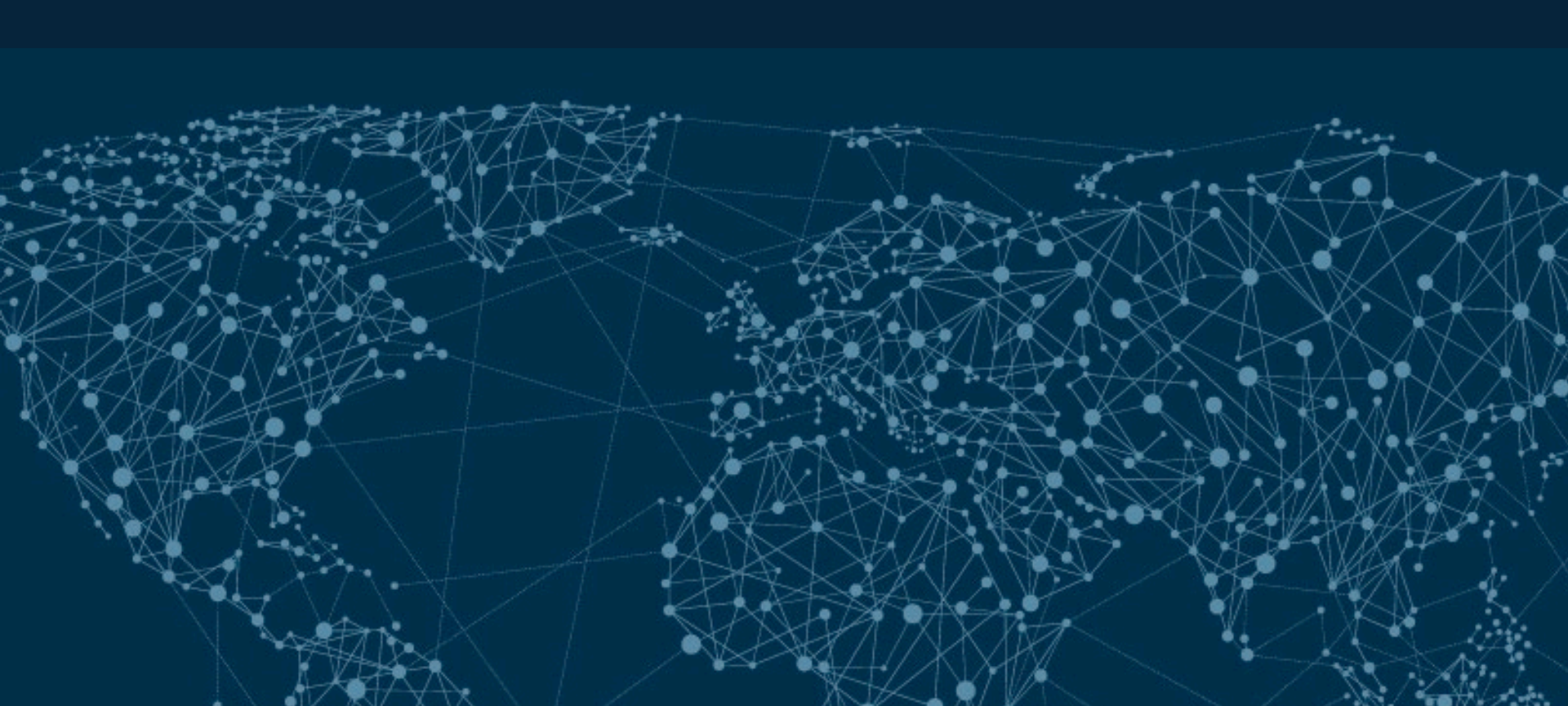


ICANN|55 MARRAKECH

5 – 10 March 2016





Contractual Compliance Update

Contractual Compliance | ICANN 55 | 9 March 2016

Agenda

- ⦿ Contractual Compliance Audit Activities Update
- ⦿ Questions & Answers

Contractual Compliance Audit Activities Update

**Link to the ICANN Contractual Compliance
Audit Page:**

<https://www.icann.org/resources/pages/audits-2012-02-25-en>

Audit Activities since March 2015

New Registry Agreement Audit Program

- ⦿ Completed the March 2015 Audit Program
 - ⦿ 11 Registries were in scope
 - ⦿ 1 continued remediation beyond report publication due to Data Escrow format and content issues – Completed
- ⦿ Launched the January 2016 Audit Program
 - ⦿ 10 Registries are in scope
 - ⦿ Program is in Audit Phase – review and validation of responses

Registrar Audit Program launched September 2015

- ⦿ 69 Registrars selected for this round
- ⦿ 5 Registrars rolled over from prior audit to verify remediation effectiveness
- ⦿ Program is in Remediation Phase

Globalized the Contractual Compliance Audit Page

Audit Reports published at <https://www.icann.org/resources/pages/compliance-reports-2015-04-15-en>

General Audit Selection Criteria

- ⦿ Contracted parties who have not been previously audited
- ⦿ Contracted parties with largest volume of 3rd Notices per number of domains under management
- ⦿ Contracted parties who received Notice of Breach in last 12 months
- ⦿ Contracted parties with largest volume of failed data escrow deposits
- ⦿ Contracted parties responsiveness to ICANN's requests
- ⦿ ICANN community concerns

General Audit Timeline

Registrar & Registry Audit Program Milestone & Dates

Pre-Audit Notification	Request for Info			Audit Phase		Initial Reports	Remediation	Final Reports
Date sent	1 st Notice	2 nd Notice	3 rd Notice	Begin	End*	Date Issued*	Start / End*	Date Issued*
Date	date	date	Date	date	Date	date	date	date

Notes:

* Audit phase might be completed and initial reports might be sent out prior to dates shown.

During the Request for Information and Audit Phases, ICANN will follow the 1-2-3 notification process (15 working days, 5 working days, 5 working days). For more information on notification process please see:

<http://www.icann.org/en/resources/compliance/approach-processes/overall-19jun13-en.pdf>

Questions & Answers



Send compliance questions

To: compliance@icann.org

Subject line: ICANN 55 BRG Update Session

The ICANN 55 presentations are available at:

- The ICANN Contractual Compliance outreach page at this link
<https://www.icann.org/resources/compliance/outreach>

- The ICANN 55 Schedule page at this link
<https://meetings.icann.org/en/marrakech55/schedule-full>

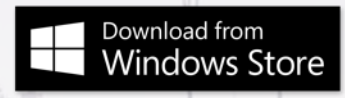
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Tell us what you thought of this session and be entered to win an iPad mini.

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A world map where the continents are defined by a network of white dots and connecting lines, set against a dark blue background. The dots vary in size, and the lines are thin and light blue.

Appendix

- Additional Audit slides

New Registry Agreement Audit Update

- ◉ Launched new round of RA audit – January 2016
- ◉ Selection included 10 new gTLD Registry Service Providers not already audited
- ◉ Request for Information sent on 27 January 2016
- ◉ Audit phase tentatively set to occur March – April; Remediation phase tentatively set to occur April – May
- ◉ Countries represented: Brazil, Canada, France, Great Britain, India, Ireland, Mexico, Netherlands, United States
- ◉ Sources of data audited: Registry Operators, Registry Service Providers, Data Escrow Agents, Trademark Clearinghouse and ICANN
- ◉ Documentation Languages: Dutch, English, French, Japanese, Mandarin, Russia

New Registry Agreement Provisions in Audit

Test Areas	Description	Objective
Article 1.3(a)ii	Representations & Warranties	To confirm that Registry Operator is still in good standing since the execution of the Registry Agreement
Article 2.2	Compliance with Consensus Policies and Temporary Policies	To obtain an assurance that Registry Operator has implemented and is complying with all Consensus and Temporary Policies.
Article 2.3	Data Escrow (Specification 2)	To confirm that content of the escrow deposits are per the executed Registry Agreement; To confirm compliance with the Legal Requirements for Data Escrow as set forth in Specification 2, Part B of the 2013 Registry Agreement.
Article 2.4	Monthly Reporting (Specification 3)	To confirm the monthly Per-Registrar Transactions Report accurately represents the number of active domains.
Article 2.5	Publication of Whois Registration Data (Specification 4)	To confirm that Registry is in compliance with Registration Data Directory Services (RDDS) requirements, per Specification 4 (Sections 1.5, 1.6, 1.7).
Article 2.6	Reserved Names (Specification 5)	To confirm that Names and Labels that Registry Operators are obligated to reserve are handled appropriately
Article 2.7	Registry Interoperability and Continuity (Specification 6)	To confirm that Registry Operator: Follows the obligation to block certain names, as required; Follows procedures intended to prevent name collision occurrences; Has the BCP (Business Continuity Plan) and it includes key provisions; Addresses orphan glue records appropriately; Is able to accept IPv6 addresses
Article 2.8	Protection of Legal Rights of Third Parties (Specification 7) - TMCH Sunrise and Claims Period	To confirm that Registry Operator implemented and adhered to the rights protection mechanisms (“RPMs”)

Source: <https://www.icann.org/en/system/files/files/audit-plan-new-registry-agreement-04dec15-en.pdf>

New Registry Agreement Provisions in Audit (cont.)

Test Areas	Description	Objective
Article 2.14	Registry Code of Conduct (Specification 9 - Parts A, B, D)	To confirm Registry Operator compliance with Code of Conduct
Article 2.17	Additional Public Interest Commitments (Specification 11)	To confirm that Registry Operator complies with its public interest commitments as incorporated into Specification 11 of the Registry Agreement
Article 2.19	Community-based TLD's Obligations of Registry Operator to TLD Community (Specification 12)	To confirm that Registry Operator has implemented and complied with all Community Registration Policies
Specification 13	.BRAND TLD Provisions	To confirm Registry Operator compliance with Code of Conduct and that only Registry Operator, its Affiliates, or Trademark Licensees register domain names and control the DNS records associated with domain names at any level in the TLD.

Source: <https://www.icann.org/en/system/files/files/audit-plan-new-registry-agreement-04dec15-en.pdf>

Sample of Previous Audit Issues and Impact

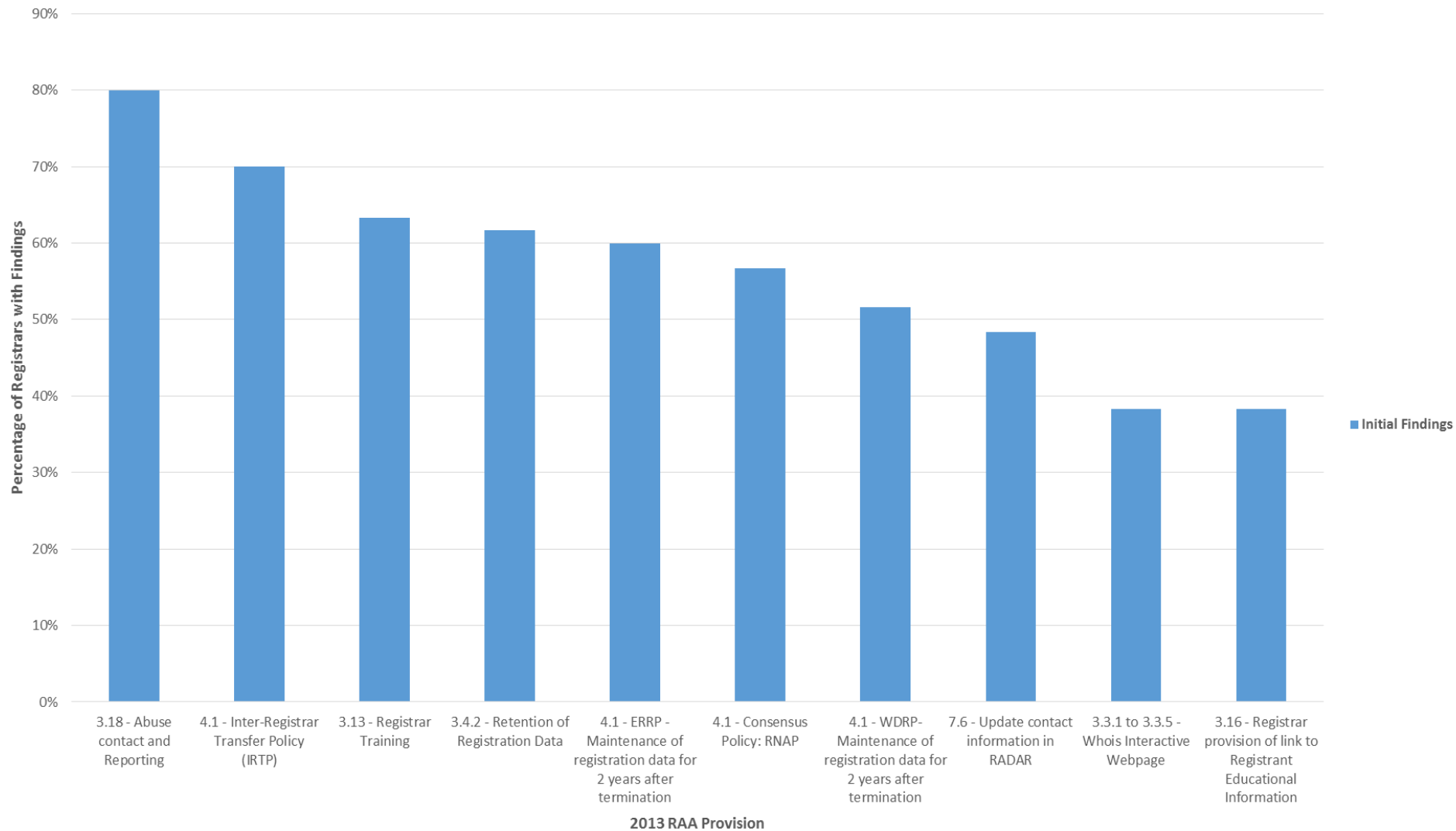
	Issue	RA Provision	Importance	Action & description
1	Data Escrow: - Whois registration data differed from escrow data - Some mandatory fields are missing in Data Escrow file	Article 2.3 Data Escrow (Specification 2)	Correct processing and escrowing of registration data is required for restorability and to protect consumers	Identified and corrected issue: TLD escrow system was misplacing portions of registration information into incorrect fields; new fields added to Data Escrow file system
2	Incomplete data returned in Whois queries	Article 2.5 Publication of Whois Registration Data (Specification 4)	Processing, maintaining and displaying of domain level information are required and vital for consumers of the gTLD	Identified and corrected issue: Necessary changes have been applied to Whois query system
3	Monthly reports: number of domains incorrectly reported	Article 2.4 Monthly Reporting (Specification 3)	Inaccurate domain counts may result in incorrect reporting to public and over or underpayment of fees to ICANN	Identified and corrected issue: error in TLD reporting system which was overlooking names without nameservers
4	Abuse language in Registry-Registrar Agreement: missing or incorrect	Article 2.17 Additional Public Interest Commitments (Specification 11)	Abuse language informs the community and promotes security	Identified and corrected issue: TLD added and updated abuse language
5	Security threats: orphan glue records in zone file	Article 2.3 Data Escrow; Specification 2	Orphan glue records are susceptible to malicious abuse	Identified and corrected issue: TLD removed orphan glue records
6	Eligibility Criteria for prospective Registrars: unavailable	Section 2.14 Registry Code of Conduct; (Specification 9)	Establishing and communicating clear eligibility criteria for prospective registrars prevents preferential treatment of registrars	Identified and corrected issue: TLD established and communicated clear eligibility criteria to prospective registrars

2013 RAA Audit Update

- ⦿ Launched new round of 2013 RAA audit - September 2015
- ⦿ Sample of 67 Registrars selected for this audit
- ⦿ One Registrar was terminated during the audit RFI phase
- ⦿ Received approximately 5,200 documents during RFI phase
- ⦿ Languages: Cantonese, Danish, English, French, German, Greek, Japanese, Mandarin, Spanish, Turkish, Vietnamese
- ⦿ Initial audit reports were issued to Registrars in February
- ⦿ Audit is currently in Remediation phase
- ⦿ Next Steps: ICANN to issue final audit report to Registrars by end of March

September 2015 Audit Statistics of the 2013 RAA

2013 RAA Provisions with most Initial Findings



2013 RAA Provisions Audited

RAA Provision	Obligation	Objective
3.3.1 to 3.3.5	Whois- Port43/Web, Corresponding Data Elements	To confirm that Whois output is in compliance with requirements
3.4.1 to 3.4.2	Retention of Registration Data	To verify that registration records are retained, as required
3.6	Data Escrow	To verify that Registrar submits a copy of domain registration data to escrow agent and the data is complete, consistent and is in a proper format.
3.7.5.3 to 3.7.5.6	EDDP-Domain name renewal, provision of applicable information to registrants	To verify that required notifications are sent to registrants
3.7.7.1 to 3.7.7.12	Registered Name Holders registration agreement compliance	To verify that Registrar enters into agreements with all Registered Name Holders to and such agreements include at least mandatory provisions.
3.7.11	Complaints & Dispute Resolution process	To verify that Registrar made available a description of the customer service handling processes offered to Registered Name Holders
3.12	Reseller agreement (mandatory provisions)	To verify that agreements with resellers (RRAs) contain mandatory provisions
3.12.7	Reseller provision of link to Registrants' Benefit & Responsibilities Specification	To verify that Registrar's resellers offer a link to the Registrants' Benefits and Responsibilities Specification
3.13	Registrar Training	To verify that Registrar's primary contact or designee has completed the required training course
3.14	Obligations Related to Proxy and Privacy Services	To verify that Registrar's Privacy & Proxy registrations comply with the Specification on Privacy and Proxy Registrations
3.15	Self-Assessment	Verify that Registrar performs the required Registrar self-assessment and informs ICANN on its completion

Source: <https://www.icann.org/en/system/files/files/audit-plan-2013-raa-04dec15-en.pdf>