

March 9, 2018

ICANN 12025 Waterfront Drive, Suite 300 Los Angeles, CA 90094-2536

Re: Draft Procedure for Community gTLD Change Requests

Dear ICANN,

fTLD Registry Services, LLC ("fTLD") would like to express its support for the Draft Procedure for Community gTLD Change Requests (the "Procedure"). In full transparency, fTLD (operator of the .BANK and .INSURANCE gTLDs) has coordinated the efforts on behalf of and in concert with other community gTLDs to bring forth the Procedure with the intention it would result in a process by which the ICANN organization could approve or deny change requests to Specification 12 of Registry Agreements. fTLD has spent considerable time and effort to develop this Procedure over the past year and a half since ICANN first approached fTLD to undertake this work.

Currently there is no process for a community Registry Operator to request a change to its Community Registration Policies detailed in Specification 12 of its Registry Agreement. fTLD has expressed concerns about the prolonged process that has led to this Procedure and the negative impacts to business predictability for community gTLDs. While the Applicant Guidebook did not address such a process, ICANN provided the implementation details for its New gTLD Application Change Request Process and Criteria¹ that details how to make this type of change prior to the execution of the Registry Agreement. In fact, fTLD used this process to make changes to .INSURANCE prior to the execution of the Registry Agreement.² However, when fTLD sought to make changes to .BANK and .INSURANCE in 2016, ICANN staff denied the proposed changes despite Section 2.19 of our Registry Agreements that empowers fTLD to "operate the TLD in a manner that allows the TLD community to discuss and participate in the development and **modification** of policies and practices for the TLD." Emphasis added. Ultimately due to a lack of Procedure in place, ICANN has declined several Registry Operator requests for changes to Specification 12 of the Registry Agreement. During the pendency of this change process, ICANN organization has permitted multiple Registry Operators from the 2004 round to execute new Registry Agreements with modifications to their new Specification 12 to enable them to make necessary business

¹ See <u>https://newgtlds.icann.org/en/applicants/global-support/change-requests</u>

² See entry for November 12, 2014 where fTLD made changes to .INSURANCE from US to global: <u>https://gtldresult.icann.org/applicationstatus/applicationchangehistory/1555</u>

changes. In fact, in one instance ICANN permitted the removal of Sponsor/Community requirements by not requiring a Specification 12 in the new Registry Agreement.

While fTLD appreciates the intention of the ICANN organization to prevent potential gaming by applicants that made certain representations during the application period, fTLD hopes the ICANN organization will move forward in a timely manner following this public comment period to provide business predictability to Registry Operators seeking to introduce innovation and choice to their respective communities.

Sincerely,

Cray S. Schik

Craig Schwartz Managing Director