outreach and education, took action in cases of noncompliance. Terminated/nonrenewed 16 registrar accreditation agreements during the 2009 calendar year.
6. Build out Registry/ Registrar support	• After extensive community consultation and table top exercises (including a test scenario in January), a new gTLD registry continuity plan was published on April 28, 2009. • Concluded contract for, and began implementation of an audit of escrowed data from registrars. This complements program of registrar data escrow, now with more than 98% of generic names in escrow. • Provided appropriate reports on add grace period limits, and facilitated community discussion on related policy work.

FISCAL YEAR 2009 OPERATING PLAN INITIATIVES	ACCOMPLISHMENTS AS OF JULY 2009
7. Further develop policy processes	• Implemented significant aspects of the GNSO improvements plan, including formation of new stakeholder group structures, restructuring and seating of the new GNSO Council, passage of bylaws amendments related to comprehensive changes, and approval of operating procedures for new Council. • Developed improvements to the GNSO's policy development process and structures, including creation of a new working group model of policy development and a proposed new policy development process. • Global policy for autonomous system numbers (ASNs) approved by Board. • Initiated and structured a series of preliminary GNSO investigations into Whois data accuracy and misuse of Whois information. • Conducted over 13 policy projects in the GNSO, including exploration of fast flux, registration abuse, post-expiration domain name recovery, domain name transfers, trademark protections for new gTLDs, vertical separation between registrars and registries, RAA and registrants' rights, and internationalized registration data. • Conducted more than six working group research and discussion efforts in the ccNSO addressing issues such as IDNs, delegation/redelegation, ICANN strategic and operational planning, geographic regions, incident response and wildcarding. • SSAC conducted over six studies and advisories on topics including registrar abuse contacts, impacts of IDN on Whois, DNSSEC, IPv6/DNSSEC/IDN impacts, ICANN's Strategic Plan, and protecting registrant high-value domain name portfolios. • At-Large advice provided on over 12 policy issues, including IDNs, DNS security, IPv4 to IPv6 migration, new gTLDs, registrant/registrar relations, Whois, and domain name transfers, • Initiated review process for the ccNSO and RSSAC during this period. Advanced work on the ICANN Board review, SSAC, NomCom and ALAC to final considerations of recommendations.
8. Carry out security initiatives	• Published ICANN *Plan for Enhanced Internet Security and Resiliency* for public comment. • Established framework for ICANN crisis management for operations, incident response and business continuity • IANA Security Plan revised and issued to DoC. • Collaborated with registry, registrar and others for effective response to DNS abuse. • Successfully conducted ICANN DNS Security Risk symposium in collaboration with Georgia Tech and other partners.
9. Make administrative improvements	• Based on work that began with the President's Strategy Committee, and the subsequent Improving Institutional Confidence initiative, performed outreach and consultations related to conclusion of the Joint Projects Agreement, and explored necessary accountability mechanisms. • Expanded financial reporting to the community; provided functional analysis (projects/functions view) and expense analysis group reporting (in what community interest areas view). Continued to expand public dashboard reporting on financial and nonfinancial aspects of ICANN's work. • Based on further community review, adopted modified community travel approach, and improved administrative support for funded travel members.
10. Effectively administer meetings and events	• Improved several aspects of meeting management: early posting of schedule, longer posting requirements for documents (with more changes planned for fiscal year 2010), new registration mechanisms and more. • Supported meetings outside of ICANN's thrice-annual meeting, including regional registry/registrar meetings, Board retreats,

The Office of the Ombudsman had an active year during 2008–2009. Overall complaints dipped slightly, with 96 intakes. However, jurisdictional complaints rose to 31, a 90 percent increase over the previous year. This means that while the overall number of complaints was smaller, the actual number of issues requiring the intervention of the Ombudsman rose.

During that time the Office of the Ombudsman provided the Board of Directors four formal investigation reports that made eight recommendations for individual or systemic redress or for improvements to ICANN's administrative systems and processes. The Office also provided two informal reports to the institution and to complainants. One was a preliminary report, and the investigation into the complaint will probably continue into next year.

The ICANN bylaws and the Office of the Ombudsman Framework enable the Ombudsman to make reports and recommendations to the Board of Directors. Generally, three possible responses are available to the Board: accept and implement the recommendations; reject the recommendations and provide reasons for the rejection; or accept the recommendations and take further steps to improve fair administrative practices.

At the end of 2008–2009 these eight recommendations and a further three recommendations dating from February 2007 remained before the Board for consideration. The Office of the Ombudsman and the Board will continue work to improve communications to ensure the timely handling of Ombudsman recommendations.

In 2008 the Board of Directors instituted an Ombudsman Support Committee made up of the Chairman, the Chair of the Board Finance Committee, the Chief Operating Officer and the Chief Financial Officer. This committee is to ensure that the Ombudsman, as an independent officer of the organization, receives adequate administrative support and budget planning assistance. This is a very positive step forward in maintaining an independent Office while that is well supported and in alignment with ICANN's overall direction.

The Office of the Ombudsman continues to be a field leader in developing ombudsman evaluations. During the year, the Ombudsman made presentations at international ombudsman fora, attended three ICANN meetings, three ombudsman conferences, and the 8th International Forum on Online Dispute Resolution, and presented training sessions and lectures at several universities and conferences, ultimately participating in 22 outreach or training events.

In November 2008 the Ombudsman received a Doctor of Conflict Resolution from La Trobe University in Melbourne, Australia. His research dealt with developing evaluation blueprints for Ombudsman offices, using the ICANN Office of the Ombudsman as the test case. The research can be found on the Ombudsman website at http://www.icann.org/ombudsman/program.html. The ICANN Office of the Ombudsman may be the most evaluated ombudsman operation in existence, and shows that the Office to be well formulated and functioning well.

In June, the Adjunct Ombudsman, Herb Waye, substituted for the Ombudsman on short notice to more than capably managed the office at the ICANN meeting in Sydney. This effective management of an adjunct program ensures that someone is always available to fulfill the Ombudsman role and to provide service to the community.

The 2009 Ombudsman's Annual Report was delivered in six languages. On four occasions, translation services were provided to complainants who corresponded with the Ombudsman in a language other than English or French. During the fiscal year the Board of Directors approved the Ombudsman Framework as the Office's operational blueprint.

During 2008–2009 ICANN, its staff and volunteers continued to deal with potential conflicts on a proactive basis. During the year members of the organization contacted the Ombudsman wishing to identify conflicts and to proactively explore methods to bring community members in dispute to the Office to resolve matters at the lowest possible conflict temperature.

All of this was accomplished on time and under budget, and as a sole practitioner office.

The ICANN Nominating Committee selects eight members of ICANN's Board of Directors, three members of the Council of the Country Code Names Supporting Organization (ccNSO), three members of the Council of the Generic Names Supporting Organization (GNSO), and five members of the At-Large Advisory Committee (ALAC). The 2009 Nominating Committee had 22 members; 17 voting and five nonvoting. The chair is appointed by the Board, the associate chair is appointed by the chair, and the previous chair serves a second term as advisor to the new Nominating Committee. None of these positions is a voting position.

The ICANN Board appointed former ICANN Director Tricia Drakes Chair of the 2009 Nominating Committee. Alan Levin was appointed Associate Chair, and Hagen Hultzsch became Advisor to the Committee. The 2009 Nominating Committee had two face-to-face meetings. The first meeting involved orientation and discussion regarding its processes and procedures and took place following the ICANN meeting in Cairo in November 2008. The call for statements of interest was posted on 2 December 2008 with a closing date of 15 April 2009. Nominating Committee members conducted extensive outreach during that time, which resulted in 86 statements of interest being received.

Odgers Berndtson, an executive search firm based in Frankfurt, Germany, was retained to assist with candidate assessment, including candidate interviews. Candidate reviews were based on Odgers Berndtson's assessments, in addition to references provided with statements of interest and some telephone interviews.

The second meeting to select the nominees took place at the conclusion of the ICANN meeting in Sydney in June 2009. During this meeting, the 2009 Nominating Committee selected:

- Three members of the ICANN Board of Directors: Rajasekar Ramaraj of India (second term), Gonzalo Navarro of Chile, and George Sadowsky of the United States

- Two members of the Council of the Generic Names Supporting Organization (GNSO): Olga Cavalli of Argentina (second term) and Andrey Kolesnikov of the Russian Federation.

- One member of the Council of the Country Code Names Supporting Organization (ccNSO): J. Beckwith (Becky) Burr of the United States (second term).

- Three members of the At-Large Advisory Committee (ALAC) from the Asia/Pacific/Australia, Africa and Latin America/Caribbean regions: James Seng, a Malaysian citizen residing in China, Dave Kissoondoyal of Mauritius, and Carlton Samuels of Jamaica.

Those selected took their seats at the conclusion of the ICANN annual general meeting in Seoul on 30 October 2009.

Nominating Committee Review

In 2007, ICANN's Board Governance Committee approved a plan for review of the Nominating Committee, and Interisle Consulting Group was engaged to conduct the review. Following public comments and a workshop on the report produced by Interisle, a first Nominating Committee review working group presented a report to the Board Governance Committee.

When the Structural Improvements Committee took over coordination of the organizational review processes from the BGC, a NomCom review finalization working group was established to update the conclusions and recommendations of the first working group report. Following consultations and review of relevant documents, the NomCom review finalization working group issued its draft report on 5 October 2009 for presentation at the Seoul meeting and for public comments until 22 November 2009 (http://www.icann.org/en/public-comment/#nomcom-review-2009).

This 2009 annual report covers calendar year 2009, except for the sections on financial reporting. Those sections report through end of fiscal year 30 June 2009.

Each year, ICANN's financial statements are audited by an independent auditor. The most recently audited comparative financial statements for fiscal years ending 30 June 2008 and 30 June 2009 are posted at http://www.icann.org/en/financials/adopted-opplan-budget-fy10-07jul09-en.pdf.
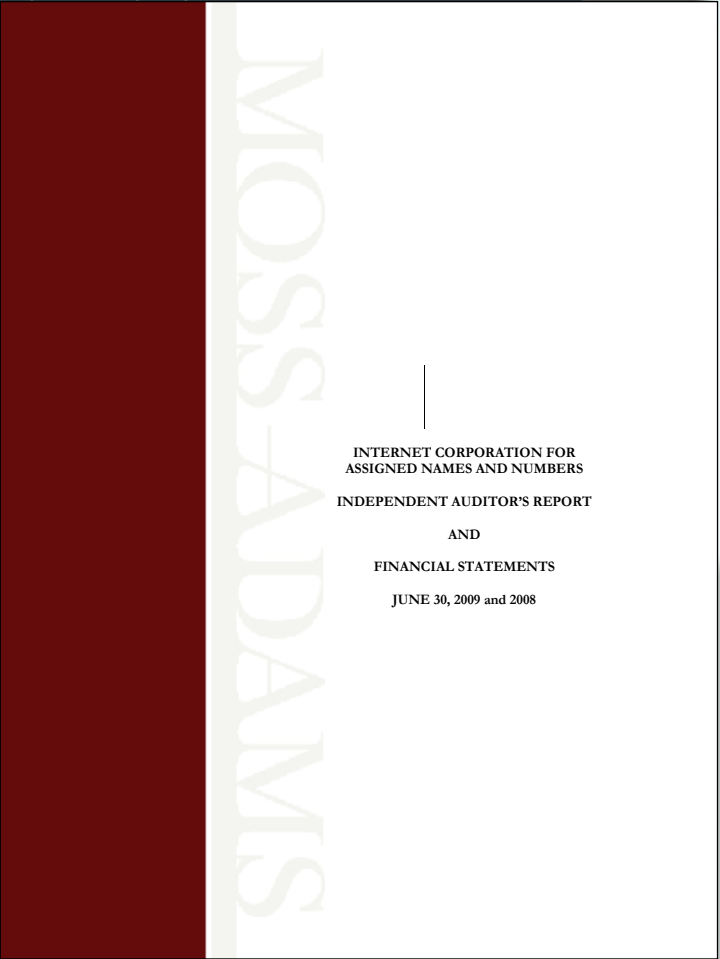
MOSS-ADAMS

INTERNET CORPORATION FOR
ASSIGNED NAMES AND NUMBERS

INDEPENDENT AUDITOR'S REPORT

AND

FINANCIAL STATEMENTS

JUNE 30, 2009 and 2008

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MOSS-ADAMS LLP

CERTIFIED PUBLIC ACCOUNTANTS | BUSINESS CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors (Board)
Internet Corporation for Assigned Names and Numbers

We have audited the accompanying statements of financial position of Internet Corporation for Assigned Names and Numbers (ICANN) as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of Internet Corporation for Assigned Names and Numbers. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ICANN's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Internet Corporation for Assigned Names and Numbers as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Moss Adams LLP

Los Angeles, California
October 15, 2009

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INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

STATEMENTS OF FINANCIAL POSITION

YEARS ENDED JUNE 30,	2009	2008
Amounts are rounded to the nearest thousand in US Dollars		
ASSETS		
Cash and cash equivalents	$ 27,122,000	$ 22,005,000
Accounts receivable, net	11,758,000	12,456,000
Investments	30,439,000	24,773,000
Prepaid expenses	919,000	14,000
Other assets	345,000	404,000
Capital assets, net	2,646,000	1,316,000
Total assets	$ 73,229,000	$ 60,968,000
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued liabilities	$ 9,753,000	$ 5,402,000
Deferred revenue	10,205,000	9,141,000
Total liabilities	19,958,000	14,543,000
Unrestricted net assets	53,271,000	46,425,000
Total liabilities and net assets	$ 73,229,000	$ 60,968,000

See accompanying notes to financial statements.   2

INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30,	2009	2008
Amounts are rounded to the nearest thousand in US Dollars		
UNRESTRICTED SUPPORT AND REVENUE		
Domain name registry and registrar fees	$ 54,821,000	$ 45,299,000
Address registry fees	823,000	823,000
Accreditation fees	3,853,000	3,667,000
Application fees	103,000	115,000
Other revenue	644,000	471,000
Total support and revenue	60,244,000	50,375,000
EXPENSES		
Personnel	19,768,000	16,746,000
Travel and meetings	10,458,000	9,449,000
Professional services	12,698,000	8,854,000
Administration	7,530,000	4,957,000
Bad debt expense (recovery)	837,000	(462,000)
Total expenses	51,291,000	39,544,000
Other (loss) income		
Interest income	227,000	585,000
Investment (loss)	(2,334,000)	(227,000)
Total other (loss) income	(2,107,000)	358,000
Change in net assets	6,846,000	11,189,000
UNRESTRICTED NET ASSETS		
Beginning of year	46,425,000	35,236,000
End of year	$ 53,271,000	$ 46,425,000

See accompanying notes to financial statements.   3

INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30,		2009		2008
Amounts are rounded to the nearest thousand in US Dollars				
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	$	6,846,000	$	11,189,000
Adjustments to reconcile change in net assets to cash provided by operating activities:				
Depreciation expense		1,105,000		259,000
Bad debt expense (recovery)		837,000		(462,000)
Unrealized loss		2,334,000		227,000
Loss on exchange of capital asset		63,000		-
Changes in operating assets and liabilities				
Accounts receivable		(139,000)		2,976,000
Prepaid expenses		(906,000)		256,000
Other assets		59,000		(307,000)
Accounts payable and accrued liabilities		4,352,000		1,133,000
Deferred revenue		1,063,000		1,697,000
Net cash provided by operating activities		15,614,000		16,968,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of capital assets		(2,497,000)		(994,000)
Purchases of investments		(8,000,000)		(25,000,000)
Net cash used in investing activities		(10,497,000)		(25,994,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		5,117,000		(9,026,000)
CASH & CASH EQUIVALENTS				
Beginning of year		22,005,000		31,031,000
End of year	$	27,122,000	$	22,005,000

INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION

The Internet Corporation for Assigned Names and Numbers (ICANN) was established in September 1998 under the laws of the state of California as a non-profit public benefit corporation.

ICANN coordinates a select set of the Internet's technical management functions, such as the assignment of protocol parameters, the management of the domain name system, the allocation of Internet protocol (IP) address space, and the management of the root server system. Categories of Internet domains include Generic Top Level Domains (gTLDs) examples of which are *.com, .net, .org,* and *.edu* domains and Country Code Top Level Domains (ccTLDs), examples of which are *.us, .uk, .de,* and *.fr.* ICANN recognizes revenue when services are rendered. ICANN's primary sources of revenue are from domain name registration activities and DNS service providers as follows:

- **Domain name registry and registrar fees** for the registration and administration of Internet domain names. These fees include: 1) *Transaction fees from registrants of domain names via ICANN accredited registrars and gTLD registries* which are charged based upon a set rate per domain name registration, renewal, or transfer, and 2) *Fixed fees* which are amounts paid by registrars and registries based on amounts set in their contracts for services rendered and/or rights given. ICANN also receives contributions and grants from other organizations.
- **Address registry fees** from organizations responsible for the assignment and administration of Internet addresses.
- **Accreditation fees** from ICANN accredited registrars for initial and annual accreditation renewal.
- **Application fees** from applicants seeking to become an ICANN accredited domain name registrar.

ICANN has three supporting organizations which serve as advisory bodies to the ICANN board of directors with respect to internet policy issues and structure within three specialized areas, including the system of IP addresses and the domain name system. The three supporting organizations are the Address Supporting Organization (ASO), Generic Names Supporting Organization (GNSO), and the Country Code Domain Name Supporting Organization (CCNSO). These supporting organizations are the primary source of substantive policy recommendations for matters lying within their respective specialized areas. The supporting organizations are not separately incorporated entities. Transactions handled by ICANN on behalf of GNSO are included in the accompanying financial statements.

ICANN provides accounting support to the Registrar Constituency, a constituency within the ICANN community which serves as the representative for registrars and their customers. The accompanying financial statements do not reflect the financial results of the Registrar Constituency.

INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The financial statements of ICANN have been prepared on the accrual basis of accounting. ICANN recognizes contributions, including unconditional promises to give, as revenue in the period received. Contributions and net assets are classified based on the existence or absence of donor-imposed restrictions. As such, the net assets of ICANN and the changes therein are classified and reported as follows:

- *Unrestricted net assets* - Net assets that are not subject to donor-imposed stipulations and that may be expendable for any purpose in performing the objectives of ICANN. ICANN's Board adopted an investment policy in November 2007. This investment policy established a Board designated Reserve Fund which limits use of the Reserve Fund based upon specific Board actions. All investments are designated under the Reserve Fund.

- *Temporarily restricted assets* - Net assets subject to donor-imposed stipulations that may or will be met either by actions of ICANN and/or the passage of time. As the restrictions are satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying financial statements as net assets released from restrictions.

- *Permanently restricted net assets* - Net assets for which the donor has stipulated that the principal be maintained in perpetuity, but permits ICANN to use, or expend, all or part of the income derived from the donated assets for general or specific purposes, subject to statutory regulations.

As of June 30, 2009 and 2008, ICANN had no permanently or temporarily restricted net assets.

Cash and cash equivalents - Cash and cash equivalents include deposits in bank, money market accounts, and marketable commercial paper. ICANN considers all cash and financial instruments with maturities of three months or less when purchased by ICANN to be cash and cash equivalents.

Accounts receivable, net - Accounts receivable are net of allowances for doubtful accounts of $923,000 and $600,000 as of June 30, 2009 and 2008, respectively. On a periodic basis, ICANN adjusts its allowance based on an analysis of historical collectibility, current receivables aging, and assessment of specific identifiable customer accounts considered at risk or uncollectible. ICANN had two major registries/registrars totaling approximately $27,642,000 or 45% of the total support in fiscal year 2009 and $22,237,000 or 44% of total support and revenue in fiscal year 2008. ICANN had accounts receivable amounting to approximately $3,991,000 and $3,881,000 due from these two major registries/registrars at June 30, 2009 and 2008, respectively.

ICANN had bad debt expense of approximately $837,000 and recovery of bad debt expense of approximately $462,000 during the years ended June 30, 2009 and 2008, respectively.

Investments - Investments in marketable securities are carried at fair value, based on quoted market prices.

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INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Effective July 1, 2008, ICANN adopted Statement of Financial Accounting Standard (SFAS) No. 157, "Fair Value Measurements" which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. SFAS No. 157 has been applied prospectively as of the beginning of the year. SFAS No. 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS No. 157 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The investments held by ICANN are Level 1 assets, which are defined as assets with quoted prices in active markets with other observable inputs.

Capital assets - Capital assets consist of capitalized computer equipment, software, furniture and fixtures and leasehold improvements and are stated at cost or, for contributed items, at fair market value at date of contribution. Capital assets are depreciated using the straight-line method over their estimated useful lives, which range from three to seven years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful life or the remaining lease term. Acquisitions in excess of $10,000 and one year useful life are capitalized. In June 2009, ICANN revised the estimated useful lives of computer equipment from five years to three years. The change in estimate is accounted for on a prospective basis.

Deferred revenue - Revenue is recognized during the period earned, regardless of when the fee is billed. All transaction years are billed during the quarter in which the transaction agreement is signed. However, a registrar may elect to have their multi-year transaction fees billed on a deferred basis. Fees relating to future periods are recorded as deferred revenue until earned.

Advertising costs - Advertising costs are expensed in the period incurred. Advertising costs amounted to approximately $173,000 and $94,000, for the years ended June 30, 2009 and 2008, respectively.

Income taxes - ICANN is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Pursuant to FASB Staff Position (FSB) Financial Interpretation (FIN) 48-3, management has elected to defer the application of FIN 48-"Accounting for Uncertainty in Income Taxes" to fiscal years beginning after December 15, 2008. ICANN evaluates uncertain tax positions in accordance with FASB Statement No. 5, Accounting for Contingencies whereby the effect of the uncertainty would be recorded if the outcome was considered probable and reasonably estimable. As of June 30, 2009 and 2008, there were no uncertain tax positions requiring accrual.

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INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional allocation of expenses - Expenses that can be identified to a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on methods determined by management. ICANN's expenses are classified approximately as follows for the fiscal years ended June 30:

	2009	2008
Program services	$ 36,687,000	$ 28,631,000
Support services: management and general	14,604,000	10,913,000
Total expenses	$ 51,291,000	$ 39,544,000

Concentration of credit risk - Financial instruments which potentially subject ICANN to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable, and investments. ICANN places its cash with major, creditable financial institutions. Cash held at these financial institutions may, at times, exceed the amount insured by the Federal Deposit Insurance Corporation. Concentration of credit risk with respect to receivables is mitigated by the diversity of registries/registrars comprising ICANN's registry/registrar base. ICANN places its investments with a major, creditable investment broker. The investments held are subject to volatility of the market and industries in which they are invested.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications - Certain 2008 amounts have been reclassified in the financial statements to conform to the 2009 presentation. These reclassifications have no impact on net assets.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable is comprised of the following as of June 30:

	2009	2008
gTLD registries and registrars	$ 11,875,000	$ 11,779,000
IP address registries	-	823,000
ccTLD's	766,000	451,000
Other	40,000	3,000
	12,681,000	13,056,000
Less: allowance for doubtful accounts	(923,000)	(600,000)
	$ 11,758,000	$ 12,456,000

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INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - INVESTMENTS

Investments consist of the following as of the years ended June 30:

	2009	2008
Equity investments	$ 8,110,000	$ 8,190,000
Fixed income investments	22,329,000	16,583,000
Total	$ 30,439,000	$ 24,773,000

Net investment loss is comprised of the following for the years ended June 30:

	2009	2008
Security earnings	$ 2,230,000	$ 587,000
Realized and unrealized losses	(4,373,000)	(702,000)
Management fees and other	(191,000)	(112,000)
Total net investment (loss)	$ (2,334,000)	$ (227,000)

NOTE 5 - CAPITAL ASSETS

Capital assets consist of the following as of June 30:

	2009	2008
Computer equipment	$ 3,525,000	$ 1,453,000
Computer software	267,000	20,000
Furniture and fixtures	295,000	322,000
Leasehold improvements	230,000	294,000
	4,317,000	2,089,000
Less: accumulated depreciation	(1,671,000)	(773,000)
	$ 2,646,000	$ 1,316,000

NOTE 6 - LEGAL MATTERS

In the ordinary course of business, ICANN is occasionally named as a defendant in lawsuits and may be involved in other alternative dispute resolution proceedings. Management is unable at this time to determine the probable outcome or the effect, if any, that these matters may have on the financial position and the ongoing operations of ICANN. Accordingly, the accompanying financial statements do not include a provision for any losses that may result from ICANN's current involvement in legal matters.

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INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 7 - RELATED PARTY TRANSACTIONS

During the years ended June 30, 2009 and 2008, ICANN's President and Chief Executive Officer (CEO), Dr. Paul Twomey's services were provided to ICANN through a professional services agreement with Argo Pacific Party Limited (Argo Pacific), an Australian Proprietary Company. Dr. Twomey is the owner/founder of Argo Pacific.

Payments were made to Argo Pacific under a contractual arrangement with ICANN (the terms of which have been approved by the ICANN Board of Directors) for the provision of Dr. Twomey's professional services, benefits allowance, and for related expenses (incidental travel, telecommunications, computer supplies, and office supplies).

Pursuant to the agreement, during the year ended June 30, 2009, Argo Pacific was paid $213,000 associated with Dr. Twomey's employee benefits, $453,000 in base compensation, and $113,000 in bonuses. Argo Pacific's agreement with ICANN is denominated in Australian Dollars. ICANN's functional currency is in US Dollars, thus the payments to Argo Pacific are impacted by exchange rate fluctuations between the US dollar and Australian dollar. During the year ended June 30, 2008, Argo Pacific was paid $256,000 associated with Dr. Twomey's employee benefits, $543,000 in base compensation, and $148,000 in bonuses. Reimbursements made to Argo Pacific for related expenses such as travel, telecommunications, and office supplies amounted to $18,000 and $25,000 for the years ending June 30, 2009 and 2008, respectively. Total payments made to Argo Pacific for the years ended June 30, 2009 and 2008, were approximately $797,000 and $972,000, respectively.

Amounts included in accounts payable and accrued liabilities, due to Argo Pacific, were $7,000 as of June 30, 2009 and 2008.

In addition to the specific disclosures above, ICANN may enter into or consider participation in small, arm's length transactions between ICANN and certain taxable organizations in which certain of ICANN's directors or officers (or members of their families) may have an affiliation. Under ICANN's Conflicts of Interest policy, all officers and directors are required to disclose any potential conflicts before entering into discussion on such matters. In addition, the Board Committee responsible for conflicts of interest reviews all of the Board member conflicts of interest statements. As of June 30, 2009 and 2008, there were no significant conflicts of interests that existed.

There are two unsecured non-interest bearing advances to two officers. The advances total $21,000 as of June 30, 2009.

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INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 8 - COMMITMENTS

ICANN leases its offices and certain other facilities under operating lease agreements. The lease agreements have various termination clauses requiring three to thirty four months rent for early termination. Minimum expected payments under operating leases for the future years ending June 30 are approximately:

2010	$	1,751,000
2011		1,219,000
2012		1,111,000
2013		77,000
Total	$	4,158,000

Rent expense amounted to approximately $1,586,000 and $1,211,000 for the years ended June 30, 2009 and 2008, respectively. ICANN also has pass-through and additional charges from certain sublessors which are not included in the minimum expected payments above. The pass-through and additional charges cannot be reasonably estimated for future periods. Pass-through and additional charges amounted to approximately $196,000 and $143,000 for the years ended June 30, 2009 and 2008, respectively.

NOTE 9 - DEFINED CONTRIBUTION PENSION PLAN

ICANN's 401(k) Plan (the "Plan") is available to all employees in the United States at the first of the month following hire date with ICANN. ICANN contributes 5% of employee's salary to the plan regardless of employee contributions. ICANN also matches employee contributions up to 10% of the employee's annual salary. Employer contributions recognized for the years ended June 30, 2009 and 2008 amounted to approximately $1,341,000 and $1,083,000, respectively.

NOTE 10 - SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the Statement of Financial Position date but before financial statements are available to be issued. ICANN recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the Statement of Financial Position, including the estimates inherent in the process of preparing the financial statements. ICANN's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the Statement of Financial Position but arose after the Statement of Financial Position date and before financial statements are available to be issued.

ICANN has evaluated subsequent events through October 15, 2009, which is the date the financial statements are available for issuance. The following subsequent events did not exist as of the Statement of Financial Position date but arose before the financial statements were issued.

On July 1, 2009, Rod Beckstrom was elected President and CEO of ICANN by the Board of Directors, succeeding Dr. Paul Twomey. Dr. Twomey will serve as Senior President through December 31, 2009 to facilitate the transition to Mr. Beckstrom.

On September 9, 2009, $11,000,000 was transferred from the Operating fund to the Reserve Fund with Board approval.

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INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS

NOTES TO FINANCIAL STATEMENTS

NOTE 10 - SUBSEQUENT EVENTS (Continued)

On September 30, 2009, ICANN executed an Affirmation of Commitments document which replaced the expiring Joint Project Agreement with the Department of Commerce. The document ensures a long standing commitment to the ICANN model in order to coordinate the Internet's unique identifiers and places review of ICANN's performance in the hands of the ICANN community.

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ICANN
Statements of Financial Position - Variance Analysis
30 June 2009 vs. 30 June 2008

		30-Jun-09	30-Jun-08	Variance Amount	%
ASSETS					
Cash and cash equivalents	(A)	$ 27,121,856	$ 22,005,094	$5,116,763	23.3%
Accounts receivable, net	(B)	11,757,804	12,456,063	(698,258)	-5.6%
Investments	(C)	30,438,835	24,773,127	5,665,708	22.9%
Prepaid expenses	(D)	919,493	13,454	906,040	6734.6%
Other assets		344,898	404,326	(59,428)	-14.7%
Capital assets, net	(E)	2,645,589	1,316,405	1,329,184	101.0%
Total assets		$ 73,228,476	$ 60,968,467	$ 12,260,009	20.1%
LIABILITIES					
Accounts payable and accrued	(F)	$ 9,753,162	$ 5,402,155	4,351,007	80.5%
Deferred revenue	(G)	10,204,858	9,141,367	1,063,492	11.6%
Total liabilities		19,958,020	14,543,522	$ 5,414,499	37.2%
NET ASSESTS					
Unrestricted	(H)	53,270,455	46,424,948	6,845,508	14.7%
Total liabilities and net assets		$ 73,228,476	$ 60,968,469	$ 12,260,006	20.1%

EXPLANATION OF MATERIAL VARIANCES - JUNE 2009 VS. JUNE 2008:

(A) Cash and cash equivalents increased by $5.1 million due to higher registry and registrar revenue generated during FY09 as well as the timing of payments associated with capital assets, professional services, and travel related costs (these amounts were accrued for at year-end but had not yet been paid). The increase in Cash was partially offset by the transfer of $8 million to the Board Restricted Reserve Fund (investments) during FY09.

(B) Accounts receivable, net, represents both billed and accrued receivable balances. The decrease of $698K is primarily attributable to timing of collections as a majority of fees are billed on a quarterly basis (i.e., July, October, January and April), and collected in subsequent months.

(C) ICANN's Strategic Plan calls for the full funding of a financial reserve equivalent to one year's operating expenses within three to five years. In November 2007, the Board adopted an investment policy which established a Board designated Reserve Fund.The Investments represent the Board designated Reserve fund. The Reserve fund increased $5.7 million in FY09 due to an additional investment of $8 million, partially offset by investment losses of $2.3 mil, or 6.9%, during the year ended 30 June 2009.

(D) Prepaid expenses increased $906K due to the timing of payments as capital assets amounting to $602K were purchased and received in FY09 were not placed into service until FY10. Additionally, operating expenses such as rent, subscription and license fees of $317K were paid in FY09 but were related to FY10.

(E) Capital asset, net, are comprised of computer equipment and software, furniture and fixtures and leasehold improvements. The FY09 increase of $1.3 million is primarily due to asset additions of $2.5 million, partially offset by depreciation expense of $950K and disposals of $220K.

(F) Accounts payable and accrued liabilities increased $4.4 million due primarily to capital expenditures of $1.5 million made during the final months of FY09 but not yet paid at year-end, increased professional services accrued for at year-end FY09 of $1.0 million and increased travel related costs accrued at year-end FY09 of $1 million due to the higher number of ICANN staff and ICANN travel supported constituents.

(G) Deferred revenue represents fees relating to future periods paid to ICANN but not yet earned. The increase of $1.1 million is primarily attributable to higher revenue during FY09.

(H) Unrestricted net assets increased by $6.8 million. The increase in unrestricted net assets represents the result of operations for FY09 as reported on the Statement of Activities.

ICANN
Statements of Activities - Variance Analysis
30 June 2009 vs. 30 June 2008

		30-Jun-2009	30-Jun-2008	Variance Amount	%
SUPPORT AND REVENUE					
Domain name registry and regis	(I)	$54,820,574	$45,299,240	$9,521,334	21.02%
Address registry fees		823,000	823,001	(1)	0.00%
Accreditation fees	(J)	3,852,667	3,667,333	185,333	5.05%
Application fees		102,500	115,000	(12,500)	-10.87%
Other revenue	(K)	644,400	470,670	173,730	36.91%
Total support and revenue		60,243,140	50,375,244	9,867,896	19.59%
EXPENSES					
Personnel	(L)	19,767,871	16,746,028	3,021,843	18.05%
Travel and meetings	(M)	10,458,178	9,448,853	1,009,325	10.68%
Professional services	(N)	12,697,774	8,853,969	3,843,805	43.41%
Administration	(O)	7,529,511	4,956,743	2,572,767	51.90%
Bad debt expense (recovery)	(P)	836,917	(461,567)	1,298,484	-281.32%
Total expenses		51,290,251	39,544,027	11,746,224	29.70%
Other income (loss)					
Interest income	(Q)	226,910	584,779	(357,868)	-61.20%
Investment income (loss)	(R)	(2,334,292)	(226,873)	(2,107,419)	928.90%
Total other income (loss)		(2,107,382)	357,906	(2,465,287)	-688.81%
CHANGE IN UNRESTRICTED NET ASSETS		$ 6,845,508	$ 11,189,123	$ (4,343,616)	-38.82%

EXPLANATION OF MATERIAL VARIANCES - JUNE 2009 VS. JUNE 2008:

(I) Revenue growth was in line with expectations as planned for in the FY09 Adopted Operating Plan and Budget. Domain name registry and registrar fees increased $9.5 million primarily due to the increase in contracted gTLD registry fees of $4 million, the introduction of Add Grace Period Delete (AGPD) fees to registrars in FY09 of $3.5 million, as well as the overall steady growth of the domain name market and number of domain name transactions.

(J) Accreditation fees are based on a fee of $4,000 per year for each renewing registrar. Accreditation fees increased $185K due to an increase in registrars renewing their accreditations.

(K) Other revenue is primarily comprised of sponsorships revenue related to companies wishing to contribute to the ICANN meeting experience. Sponsoring companies receive special services during an ICANN meeting, depending on the level of sponsorship. The increase of $174K is primarily due to additional sponsors added in FY09 and greater sponsorship revenue from certain sponsors in FY09.

(L) Personnel expenses increased $3.0 million in FY09 over FY08 to account for the growth in the operating plan for ICANN. The increase was not as high as expected in the adopted FY09 Operating Plan and Budget due to timing of hiring later in the fiscal year.

(M) Travel and Meeting costs at ICANN are primarily incurred for two purposes. One category of costs is for the ICANN meetings and regional meetings. This includes the costs of the venue and services required for the meetings as well as the airfare, lodging, and meals costs for staff, Board members, vendors, and representatives of constituencies who attend these meetings. The other category of travel costs is for required travel (outside of major ICANN meetings) by ICANN staff, Board, and others in order to execute ICANN's operations. Travel and meetings expenses increased in FY09 by $1.0 million due in part to increase staff headcount, as noted above, as well as additional funds were expended for FY09 for constituency travel support. During FY09, there were additional fellowship recipients who received ICANN travel support. In addition, travel support was extended to the participants of the At Large Summit during the ICANN Mexico City meeting. Lastly, meetings support costs such as audio/visual, meeting planners and translators increased during FY09 in response to community requirements. Some costs were reduced by travel management efforts such as coordinated booking of staff travel and requiring economy class travel to ICANN meetings.

(N) Professional services increased $3.8 milion in FY09 over FY08 reflecting expected increases approved in the FY09 Operating Plan and Budget. Developing the implementation plan for the new gTLD program, developing operational readiness for processing new gTLD applications, contractual compliance efforts, security-stability-resiliency activities, policy development initiatives, and global engagement commitments are the organizational activities that required additional professional services in FY09 as anticipated in the adopted plan.

(O) Administration expenses increased $2.6 million due to higher depreciation expense of $689K related to additional capital expenditures in 2009; increased rent expense of $375K due to additional space rented in Marina del Rey to accommodate new staff hired in FY09; increased staff and other travel costs of $367k; increased telephone and network related expense, software and staff training of $805K to accommodate additional staff as well as upgrade existing systems.

(P) Bad debt expense is based upon A/R due from registrars and registries that is estimated to be uncollectable based upon specific identification of accounts and historical trends. Bad debt expense amounted to $837K for FY09. In FY08, ICANN had a net recovery of bad debt expense based on an analysis performed at fiscal year end 2008 of collectible receivables which determined the bad debt allowance to be over-accrued.

(Q) Interest income decreased $368K due to the transfer of $8 million from the Operating fund to the Reserve fund (investments) during FY09 as well as the low interest rate environment expereinced during FY09.

(R) Investment income (loss) represents the fund performance related to the Board designated Reserve fund. The FY09 increase in investment loss of $2.1 million is attributable to the significant world-wide market declines especially in the winter of 2008 (i.e., fiscal 2009) which were partially offset by gains experienced later in fiscal year 2009.

ICANN's three types of accountability

ICANN is accountable in three ways:

1. Public sphere accountability which deals with mechanisms for assuring stakeholders that ICANN has behaved responsibly;

2. Corporate and legal accountability which covers the obligations that ICANN has through the legal system and under its bylaws; and

3. Participating community accountability that ensures that the Board and executive perform functions in line with the wishes and expectations of the ICANN community.

ICANN is accountable to the global community; however, the nature of ICANN's unique mission does not permit members of the organization that could exert undue influence and control over ICANN's activities. Thus by not having any statutory members, ICANN is accountable to the public at-large rather than to any specific member or group of members. This construct helps eliminate the specter of antitrust violations by allowing ICANN to operate in the best interests of the public at large rather than in the individual interests of certain members. This construct also allows ICANN to work collaboratively, rather than compete, with the various constituents of the Internet community.

Under ICANN's corporate structure, supporting organizations and other bodies within ICANN representing certain sectors of the participating community are entitled to elect directors to ICANN's Board. These directors, in turn, owe all of the duties of a director to ICANN in their roles as members of the Board. These duties for a director of care, inquiry, loyalty and prudent investment to the corporation and its constituencies take supremacy over the interests of the electing organization. Each member of ICANN's board is accountable to the participating community as a whole through his or her fiduciary duties and is required to make decisions that are in the best interests of the corporation and community at large.

The ultimate legal accountability of the organization lies with the Board, not with the individuals and entities that make up the ICANN community. Under California corporate law, ICANN's Board of Directors is charged with overall responsibility for the management of the business and affairs of the corporation. The general legal duties of an ICANN director are owed to the corporation itself, and the public at large, not to individual interests within the ICANN community. The directors may therefore on occasion have to make decisions that run counter to the interests of individuals or groups in the community in order to properly address the directors' broader fiduciary duties or to comply with other legal obligations.

1. Accountability in the Public Sphere

Public sphere accountability is one important aspect of ICANN accountability, and is relevant to the extent that ICANN performs a public trust function. This form of accountability is similar in some ways to that which would apply to governments and government officials. The salient aspects of public sphere accountability for ICANN are that its processes are transparent, that it discloses information to its community, that there are mechanisms for the reconsideration of decisions and that there is a process of audit or evaluation to check that procedures have been followed and that standards have been upheld.

This accountability is supported by various means:

A. The ICANN bylaw requirements for transparency;

B. An Information Disclosure Policy that guides the provision of information concerning ICANN's operational activity to the public;

C. A Dispute Resolution Framework that outlines the mechanisms available for individuals who believe that they have not been treated fairly in their dealings with ICANN;

D. A statement of Financial Accountability that outlines the monitoring of financial viability and governance during the budget cycle; and the reporting mechanisms that ensure transparency of ICANN financial matters.

A. Commitments to Transparency in the ICANN Bylaws

ICANN's bylaws are very clear about the need for ICANN to uphold the standards of transparency appropriate for an organization that operates in an environment of public trust. Indeed, ICANN's bylaws (http://www.icann.org/general/bylaws.htm#I) state that:

ICANN and its constituent bodies shall operate to the maximum extent feasible in an open and transparent manner and consistent with procedures designed to ensure fairness.

(Article III, Section 1)

The bylaws also state that in performing its mission, a set of core values should guide the decisions and actions of ICANN These include:

7. *Employing open and transparent policy development mechanisms that (i) promote well-informed decisions based on expert advice, and (ii) ensure that those entities most affected can assist in the policy development process.*

8. *Making decisions by applying documented policies neutrally and objectively, with integrity and fairness.*

9. *Acting with a speed that is responsive to the needs of the Internet while, as part of the decision-making process, obtaining informed input from those entities most affected.*

10. *Remaining accountable to the Internet community through mechanisms that enhance ICANN's effectiveness.*

(Article I, Section 2)

In addition, under the bylaws if the Board is considering policies for adoption that substantially affect the operation of the Internet or third parties, including the imposition of any fees or charges, ICANN must:

- Provide public notice on its website explaining what policies are being considered for adoption and why, at least 21 days (and if practical, earlier) prior to any action by the Board.

- Provide a reasonable opportunity for parties to comment on the adoption of the proposed policies, to see the comments of others, and to reply to those comments prior to any action by the Board.

- In those cases where the policy affects public policy concerns, request the opinion of the Governmental Advisory Committee (GAC) and take into account any advice presented by the GAC on its own initiative or at the Board's request.

- Where it is both practically feasible and consistent with the relevant policy development process, an in-person public forum also must be held for discussion of any proposed policies prior to any final Board action.

- After taking action on any policy subject undertaken through this process, the Board must publish in the meeting minutes the reasons for any action taken, the vote of each Director voting on the action, and the separate statement of any Director who chooses to publish such a statement.

B. ICANN Documentary Information Disclosure Policy

ICANN's Documentary Information Disclosure Policy is intended to ensure that information contained in documents concerning ICANN's operational activities, and within ICANN's possession, custody, or control, is made available to the public unless there is a compelling reason for confidentiality.

A principal element of ICANN's approach to transparency and information disclosure is the identification of a comprehensive set of materials that ICANN makes available on its website as a matter of course.

Specifically, ICANN has:

- Identified many of the categories of documents that are already made public as a matter of due course

- Developed a time frame for responding to requests for information not already publicly available

- Identified specific conditions for nondisclosure of information

- Described the mechanism under which requestors may appeal a denial of disclosure

Documents Made Public in Due Course

ICANN posts on its website at www.icann.org, numerous categories of documents in due course. A list of those categories follows:

- Annual Reports – http://www.icann.org/annualreport

- Articles of Incorporation – http://www.icann.org/general/articles.htm

- Board Meeting Transcripts, Minutes and Resolutions –

 http://www.icann.org/minutes/

- Budget – http://www.icann.org/general/financial.html

- Bylaws (current) – http://www.icann.org/general/bylaws.htm

- Bylaws (archives) – http://www.icann.org/general/archive-bylaws

- Correspondence – http://www.icann.org/correspondence/

- Financial Information – http://www.icann.org/general/financial.html

- Litigation documents – http://www.icann.org/general/litigation.htm

- Major agreements – http://www.icann.org/general/agreements.htm

- Monthly Registry reports – http://www.icann.org/tlds/monthly-reports/

- Operating Plan – http://www.icann.org/planning

- Policy documents – http://www.icann.org/general/policy.html

- Speeches, Presentations and Publications – http://www.icann.org/presentations/

- Strategic Plan – http://www.icann.org/planning

- Material information relating to the Address Supporting Organization (ASO) – http://aso.icann.org/docs/index.html including ASO policy documents, Regional Internet Registry (RIR) policy documents, guidelines and procedures, meeting agendas and minutes, presentations, routing statistics, and information regarding the RIRs

- Material information relating to the Generic Names Supporting Organization (GNSO) – http://gnso.icann.org/ – including correspondence and presentations, council resolutions, requests for comments, draft documents, policies, reference documents (see http://gnso.icann.org/reference-documents.htm), and council administration documents (see http://gnso.icann.org/council/docs.shtml)

- Material information relating to the Country Code Names Supporting Organization (ccNSO) – http://ccnso.icann.org – including meeting agendas, minutes, reports, and presentations

- Material information relating to the At Large Advisory Committee (ALAC) – http://alac.icann.org – including correspondence, statements, and meeting minutes

- Material information relating to the Governmental Advisory Committee (GAC) – http://gac.icann.org/web/index.shtml – including operating principles, gTLD principles, ccTLD principles, principles regarding gTLD Whois issues, communiqués, and meeting transcripts, and agendas

- Material information relating to the Root Server Advisory Committee (RSSAC) – http://www.icann.org/committees/dns-root/ – including meeting minutes and information surrounding ongoing projects

- Material information relating to the Security and Stability Advisory

Committee (SSAC) – http://www.icann.org/committees/security/ – including its charter, various presentations, work plans, reports, and advisories

Responding to Information Requests
If a member of the public requests information not already publicly available, ICANN will respond, to the extent feasible, to reasonable requests within 30 calendar days of receipt of the request. If that time frame will not be met, ICANN will inform the requester in writing as to when a response will be provided, setting forth the reasons necessary for the extension of time to respond. If ICANN denies the information request, it will provide a written statement to the requestor identifying the reasons for the denial.

Defined Conditions for Nondisclosure
ICANN has identified the following set of conditions for the nondisclosure of information:

• Information provided by or to a government or international organization, or any form of recitation of such information, in the expectation that the information will be kept confidential or would or likely would materially prejudice ICANN's relationship with that party.

• Internal information that, if disclosed, would or would be likely to compromise the integrity of ICANN's deliberative and decision-making process by inhibiting the candid exchange of ideas and communications, including internal documents, memoranda, and other similar communications to or from ICANN directors, ICANN directors' advisors, ICANN staff, ICANN consultants, ICANN contractors, and ICANN agents.

• Information exchanged, prepared for, or derived from the deliberative and decision-making process between ICANN, its constituents, or other entities with which ICANN cooperates that, if disclosed, would or would be likely to compromise the integrity of the deliberative and decision-making process between and among ICANN, its constituents, or other entities with which ICANN cooperates by inhibiting the candid exchange of ideas and communications.

• Personnel, medical, contractual, remuneration, and similar records relating to an individual's personal information, when the disclosure of such information would or likely would constitute an invasion of personal privacy, as well as proceedings of internal appeal mechanisms and investigations.

• Information provided to ICANN by a party that, if disclosed, would or would be likely to materially prejudice the commercial interests, financial interests, or competitive position of such party or was provided to ICANN pursuant to a nondisclosure agreement or nondisclosure provision within an agreement.

• Confidential business information or internal policies and procedures.

• Information that, if disclosed, would or would be likely to endanger the life, health, or safety of any individual or materially prejudice the administration of justice.

• Information subject to the attorney-client, attorney work product privilege, or any other applicable privilege, or disclosure of which might prejudice any internal, governmental, or legal investigation.

• Drafts of all correspondence, reports, documents, agreements, contracts, emails, or any other forms of communication.

• Information that relates in any way to the security and stability of the Internet, including the operation of the L Root or any changes, modifications, or additions to the root zone.

• Trade secrets and commercial and financial information not publicly disclosed by ICANN.

• Information requests (1) which are not reasonable, (2) which are excessive or overly burdensome, (3) complying with which is not feasible, or (4) are made with an abusive or vexatious purpose or by a vexatious or querulous individual.

Information that falls within any of the conditions set forth above may still be made public if ICANN determines, under the particular circumstances, that the public interest in disclosing the information outweighs the harm that may be caused by such disclosure. Further, ICANN reserves the right to deny disclosure of information under conditions not designated above if ICANN determines that the harm in disclosing the information outweighs the public interest in disclosing the information. ICANN shall not be required to create or compile summaries of any documented information, and shall not be required to respond to requests seeking information that is already publicly available.

Appeal of Denials
To the extent a requestor chooses to appeal a denial of information from ICANN, the requestor may follow the Reconsideration Request procedures or Independent Review procedures, to the extent either is applicable, as set forth in Article IV, Sections 2 and 3 of the ICANN bylaws, which can be found at http://www.icann.org/general/bylaws.htm.

C. Dispute Resolution Mechanisms at ICANN
There are two areas where ICANN has need for dispute resolution mechanisms.

• Parties may be in dispute with ICANN because they believe that due process has not been followed in arriving at a Board decision or because they believe that they have not been treated fairly in an ICANN process. The three part dispute resolution process that is available to members of the community is described in detail below in the section "Disputes about process and fair treatment."

• Parties may be in dispute with ICANN because they disagree not with the process but with the outcome of an ICANN decision process. The current method for dealing with disputes such as this is through the court system or via arbitration if provided for under the terms of ICANN's agreements. This approach is described in the section "Disputes about outcomes of a decision process".

Disputes about process and fair treatment
ICANN has a three-part dispute resolution process available to members of the community who feel that they have not been dealt with fairly or who believe that due process has not been followed in a Board decision making process.

Members of the community may choose whichever of these schemes is most appropriate to their needs. Alternative dispute resolution approaches are provided and preferred because these are accountable, transparent and flexible methods for resolving disputes.

Board Reconsideration Committee

The Reconsideration Committee is the first formal appeal or dispute resolution channel. It is a permanent committee of the ICANN Board of Directors. The Reconsideration Committee may hear a demand for the reconsideration of any decision made by the Board or the organization at no cost to the complainant. The purpose of a Reconsideration Committee review is to check that the correct process has been followed by the Board in reaching its decision. It has the power to recommend to the Board appropriate changes, and may amend or overturn decisions that were not made by a vote of the Board as a whole. The activities and decisions of the committee are posted on the ICANN website.

The Reconsideration Committee consists of three members of the Board and it has the authority to:

• Evaluate requests for review or reconsideration.

• Determine whether a stay of the contested action pending resolution of the request is appropriate.

• Conduct whatever factual investigation is deemed appropriate.

• Request additional written submissions from the affected party, or from other parties.

• Make a recommendation to the ICANN Board of Directors on the merits of the request.

Independent Review Panel (IRP)

The IRP is the second formal dispute resolution mechanism. It is established in the ICANN bylaws, and ICANN must cooperate with the IRP in providing documents or information. The IRP promotes accountability and transparency by allowing any person who is materially affected by an ICANN decision to access an outside third party who will review that act or decision. The IRP's mandate is to review the actions, decisions, and inactions of the Board to determine whether they were consistent with the Articles of Incorporation and the bylaws.

The IRP has the authority to:

• Request additional written submissions from the party seeking review, the Board, the supporting organizations, or from other parties.

• Declare whether an action or inaction of the Board was inconsistent with the Articles of Incorporation or bylaws.

• Recommend that the Board stay any action or decision, or that the Board take any interim action, until such time as the Board reviews

and acts upon the opinion of the IRP.

The IRP is operated by an international arbitration provider, the International Centre for Dispute Resolution (see http://www.adr.org/icdr). The steps for requesting an Independent Review Panel review have been set out simply and clearly on the ICANN website. The forms to initiate an IRP review can be found at http://www.icann.org/general/accountability_review.html. The IRP conducts much of its work online or by telephone to reduce costs and to make the process efficient and flexible to the complainant.

The ICANN Ombudsman

The Office of the Ombudsman is created in the ICANN bylaws. The Ombudsman is an independent, impartial resource that allows community members an informal, cost-free mechanism to deal with perceived unfair decisions, actions, or inactions by the organization. Any person affected by an ICANN action, decision, or inaction may request an Ombudsman's review. The Ombudsman has the power to investigate, and to make recommendations to the Board to improve or change policies, procedures, or actions; the Ombudsman does not have the power to order changes. The Ombudsman has the discretion to publish or not to publish findings and recommendations. Each year the Ombudsman produces an Annual Report that outlines the activities of the Office of the Ombudsman for that year. That report is published for distribution to interested parties and is also available on the ICANN website.

Disputes about outcomes of a decision process
The dispute resolution mechanisms described above have been designed to provide efficient and cost effective means by which members of the ICANN community can have complaints dealt with and have issues resolved. As described in greater detail in the sections below on the legal accountability, parties in dispute with ICANN may choose to use the court system to resolve their dispute or in extreme cases may use the mechanisms provided by the State of California for the resolution of issues with nonprofit public benefit corporations.

Ongoing review of dispute resolution mechanisms
ICANN strives to maintain the highest standards of accountability and transparency. An important aspect of this is the continuous improvement of the mechanisms for dealing with complaints and resolving issues within the ICANN community. As part of the regular round of reviews of all aspects of ICANN's operations, the Board Governance Committee will implement reviews of the ICANN's dispute resolution mechanisms to ensure that they meet the needs of the all members of the community to have complaints dealt with efficiently and effectively.

D. Financial Accountability

Once the budget is approved by the Board, there are several checks and balances built into the ICANN financial accountability framework. The ICANN financial accounts are audited every year by an external auditor in compliance with the ICANN bylaws. In addition, the ICANN Board has two committees that review ICANN's financial affairs, the Finance Committee and the Audit Committee.

Independent External Audit

Each year the ICANN accounts are audited by an independent external auditor. This is a bylaws requirement which ICANN believes is good practice to ensure that financial management and governance are of the highest standard. The auditor reports to the Board Audit committee and report is made available for the community.

Finance Committee

The Finance Committee of the ICANN Board is responsible for consulting with the President on the annual budget process of the corporation; for reviewing and making recommendations on the annual budget submitted by the President; and for developing and recommending long-range financial objectives for the corporation. In consultation with the President, the Finance Committee may establish such budget tracking and reporting standards as are appropriate to the needs of the committee and the Board.

Audit Committee

The Audit Committee of the ICANN Board is responsible for recommending the selection of an independent external auditor each year to conduct a thorough audit of ICANN's financial affairs; for receiving, reviewing, and forwarding to the Board the annual financial report of the independent external auditors; for publishing that report for public consumption; and for such other matters as may warrant its attention.

These committees meet regularly throughout the year to monitor the financial health of the organization and to check that high standards of financial accountability are being upheld.

Reporting

There are two elements of reporting in the ICANN financial accountability framework: the audited financial accounts and the Annual Report.

Financial Accounts

Within 120 days of the end of the fiscal year, the Audit Committee presents to the Board a final audited set of accounts for the year, along with an audit report that examines the standard of compliance with accounting standards.

The final accounts are posted on the ICANN website for the information of the ICANN community.

Annual Report

ICANN also publishes an Annual Report that details progress on the initiatives identified in the Strategic and Operating Plans and in the budget.

It provides feedback to the community on achievements during the year.

2. Legal and Corporate accountability

A second important aspect of ICANN's accountability is the legal and corporate accountability that comes about through the organization's bylaws and through the state and national laws that govern ICANN's behavior. The bylaws underpin the operations of ICANN and in particular set out the procedures for the appointment of Directors and for the running of ICANN's core governance process, the Board. As such, they are a critical component of ICANN's accountability framework.

ICANN is a California nonprofit public benefit corporation, and is subject to both the state laws of California and to United States federal laws. One of the reasons that ICANN was constituted as a California nonprofit public benefit corporation is that the state of California provides a rigorous framework of legal accountabilities for organizations of this type. The responsibilities that have been put in place through ICANN's bylaws and its corporate structure should give stakeholders certainty that ICANN operates to the highest standards of accountability.

This accountability is supported by:

A. The ICANN bylaw requirements for corporate responsibility;

B. The jurisdictional legal obligations ICANN has as a California nonprofit public benefit corporation.

A. Bylaw Requirements

ICANN's bylaws are the internal rules by which the corporation operates.

The bylaws state that the powers of ICANN and all property and business and affairs are to be conducted by or under the direction of the Board. The Board may act only by a majority vote of all members of the Board at any annual, regular, or special meeting of the Board, or by unanimous written consent of all voting members.

The bylaws also require ICANN to have in place a process by which any person or entity may request review or reconsideration of actions by the Board that materially impact an individual or entity. This is outlined further in the framework for dispute resolution at ICANN.

The bylaws can only be altered and new bylaws adopted by a two-thirds (2/3) vote of all members of the Board.

B. Jurisdictional Legal Obligations

As a California nonprofit public benefit corporation, ICANN is subject to both the state laws of California and to United States federal laws. Laws generally applicable to ICANN and its operations include laws relating to tortious behavior, laws applicable to contracting activities of corporations, and laws prohibiting monopolistic behavior. As a corporation, ICANN is a legal entity and has the ability to sue and be sued for its actions, and to be held responsible in a court of proper jurisdiction for its business dealings with the global community. Accordingly, ICANN's activities in the global community are conducted under awareness and appreciation of the laws applicable to it as an organization.

Under its articles of incorporation:

• ICANN is a nonprofit public benefit corporation

• It is not organized for the private gain of any person

The law that organizes ICANN is called the California Nonprofit Public Benefit Corporation Law for charitable and public purposes. ICANN has been granted tax-exempt status by the United States federal and California state governments. Tax-exempt status was conferred upon ICANN based on its mission of providing technical coordination for the Internet, and the resulting benefits to the public community at large. ICANN's status as a tax-exempt organization carries with it certain responsibilities to federal and state authorities which are different than those associated with taxable, for-profit entities. Specifically, ICANN's operating activities and organizational decision-making are guided by requirements incorporated into ICANN's charter for continuing eligibility for tax-exempt status. The California attorney general is the legal overseer of California nonpublic benefit corporations such as ICANN. As such, the attorney general works to protect the interest of all public beneficiaries within his or her jurisdiction. The attorney general, acting on behalf of the public, may conduct investigations and bring legal actions to ensure that ICANN does not stray from its public charitable purpose. For corporate behavior that has otherwise gone uncured and uncorrected, members of the public are also able to petition the attorney general to conduct these investigations.

ICANN is recognized as a public charitable organization described in Internal Revenue Code (IRC) § 501(c)(3). This recognition carries with it several benefits, namely, exemption from federal taxation and the ability to receive tax-deductible charitable contributions. Being an IRC § 501(c)(3) organization, however, also imposes special responsibilities on ICANN. Among those responsibilities is that ICANN's directors must ensure that ICANN operates exclusively in furtherance of its public charitable and scientific purposes and avoids transactions that may confer excessive economic benefit on corporate insiders, others closely affiliated with ICANN or private parties who contract with ICANN.

Fiduciary obligations of directors
Under California corporate law, ICANN's Board of Directors is charged with overall responsibility for the management of the business and affairs of the corporation. The general legal duties of an ICANN director are owed to the corporation itself and to the public at large.

Generally, a director of a nonprofit public benefit corporation shall perform his/her duties in good faith, in the best interests of the organization and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

That is generally understood to embrace four duties, which directors owe to the organization and its constituencies: (1) a duty of care, (2) a duty of inquiry, (3) a duty of loyalty, and (4) a duty of prudent investment.

Duty of Care
The duty of care is best expressed as the seriousness that each director brings to his or her responsibilities such as gaining and maintaining familiarity with the business objectives of the organization. It also includes important business considerations and industry information relevant to the organization's activities, and serving on the same basis on committees to which the director may be appointed. The duty of care also requires that the director take reasonable measures to ensure that the organization is managed and directed in a manner that is consistent with its mission. Further, the duty of care requires the directors to be attentive to the concerns expressed by the organization's counsel and follow directives concerning the confidentiality of advice and overall legal strategy approved by the Board of Directors or the officers for dealing with particular problems or issues that may arise.

Duty of Inquiry
The duty of inquiry generally requires that a director take such steps as are necessary to be sufficiently informed to make decisions on behalf of the organization and participate in the Board of Directors' activities. In satisfying this duty, directors must balance against competing considerations, such as the organization's obligations relating to confidentiality of information received from third parties, privacy rights of employees and others who deal with the organization, attorney-client privilege relating to legal proceedings or legal advice to the organization, and protection against disclosures of information which may damage the organization's business, property, or other interests.

Duty of Loyalty
The duty of loyalty generally involves the protection of the organization's interests in its business, properties, assets, employees, and legal rights, avoidance of conflicts of interest or self-dealing on the part of directors, and serving the interests of the organization and not the interests of any other person or group, including a constituency of the organization which caused the director to be selected.

Duty of Prudent Investment
Directors of a nonprofit corporation are required, in the management of the organization's investments, to avoid speculation and to comply with any applicable standards in the organization's articles, bylaws, or the terms of any gift or grant of funds to the corporation.

In addition, due to the tax-exempt status of ICANN, its directors and officers owe a duty to avoid excess benefit transactions and those that inure to the benefit of any insider (i.e., an officer or director of ICANN) or confer a benefit on a private party which is not an insider. Further, directors of a California nonpublic public benefit corporation may, under certain circumstances, be subjected to personal liability for uninsured damages resulting from acts or omissions not within the scope of the director's duties; that are not performed in good faith; or that are reckless, wanton, intentional or grossly negligent. Similar standards of legal accountability apply if the corporation

opens international offices. There has been some discussion among the ICANN community about potential review of ICANN's legal status in the context of its further internationalization. Whatever may emerge out of these discussions, if anything, ICANN is committed to maintaining the same standards of external accountability to those outlined above.

Accountability of Senior Staff

The senior staff of ICANN serve as officers of the organization and are elected annually by the Board. The bylaws require the designation of the president, secretary, and chief financial officer. The Board appoints the president and CEO and permits the Board to designate other officers on an annual basis. The Board also has the ability to remove any officer by a two-thirds vote of the Board and each officer is subject to ICANN's conflict of interest policies. Like Board members, these officers have fiduciary responsibilities to the corporation and are also accountable under state and federal laws.

3. Accountability to the Participating Community

ICANN operates on a multi-stakeholder model that brings together a wide range of relevant parties to develop policy to promote the stability and integrity of the Internet. As a private-public partnership, ICANN is dedicated to preserving the operational stability of the Internet; to promoting competition; to achieving broad representation of global Internet communities; and to developing policy appropriate to its mission through bottom-up, consensus-based processes. Within ICANN's structure, governments and international treaty organizations work in partnership with businesses, organizations, and skilled individuals involved in building and sustaining the global Internet. Innovation and continuing growth of the Internet bring forth new challenges for maintaining stability. Working collectively, ICANN's participants address those issues that directly concern ICANN's mission of technical coordination. Consistent with the principle of maximum self-regulation in the high-tech economy, ICANN is perhaps the foremost example of collaboration by the various constituents of the Internet community. ICANN is accountable to the global community, however the nature of ICANN's unique mission does not permit members of the organization that could exert undue influence and control over ICANN's activities. Thus by not having any statutory members, ICANN is accountable to the public at-large rather than to any specific member or group of members. This construct helps eliminate the specter of antitrust violations by allowing ICANN to operate in the best interests of the public
at large rather than in the individual interests of certain members. This construct also allows ICANN to work collaboratively, rather than compete, with the various constituents of the Internet community. This section sets out the mechanisms by which ICANN makes itself accountable to its participating community. The major aspects are:

A. The representative composition of the Board which allows all parts of the ICANN community to participate in ICANN Board process;

B. The consultative planning process by the ICANN community sets strategic direction and determines operational priorities and budgets;

C. The ongoing schedule of reviews of ICANN's structure according to Article IV, Section 4 of the ICANN bylaws;

D. Translation principles that guide the translation of documents within the ICANN community;

E. Consultation principles that guide the consultation processes that are used to generate community input on ICANN issues;

F. A statement of expected standards of behavior which outlines the standards of behavior expected of those who participate in the ICANN process.

A. The Representative Composition of the ICANN Board

Although the powers of the Board are clearly set out in the bylaws, the Board derives an important aspect of its validity from the diverse and global nature of its membership. The ICANN Board draws its membership from community selection and through a Nominating Committee. The Nominating Committee membership is also drawn from amongst the community.

The Board is constituted as follows:

- Six members of the Board (directors) are elected from the ICANN supporting organizations (two each from the Address Supporting Organization (ASO), the Country Code Names Supporting Organization (ccNSO), and the Generic Names Supporting Organization (GNSO)).

- The President is a voting member of the Board.

- Eight members are selected by the Nominating Committee. (A description of the Nominating Committee composition and process follows.) These Nominating Committee appointees are selected on strict criteria including intelligence and integrity, a broad experience of the Internet community, and an understanding of ICANN's mission. The Nominating Committee also is required to select candidates in such a way as to maintain the geographical diversity of the ICANN Board. In addition, there are six non-voting liaisons, one each from:

  - The Governmental Advisory Committee

  - The Root Server System Advisory Committee

  - The Security and Stability Advisory Committee

  - The Technical Liaison Group (which represents the European Telecommunications Standards Institute, The International Telecommunication Union's Telecommunications Standardisation Sector, the World Wide Web Consortium)

  - The At-Large Advisory Committee

  - The Internet Engineering Task Force

The liaisons participate in Board discussions and bring the views of their respective groups to the Board table.

The bylaws lay out the term for each director and the process for removing a director from office, if necessary (see Article VI, Section 11).

The Board meets regularly throughout the year, usually by telephone conference. These are called special board meetings. Regular Board meetings are held three times per year (including the annual meeting), and these meetings are open to the public (either in person or through streaming media). A detailed preliminary report of each Board meeting is posted on the ICANN website shortly following each meeting. That report then forms the minutes subject to approval by the Board.

Apart from the Nominating Committee appointments, the other positions on the Board are derived from a bottom-up selection process. Under ICANN's corporate structure, supporting organizations and other bodies within ICANN representing certain sectors of the participating community are entitled to elect directors to ICANN's Board. These directors, in turn, owe all of the duties of a director to ICANN in their roles as members of the Board. These duties for a director of care, inquiry, loyalty and prudent investment to the corporation and its constituencies take supremacy over the interests of the electing organization. Each member of ICANN's Board is accountable to the participating community as a whole through his or her fiduciary duties and is required to make decisions that are in the best interests of the corporation and community at large.

The Nominating Committee

The Nominating Committee is responsible for the selection of eight of the voting members of the Board. Its membership is drawn from the community. The chair of the Nominating Committee is appointed by the Board and is responsible for the smooth running of the committee process. However, the chair of the Nominating Committee cannot vote. The immediately previous Nominating Committee chair acts as a non-voting advisor. The committee is made up of 18 volunteers including the chairman. It is composed of voting members from:

* The At-Large Advisory Committee (5 members)

* The Business Users Constituency of the GNSO (2 members, one representing small business users and one representing large business users)

* The gTLD Registry Constituency of the GNSO

* The gTLD Registrar Constituency of the GNSO

* The Internet Service Providers Constituency of the GNSO

* The Intellectual Property Constituency of the GNSO

* The Council of the ccNSO

* The Council of the ASO

* An entity designated by the Board to represent academic and similar organizations

* Representatives of consumer and civil society groups selected by the Non-commercial Users Constituency of the GNSO

* The Internet Engineering Task Force

* The Technical Liaison Group

    The Nominating Committee also has 3 non-voting liaison representatives, one each from:

* The Root Server Advisory Committee

* The Security and Stability Advisory Committee

* The Governmental Advisory Committee

With this membership, the Nominating Committee is extremely representative of the ICANN community and well placed to select appropriate members for the ICANN Board. The size of the committee and the breadth of representation ensure that it is not able to be captured by one interest group and that it is not possible for any individual to force their ideas onto others.

B. Planning

One of the most important ways that the community participates in ICANN is through the planning element that encompasses strategic planning, operational planning, and budgeting. Members of the ICANN community are able to contribute through a multi-phase consultation process to the strategic direction of the organization and to its operating and budget prioritization.

Using these devices, ICANN staff produce goals and business objectives from which a performance matrix, is built and shared with the Board. This assists in the building of a results-based budgeting process.

During the first six months of each fiscal year, ICANN develops its three-year strategic plan. During the second six months of each fiscal year, ICANN develops the operating plan and the budget for the next fiscal year. Each of these elements of the planning phase is developed through a thorough, multiphase process of consultation with the ICANN community.

Strategic Plan

The Strategic Plan outlines the strategic priorities for ICANN over a three-year period. It is updated annually to reflect changes in the environment in which ICANN operates and the changing needs of the ICANN community. The strategic planning process begins with consultation with the ICANN community to gain initial input to the plan. This usually takes place at an ICANN meeting where sessions are conducted in several languages and also through online forums or similar tools.

Based on this input, an issues paper is compiled that summarizes the main opportunities and challenges for ICANN over the coming three years, and a list of key priorities to address those opportunities and challenges. Consultation is undertaken on this issues paper by posting it for comment on the ICANN website.

Based on this feedback, a draft plan is developed and posted for

comment. Consultation is undertaken with the community on the draft plan through online forums and at the ICANN meeting held in the last quarter of the calendar year with sessions conducted in multiple languages. The plan is refined to reflect comments from the community, with each draft being posted for consultation.

The final version of the plan is submitted to the Board for approval at its December meeting. The approved plan is posted on the ICANN website and previous plans are also available.

Operating Plan

The Operating Plan is a one-year plan that turns the priorities identified in the Strategic Plan into action. An initial draft of the Operating Plan is prepared by ICANN staff in the first two months of the calendar year. The Operating Plan draft contains details of ongoing operations and special projects developed to address strategic priorities. This draft plan is posted for community comment and consultation sessions are conducted at the first ICANN meeting of the calendar year.

The plan is redrafted based on the feedback received and posted for further comment. Another round of consultation is conducted at the second meeting of the calendar year. After any necessary redrafting, the Operating Plan is submitted to the Board. The current Operating Plan and previous plans are available on the ICANN website.

ICANN Budget

The ICANN Budget is developed in parallel with the Operating Plan. Initial consultation on the Budget takes place at the first ICANN meeting of the year. All of ICANN's supporting organizations, advisory groups and constituency groups are consulted and general consultation sessions are conducted in multiple languages.

The budget is adjusted in line with comments received during consultation about the Operating Plan and a draft budget is posted for community comment in May. Based on feedback received, a further draft is prepared and posted. Community consultation, including consultation with all of ICANN's supporting organizations, advisory groups and constituency groups, is undertaken at the second ICANN meeting of the calendar year with sessions conducted in multiple languages.

The budget is fine-tuned on the basis of comments received and the final version of the budget is presented to the Board for approval in June. The approved version of the budget is posted on the ICANN website. As a final step in the consultation process, the registrar fee structure contained in the Budget must be approved by two-thirds of the gTLD registrars using the methodology contained in the Registrar Accreditation Agreement.

C. Ongoing Review of Structures

Another way in which ICANN maintains and strengthens accountability to the participating community is through an ongoing schedule of reviews of its structure. A regular review of performance is an important aspect of seeking continuous improvement in effectiveness and accountability. The ICANN bylaws stipulate that an independent review of each of the key parts of the

ICANN structure should take place no less frequently than every three years. "The goal of the review, to be undertaken pursuant to such criteria and standards as the Board shall direct, shall be to determine (1) whether that organization has a continuing purpose in the ICANN structure, and (2) if so, whether any change in structure or operations is desirable to improve its effectiveness." (ICANN bylaws Article IV, Section 4) These reviews examine the effectiveness of ICANN's community structures and identify improvements that help the ICANN community and the ICANN model work more effectively.

This is the ICANN community's way of maintaining a flexible organization that is responsive to participant concerns. Reviews under way or completed this year include:

Generic Names Supporting Organization

ICANN Board

At-Large Advisory Committee

Security and Stability Advisory Committee

Root Server System Advisory Committee

Reviews of the Address Supporting Organization and the Country Code Names Supporting Organization will commence in the near future.

Compensation Practices

The overarching objective of ICANN's remuneration framework is to ensure remuneration provided is competitive globally and that it provides staff with appropriate motivation for high performance toward agreed objectives. The remuneration philosophy aims to:

- Attract and retain high caliber staff
- Ensure it is competitive
- Ensure it is transparent

The framework is described in this appendix.

Role of the Board of Directors in Overseeing Compensation for ICANN Staff

The Board of Directors of ICANN provides the overarching compensation philosophy for ICANN management and staff. The Compensation Committee, a Board committee composed of independent members of the Board of Directors, provides approved direction for the compensation of senior staff, the Ombudsman, and the President and CEO in conjunction with the full Board of Directors. The Compensation Committee meets regularly, and records their minutes to the Board secretary.

Compensation Components

ICANN is a global organization and compensation for staff is designed to be consistent with local practices where staff members are located. As such, not all components listed below apply to all staff members:

- Base salary
- At risk (bonus) eligibility based on position and achievement of goals and objectives
- Time off benefits (vacation, holiday, sick time, bereavement, jury service, and the like)
- Health and welfare benefits (medical, dental, vision, life insurance, accidental and dismemberment, and the like)
- Retirement benefits
- Housing allowance

Compensation Philosophy and Base Salary

The goal of the ICANN compensation program is to pay salaries that are competitive for comparable positions at organizations similar to ICANN in activities, scope, complexity and responsibility for the purpose of attracting and retaining the necessary talents and skills to execute ICANN's mission. Frederic W. Cook and Co., the noted compensation consultant, was asked in 2004 to conduct a review of the executive compensation program at ICANN as objective third-party experts and issue recommendations with respect to the program going forward. This was consistent with the undertaking in the US Department of Commerce memorandum of understanding with ICANN dated 17 September 2003 (see http://www.icann.org/en/general/amend6-jpamouappendixes 17sep03.htm), for ICANN to conduct a review of the executive compensation program. The report, having analyzed data for about 1,000 similarly sized for-profit and nonprofit enterprises, found, inter alia, that:

ICANN has no direct peers in the high technology industry; however, its closest labor market counterparts are for-profit technology companies of similar size.

Based on our experience, these technology companies have different compensation structures than non-profit organizations. Both for-profit and non-profit companies have base salaries, annual performance bonuses, and basic employee benefit programs. However, for-profit companies also have lucrative long-term incentives, most often in the form of stock options or real/phantom equity that cannot be matched in the non-profit sector... (ICANN does not seek to match these long-term incentives in its compensation program.)

There are no real direct peers in the non-profit industry due to the unique nature of ICANN's business. Implementation of the program was not acted upon at that time due to ICANN's financial position. But in July 2005, the ICANN Board passed a resolution establishing the ICANN Board Remuneration Committee (later renamed the Board Compensation Committee). The following year, following stabilization of ICANN's financial position, the Board of Directors, at the recommendation of the Board Compensation Committee, considered a revised report of the Frederic W. Cook and Co., the compensation consultant, and as a result of a market study undertaken by Frederic W. Cook and Co. (using data from Watson Wyatt and Radford), the Board determined the appropriate comparator for ICANN staff compensation is the for-profit marketplace of companies of a similar size and complexity. The scope of their 2006 review included:

- Provision of comparable market data in for profit organizations
- Provision of comparable market data in not-for-profit organizations
- Provision of comparable market data used in the United States
- Provision of comparable market data used in Belgium
- Provision of comparable market data on base salaries of like roles
- Provision of comparable market data on bonus payments of like roles
- Provision of comparable market data on employee benefits of like roles
- Provision of comparable market data on other employee incentives of like roles

The survey evaluated remuneration paid by several thousand participating organizations of a similar size to ICANN. The Board approved the recommendation of the Remuneration Committee that ICANN's compensation guiding principles should be:

a. Market qualified base salaries;

b. Market qualified benefits;

c. At risk (bonus) payments based on individual performance outcomes;

d. Commitment to continued payment in the salary span of 50th to 75th percentile of for-profit market place of companies of a similar size and complexity to ICANN (the actual salary within this band determined by the individual's experience and talent and market position);

e. Extension of at risk (bonus) opportunities to all employees;

f. CEO accountability to deliver all principles within the approved ICANN budget.

In deciding to remunerate at between the median and 75th percentile of the distribution of salaries paid by for-profit

organizations of a similar size and complexity, the Board sought to that ensure that ICANN is competitive for labor when recruiting to its needs, while recognizing that with its role, it would be not be appropriate for ICANN to be a leader in salary payments.

ICANN does not meet the compensation levels offered by more than 25 percent of the employers with whom it directly competes for talent. The Board also recognizes that considering the potential future exigencies facing the organization, some flexibility to the principles may be necessary in unusual circumstances. In particular, the Board instructed the CEO to construct policies concerning the payment of at risk payments to protect the organization financially and legally in the event it cannot make payments despite individual performance.

Further, it is recognized that the organization may have to pay outside of these arrangements in the rare circumstances where "the specialized nature of the role, the risk to the organization, the driving market forces or other supportable logic present significant issues to [ICANN's] on-going performance."

Fortunately, ICANN has not had to have recourse to these exigency provisions. Each year, the Board reviews compensation for the President and all corporate officers. Compensation of staff is reviewed each year by executive management consistent with the directives from the Board of Directors.

This annual compensation review is conducted under the framework established by the Board in 2006. ICANN uses a global compensation consulting firm to provide comprehensive market data for benchmarking (currently Watson Wyatt Worldwide). The market study is conducted each year before the salary review process. Estimates of potential compensation adjustments are made during the budgeting process based on the current market data. The budget is then ratified as part of ICANN's overall budget planning process.

Compensation is reviewed annually, and adjustments to compensation, if made, are based on the market data as well as individual performance and the approved budget.

At Risk Compensation

ICANN's at risk (bonus) compensation program is designed to provide incentives to staff for the accomplishment of specific goals and objectives throughout the year that have been identified as being of significant importance or adding value to the overall ICANN effort.

Most staff members participate in the at risk compensation program. Participation, and level of participation, are determined by senior management or the Board of Directors as appropriate. In 2006, the Board approved a framework whereby 10 percent of staff compensation was allocated to at risk payment, 20 percent for managers and specialists and 30 percent for executives. Some executives' at risk compensation is more than 30 percent. The more senior a staff member is the more of her/his compensation is allocated to the at risk component. It is fair and reasonable to expect employees (especially managers and executives) to deliver on their responsibilities, and where they fail to deliver, not to enjoy the financial benefits.

The annual available at risk compensation is calculated at the level of participation (expressed as a percent) times the base annual

salary at the beginning of the measurement period. Officers' annual basis percentage was set by the Board of Directors, which also authorizes the remaining staff at risk compensation levels to be set upon approval of the CEO or COO. The CEO's at risk compensation by contractual agreement is reviewed once each year by the Board of Directors.

Most participants have an opportunity to earn a portion of their annual at risk compensation three times each year. The plan is built around the milestone management trimester system that is part of the Performance Management Program. Once the level of participation is determined, the at risk compensation for any given trimester period can be determined. The at risk compensation for a trimester is prorated to the length of the trimester. For example, if an individual is eligible for up to a 10 percent of base pay in at risk compensation, and the annual base pay for the individual is $50,000 at the beginning of the trimester, the following would apply.

The current trimester is 124 days long, or 124/365ths of a year equal to 34 percent of the annual bonus opportunity. Thus, the at risk compensation available during this period for this individual would be $50,000 (annual base salary) times 10 percent (the level of participation) times 34 percent (the length of the trimester) - $50,000 x 10 percent = $5,000 x 34 percent = $1,700. An individual cannot earn more than at risk compensation available for the period. Actual at risk compensation earned and paid is based on the recommendation of the manager. In most cases the recommendation reasonably reflects the score achieved for the trimester in the milestone management process.

At risk compensation is typically paid within 45 days of the end of the trimester. Staff must be employed or on contract on the date the payment is made to receive the payment. Individuals terminated before the payment date are not eligible for payment. Recommendations for at risk compensation payments are approved by either the COO or the CEO before payment, and in the case of the CEO, is separately approved by the Board of Directors. Participants must work at least 35 percent of the trimester period to be eligible for an at risk payment, including employees who are on leave for any portion of a trimester. Any at risk payment recommended is prorated for the length of the trimester period worked.

Time Off Benefits

Time off benefits include vacation time, public holidays, sick time, bereavement leave and jury service pay. Payments for these benefits are made in lieu of base pay for the benefit day(s) and are reported as part of base compensation.

Health and Welfare Benefits

Health and welfare benefits include health insurance programs (such as medical, dental or vision plans), life insurance, accidental death and dismemberment insurance, travel accident and other relevant insurances as appropriate. The types and levels of programs provided are based on competitive and regional practices as well as local law. Every effort is made to treat staff equitably based on competitive practices. This includes providing certain staff with benefit compensation in lieu of buying benefits directly for that staff member when such purchases are not practical or available to ICANN.

Retirement Benefits

Retirement benefits are provided to staff based on competitive and regional practices as well as local law. Every effort is made to treat staff equitably based on competitive practices. This includes providing certain staff with compensation directly in lieu of contributing to a retirement scheme where such contributions are not practical or available to ICANN. Where ICANN contributes to a retirement program all contributions are made during the term of the staff member's employment. ICANN does not accrue any liability for retirement benefits to be paid at a staff member's retirement.

Housing Allowance

In some instances, housing allowances may be provided to key staff members when the staff member is asked to work in a location that makes commuting from the staff member's permanent home impractical, or where a staff member is relocated. The housing allowance is negotiated and is not intended to cover the full cost of maintaining two households. Any housing allowance provided is reported as taxable compensation as appropriate.

Reporting

Compensation is reported as required for staff members to the appropriate applicable jurisdiction(s). ICANN is guided in the preparation of its United States annual tax return on Form 990 (the 990).

Additional Information

The following individuals are officers of the corporation. Accordingly, their remuneration is explained in detail here.

President and Chief Executive Officer

Dr. Paul Twomey was appointed ICANN's President and Chief Executive Officer, as well as a member of the Board of Directors, effective 27 March 2003. ICANN entered into a consultancy services agreement with Argo P@cific Pty Limited, an Australian Proprietary Company, for the provision of Dr. Twomey's services.

There was a 2003 agreement for a term of three years, and a second agreement in July 2006 (2006 agreement). The agreement in 2003 was drafted in US dollars and then converted to Australian dollars at the then-current interbank exchange rate. True to ICANN's policy that staff should not bear the burden of exchange rate fluctuation, this exchange rate has been maintained during the life of the agreement and its renewal.

Under the terms of the initial agreement Argo P@cific was paid a professional services fee at the annual rate of US$343,200 (consisting of a base fee of US$260,000 plus an allowance for Argo P@cific to provide all benefits, as described above, to Dr. Twomey). In the 2006 agreement, the professional services fee was adjusted, according to the ICANN compensation philosophy and market-survey process outlined earlier in this appendix, to US$350,000 per year. At the exchange rate of the agreement, this converted to $673,200 AUD. The agreement, similar to its predecessor, provided US $112,000 per year to cover costs of health, retirement savings and welfare. Over the years the fluctuating value of the US dollar has caused the US dollar value of Dr. Twomey's compensation to rise and fall even though it has remained unchanged in Australian dollars. The

volatility of the US dollar in Australian dollar terms has been high.

Over each year, Argo P@cific has also been reimbursed for invoiced (with supporting documentation) telecommunications, travel and accommodation, and office expenses incurred to support Dr Twomey in his role with ICANN. Argo P@cific is eligible for additional at risk compensation each year of up to 30 percent of the professional services fee. This risk compensation each year is determined by the ICANN Board in consideration of the CEO's achievement of agreed performance compensation metrics.

Chief Operating Officer

Mr. Doug Brent was appointed as Chief Operating Officer on 13 December 2006. Brent's compensation consists of a base salary of US$270,000 per year, a housing allowance of $24,000 per year which is tax neutralized, additional at risk compensation of up to 48 percent of base pay each year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.

Executive Officer and Vice President of Corporate Affairs

Mr. Paul Levins was appointed as Executive Officer and Vice President Corporate Affairs on 17 September 2006. Levins' compensation consists of a base salary of US$220,000 per year, a housing allowance of $48,000 per year which is tax neutralized, additional at risk compensation of up to 30 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff. In the past year, Mr. Levins is also reimbursed for certain other costs associated with his move to Los Angeles, California and also to Washington, DC.

General Counsel and Secretary

Mr. John Jeffrey was appointed as General Counsel and Secretary on 2 September 2003. Jeffrey's compensation consists of a base salary of US$230,000 per year, additional at risk compensation of up to 30 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.

Senior Vice President, Services

Mr. Kurt Pritz was appointed as Vice President, Business Operations on 2 September 2003. Pritz was appointed Senior Vice President, Services on 13 December 2006. Pritz' compensation consists of a base salary of US$245,000 per year, additional at risk compensation of up to 30 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.

Chief Financial Officer

Mr. Kevin Wilson was appointed as Chief Financial Officer on 26 June 2007. Wilson's compensation consists of a base salary of $170,000 per year, additional at risk compensation of up to 20 percent of base pay per year, and coverage under vacation, health and welfare plans including medical, dental, vision, life insurance and a 401(k) retirement plan as ICANN makes available to its staff.

A

ALAC	At-Large Advisory Committee
ALS	At-Large Structure
AOC	Affirmation of Commitments
APEC TEL	Asia Pacific Economic Cooperation Telecommunications and Information Working Group
APTLD	Asia Pacific Top Level Domain
ARIN	One of five Regional Internet Registries established to administer and register IP addresses in North America and parts of the Caribbean.
ASN	autonomous system number
ASO	Address Supporting Organization

C

ccNSO	County Code Names Supporting Organization
ccTLD	country code top-level domain
CENTR	Council of European National Top Level Domain Registries
CITEL	Inter-American Telecommunication Commission of the Organization of American States

D

DNS	Domain Name System
DNSSEC	Domain Name System Security Extensions

E

EFQM	European Foundation for Quality Management
EUNIC	European Union National Institutes of Culture

G

GAC	Governmental Advisory Committee
GNSO	Generic Names Supporting Organization
gTLD	generic top-level domain

I

IAB	Internet Architecture Board
IANA	Internet Assigned Numbers Authority
ICT	information and communication technologies
IDN	Internationalized Domain Names
IETF	Internet Engineering Task Force
IPv6	Internet Protocol version 6
IRT	Implementation Recommendation Team
ISOC	Internet Society
ISP	Internet service provider
ITAR	Interim Trust Anchor Repository

J

JPA	Joint Project Agreement

M

MOU	memorandum of understanding
MRR	manager of regional relations

N

NANOG   North American Network Operators' Group
NRO   Name Resource Organization
NSRC   Network Startup Resource
NTIA   National Telecommunication and Information Administration

O

OECD   Organisation for Economic Co-operation and Development

P

PEDNR   Post-Expiration Domain Name Recovery working group
PDP   policy development process

R

RAA   Registrar Accreditation Agreement
RALO   Regional At-Large Organization
RFC   Request for comment
RIR   Regional Internet Registry
RSSAC   Root Server System Advisory Committee

S

SSAC   Security and Stability Advisory Committee

U

UDRP   Uniform Domain Name Dispute Resolution Policy
UNESCO   United Nations Educational, Scientific and Cultural Organization
UPU   Universal Postal Union
USAID   United States Agency for International Development

W

W3C   World Wide Web Consortium
WIPO   World Intellectual Property Organization
WSIS   World Summit on the Information Society

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