

POLICY DEVELOPMENT PROCESS POLICY

1.0 Title: Policy Development Process Policy

Version Control: 1.0

Date of Implementation: June 12, 2014

2.0 Summary

Initial Registry Policies were created by Registry Operator and incorporated in its applications to ICANN for <.TLD>. Additional Registry Policies and modifications to existing Registry Policies in connection with the operation of <.TLD> shall be created, reviewed and accepted/rejected per the terms outlined in this Policy Development Process Policy (the "Policy").

3.0 Initiation of the Policy Development Process

3.1 The Advisory Council¹ may consider new Registry Policies and/or changes to current Registry Policies if raised either by (a) the Registry Operator (inclusive of Operating Manager and Board of Directors); (b) the Advisory Council; or (c) through the respective financial service communities that can make proposals electronically via the Registry Operator's website.

3.2 The Manager will coordinate the receipt of these requests and periodically present to the Advisory Council a summary of submissions so that they may make an informed decision about which Registry Policies to consider given available resources. For Policy Development Processes initiated under 3.1(b) and 3.1(c) only those proposals/recommendations that receive a minimal 30% threshold support from the Advisory Council will advance to the next stage. Whereas, Policy Development Processes initiated under 3.1(a) will automatically proceed to the next stage.

4.0 Issues Report

The Manager shall:

4.1 Prepare a Report addressing potential strengths and weakness in the Registry Policy proposal, identifying any potentially impacted parties and how the parties may be affected.

¹ Per fTLD's Affirmation of Commitments and its Advisory Council Rules and Operating Procedures (collectively at <http://www.ftld.com/advisory-council.html>), the role of the Advisory Council is to provide guidance on fTLD's Registry Policies by reviewing and providing input on them at the request of fTLD. Advisory Council recommendations on Registry Policies will serve to inform and guide fTLD Board decisions to approve final versions of them.

4.2 Make a posting on the Advisory Council's section of Registry Operator's website informing the respective financial services communities of the initiation of this Report and providing a means for public comment regarding the proposed Registry Policy.

4.3 Consult with appropriate subject-matter experts in the preparation of the Report; and

4.4 Endeavor to prepare the Report within 60 days of the initiation of the Policy Development Process.

5.0 Implementation

5.1 Following the publication of the Report, the Advisory Council will provide timely and appropriate guidance. Any Registry Policy recommendation to the Registry Operator under 3.1(b) or 3.1(c) must be done by a Consensus of the Advisory Council.

5.2 The Manager shall prepare a report summarizing the actions of the Advisory Council and forward it to the Registry Operator's Board of Directors for consideration as soon as reasonably possible. The Manager shall also promptly notify the Advisory Council of any actions by the Registry Operator's Board of Directors for the Registry Policy recommendation.

5.3 If the Registry Policy recommendation is approved by the Registry Operator's Board of Directors, the Manager shall be required to prepare the necessary documentation and commence implementation of the Registry Policy recommendation in a timely fashion.

6.0 Superseding Policy Considerations

Registry Operator endeavors to work in conjunction with the Advisory Council to develop Registry Policies for the operation of <.TLD> per the terms of Registry Operator's Affirmation of Commitments. However, Registry Operator has certain contractual obligations to ICANN and corporate fiduciary obligations that shall supersede the aforementioned and provisions set forth below in this Policy.

6.1 ICANN Consensus Policies and Temporary Policies

Registry Operator is contractually obligated to comply with and implement all Consensus Policies and Temporary Policies found at <http://www.icann.org/general/consensus-policies.htm>, as of the Effective Date of the Registry Agreement and as may in the future be developed and adopted in accordance with ICANN's Bylaws, provided such future Consensus Policies and Temporary Policies are adopted in accordance with and relate to those topics and subject to those limitations set forth in Specification 1 of the Registry Agreement.

6.2 Registry Operator Emergency Policies

Registry Operator reserves the right to immediately implement an Emergency Policy, in its sole discretion, to; (1) protect the integrity and stability of the registry; (2) comply with any applicable laws, government rules or requirements, requests of law enforcement, in compliance with any dispute resolution process; (3) avoid any liability, civil or criminal, on the part of Registry Operator, as well as its affiliates, subsidiaries, officers, directors, employees and members; or (4) correct mistakes made by Registry Operator (including third-party vendors) or any Registrar in connection with a domain name registration.

In the event that Registry Operator implements an Emergency Policy², it shall promptly notify the Advisory Council, provide a reason for such action and work with the Advisory Council to implement a permanent policy, if one is warranted, in accordance with this Policy.

6.3 Notice and Conflict

In the event of a conflict between Registry Operator's services and any ICANN Consensus Policy or Temporary Policy, the ICANN Consensus Policy or Temporary Policy shall control, but only with respect to the subject matter in conflict. However, the Registry Agreement provides that ICANN shall afford Registry Operator a reasonable period of time following notice of the establishment of an ICANN Consensus Policy or Temporary Policy in which to comply with such policy or specification, taking into account any urgency involved.

7.0 Amendment

Registry Operator reserves the right to modify this Policy at its sole discretion in accordance with its rights and obligations set forth in its Registry Agreement. Such revised Policy shall be posted on Registry Operator's website www.ftld.com/policies at least 15-calendar days before its effective date.

² Emergency Policies have historically been implemented to address a specific situation of limited duration that once resolved or mitigated usually obviates the need for the policy. If Registry Operator has determined that a permanent policy is warranted, it shall be implemented in accordance with this Policy.