| **Section/Concept** | **Sidley Supplemental Comment** |
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| Parties to the Community Agreement | Footnote 7, page 2: Each Operational Community will need to determine the appropriate legal entity to be the counterparty in the Community Agreement.  We are told there may already be appropriate legal entities for protocol parameters (ISOC on behalf of IETF) and numbers (NRO on behalf of the RIRs, or the RIRs themselves)).  Accordingly, CWG will need to determine what entity would enter into the Community Agreement on behalf of the names community. |
| C.1.b.ii: “The Trust shall arrange sufficient funds to ensure renewal [of a domain name] is successful” | We are told the IETF Trust does not intend to be compensated for its activity here. If that is the case, the agreements should specify who will pay for ongoing registration, maintenance, enforcement and defense of IPR. One suggestion would be to have this be the responsibility of the licensee (e.g. ICANN). |
| C.3.f: “IETF Trust will be entitled to retain all damages received as a result of its enforcement of the IANA Marks, after the expenses of ICANN, PTI, CCG, the operational communities and the Trust are reimbursed on a pro rata basis” | If the IETF Trust is not intending to be compensated in this role, why would it get to keep damages from enforcement or defense? This could create perverse incentives, potentially encouraging the Trust to be litigious as that is its only means of compensation. It would be fairly common for the licensee to be entitled to retain the damages (after covering expenses of the participants, including the Trust). |
| C.2.e: “The community agreement(s) will also include an agreement whereby the Trust delegates some or all of its quality control duties to the communities in accordance with each community’s practice and method of maintaining oversight and control over the quality of service provided to that community. Notwithstanding such delegation, the Trust will still have the ultimate responsibility for quality control.” | Notwithstanding the statement that the IETF Trust will have “ultimate responsibility for any quality control, language should be included in the Community Agreements and in the IPR licenses, as part of the dispute resolution process to ensure, one, that the IETF Trust can not make unilateral decisions regarding quality control and activities under the IPR, and two, to ensure an orderly process for termination and transfer of the IANA IPR away from the IETF Trust, if necessary (see below, final comment). |
| C.3.b: “The Trust will be responsible for monitoring and controlling the quality of goods and services offered under the IANA IPR, including approvals of any material changes to such services, but may delegate such responsibility to each community with regard to services offered to that community” | Footnote 20, page 6: Who will undertake this task for each Operational Community?  We understand this will refer in the full agreement(s) to newly established procedures to be used by names (e.g., the CSC) and existing procedures used by numbers and protocol parameters, to oversee the quality of the IANA provider’s “goods and services.” |
| C.3.g: “If the IETF Trust believes that Licensee has materially breached the agreement, the Trust will confer with the CCG regarding a course of action” | On the flip side, what if the IETF Trust breaches?  Language should be included by which the IETF Trust voluntarily submits to the dispute resolution process, and agrees to abide by the outcomes of that process, even if that outcome is to compel the IETF Trust to transfer ownership of the IANA IPR to a third party.  *CWG Comment – “*There must be oversight of the IETF Trust by the communities and the IETF Trust needs to be accountable to the communities; this will be dealt with in the Community Agreement. Separately, we will need to consider whether and how a licensee (currently, ICANN) deals with a breach; this would be dealt with in the License Agreements. The communities should have a process to move the IANA IPR to a different owner if the IETF breaches and does not cure. Should this process be available to each community, to a majority of the communities, or only to all three communities? Would IETF then have a conflict of interest? Should this process be available to the licensee(s)? In each case, under what circumstances? Note that there may not be complete agreement with the IETF/IETF Trust regarding the power of a community or the communities over the IETF Trust, to be set out in the Community Agreement.” |