

fTLD Advisory Council Rules and Operating Procedures

Updated: April 15, 2019

1. Purpose and Responsibilities

1.1 Purpose

The purpose of the Advisory Council is to support the community consultation process by considering and providing advice, as requested by fTLD Registry Services, LLC's (fTLD) Board of Directors ("Board") or its Operating Manager ("Manager"), on the registry policies of fTLD for .BANK and .INSURANCE. The formation and operation of the Advisory Council, consistent with fTLD's Affirmation of Commitments (see: <https://www.ftld.com/docs/ftld-aoc.pdf>), is a mechanism by which fTLD will invite community participation and stakeholder engagement that will serve to inform the Board's policy decisions. The Advisory Council will provide advice on maintaining the overall quality and consistency of fTLD's policy framework by:

- Helping to ensure fTLD's policy development process is in line with best practices for registry policy development;
- Providing guidance on the community consultation process;
- Reviewing and providing input on draft policies at the discretion of fTLD;
- Developing informed recommendations for policies to be presented to the Board and raising fTLD's awareness about topics of interest from the respective financial services community; and
- Assisting fTLD in identifying and convening a diverse group of stakeholders worldwide to participate in the consultation.

Advisory Council policy recommendations will serve to inform the Board's decisions. Ultimate authority and responsibility for approving final versions of fTLD policy framework documents and revisions to fTLD policies lies exclusively with the Board.

1.2 Key Responsibilities

The Advisory Council will be a standing body and will have a set of on-going responsibilities that draws on its members' expertise. These responsibilities include:

- Staying informed on the policy development process via materials and updates as provided by fTLD and/or a designee of fTLD (e.g., Chairperson, consultant);
- Joining and participating in good faith in Advisory Council meetings; and
- To the maximum extent possible, preparing and submitting comments and recommendations on policies under development within published timelines as requested by the fTLD, its Board or Operating Manager.

It is acknowledged that Advisory Council members may represent their organizations or participate in an individual capacity. In the course of carrying out responsibilities, Advisory Council members will consider first and foremost the interests of the respective financial service communities. These responsibilities include:

- Ensuring, to the maximum extent possible, that the views from all concerned segments of the identified community are made known to and taken into consideration by the Advisory Council; and
- All Advisory Council members are expected to represent the respective financial service communities' interests as a whole, with an open mind to the opinions of all concerned parties, even if they may have been selected based on their association or activities with a special interest or sector.

2. Structure and Membership

2.1 Composition and Term

- The Advisory Council will be comprised of 15-20 members. fTLD will strive to attain diversity of among Advisory Council members to ensure it is representative of the respective communities (as described below).
- The Advisory Council will be comprised of non-Board participants, except to the extent permissible in Section 2.2.
- Each term will be for two years from the date of appointment. Any member of the Advisory Council who violates the rules under which the Advisory Council operates may be removed or replaced by fTLD with 30 calendar days written notice. Advisory Council members shall hold office until the expiration of the member's term, the member's resignation or the replacement or removal as aforementioned.
- If a member wishes to resign, provide written notice 30 days in advance to the Advisory Council, including the reasons for resignation.
- Members whose terms expire are eligible for re-appointment upon recommendation by fTLD. Such reappointment will be contingent upon positive appraisal outcomes of the member's performance on the Advisory Council. The method of appraisal will be determined jointly by fTLD, with input from its Board, and the Advisory Council.
- The composition of the Advisory Council may be impacted by the gTLDs operated and will be reflective of the respective communities (as described in Specification 12 to fTLD's Registry Agreement(s) with ICANN). fTLD, in its sole discretion, may modify and/or limit participation on the Advisory Council to communities served by the gTLDs operated by fTLD.
- fTLD may issue an expression of interest or other nomination process to request additional members to participate on the Advisory Council. fTLD may also ask participating members to serve additional one-year, two-year or three-year terms to ensure continuity of the Advisory Council.

2.2 Internal Structure

- The Advisory Council will annually and upon any vacancy choose one of its members to serve as Chairperson and one as Deputy Chairperson.
- A majority of members (defined as a number more than half of the total membership) of the Advisory Council shall constitute a quorum for the purpose of transacting business at any

meeting of the Advisory Council.

- The Board may identify one of its Directors to serve on the Advisory Council.
- fTLD will work with the Chairperson and/or Deputy Chairperson on the planning and implementation of meetings.
- If any subcommittees of the Advisory Council are formed, such subcommittees are answerable to the Advisory Council as a whole and do not have an independent scope of authority.
- Recommendations to the Board must be done through a majority decision by the Advisory Council (defined as more than half the total number of Advisory Council membership).

2.3 Role of Advisory Council Chairperson and Deputy Chairperson

The Advisory Council Chairperson shall:

- Work collaboratively with fTLD to manage meetings of the Advisory Council. In cases where the Chairperson is unable to attend, the Deputy Chairperson will manage those meetings.
- Work with fTLD on the development of the Advisory Council meeting agendas and materials to ensure that the Advisory Council covers its full range of responsibilities.
- Serve as the Advisory Council representative to the meetings of the Board as needed.
- Provide leadership to the Advisory Council with respect to its functions as described in these Rules and Operating Procedures and as otherwise may be appropriate.
- Ensure, to the maximum extent possible, that the views from all concerned segments of the identified community are made known to and taken into consideration by the Advisory Council.
- Facilitate the meetings of the Advisory Council as described in Section 3.2 Meeting Facilitation.

The Advisory Council Deputy Chairperson shall:

- Work collaboratively with fTLD and the Chairperson upon request to manage meetings of the Advisory Council. In cases where the Chairperson is unable to attend, the Deputy Chairperson will manage those meetings. If the Deputy Chairperson is also not available, the Advisory Council can nominate another chair for those meetings.
- Work with fTLD and the Chairperson on the development of the Advisory Council meeting agendas and materials to ensure that the Advisory Council covers its full range of responsibilities.
- Provide leadership to the Advisory Council with respect to its functions as described in these Rules and Operating Procedures and as otherwise may be appropriate.
- Ensure, to the maximum extent possible, that the views from all concerned segments of the identified community are made known to and taken into consideration by the Advisory Council.
- Provide support as needed for the meetings of the Advisory Council as described in Section 3.2 Meeting Facilitation.

2.4 Selection of Members

fTLD will decide, by consensus [defined in Section 3.3], those individuals that shall be invited to join the Advisory Council. fTLD will take into consideration the following:

- Organization/individual has a high level of prestige within the respective financial service communities;
- Organization/individual has a high level of prestige with government agencies and regulators overseeing the respective financial service communities;
- Organization/individual has a public reputation for ethical behavior;
- Organization has a broad diversity;
- Organization/individual has a public reputation for fairness;
- Organization/individual has a public reputation of balancing consumer protections and institutional protections;
- Organization's/individual's involvement would facilitate domains' reputation with potential registrants;
- Organization's/individual's involvement would assist in use of domains as infrastructure for the respective financial service communities (e.g., inter-institutional exchanges, payment exchanges);
- Organization/individual could be in an area of focus for participants in the ICANN process – for example, rights protection, cyber security, privacy rights;
- Organization could be a government agency with responsibility for the respective financial service communities;
- Demonstrated technical or policy expertise in an area related to financial services and/or the Internet (including domain name administration) and/or consumer issues;
- Experience with and understanding of multi-stakeholder consultation processes; and
- Experience in the technical development of international and national standards, guidelines, or other customer service management tools.

2.5 Review & Amendment

fTLD may recommend proposed changes to these Rules and Operating Procedures to the Board for approval. Ultimate responsibility for approving any material changes to these Rules and Operating Procedures lies exclusively with the Board.

3. Operations

3.1 Meetings

The Advisory Council will meet as necessary to support advice requested by fTLD, its Operating Manager and/or Board. The Advisory Council shall meet by teleconference unless otherwise requested. fTLD Board, Operating Managers, and fTLD employees or fTLD designees may attend Advisory Council meetings.

3.2 Meeting Facilitation

Each full group meeting (teleconferences and in-person) of the Advisory Council will be facilitated by fTLD. fTLD and the Advisory Council Chairperson, will:

- Assist in developing meeting agendas and materials;

- Convene and facilitate teleconferences and in-person meetings;
- Serve as the point-of-contact for Advisory Council members in between meetings via electronic communication and/or telephone;
- Produce Advisory Council meeting summaries; and
- Assist with the development, written characterization and documentation of the consensus-based Advisory Council recommendations for consideration by the Board.

3.3 Expectations of Advisory Council Members

Advisory Council members are expected to attend all meetings. Recurrent failure to attend meetings may result in a request for the member to step down from the Advisory Council or written notice of removal as noted above in Section 2.1. Members are also expected to be available to provide occasional advice to fTLD on an informal basis to support the development and implementation of Advisory Council projects or policies.

3.4 Protocols

The Advisory Council's protocols and interaction requirements are as follows:

- Operate in good faith;
- Confidentiality;
- Outcomes and input should mirror and/or address community views rather than individual or institutional views;
- Conduct themselves professionally and courteously;
- Work to find ways to resolve differences as they occur;
- Work together to study process and substance of policy recommendations;
- Neither initiate nor undertake any action outside of the Advisory Council meetings and policy development process intended to undermine the process;
- Advisory Council members will not publicly represent meeting discussions; and
- As pertains to specific discussions, Advisory Council members agree to:
 - Disclose interests;
 - Sign a Conflicts of Interest Policy statement;
 - Listen fully to understand;
 - Participate, share the floor, be concise; and
 - Be explicit and factual—ask for clarification if needed.

3.5 Compliance with Laws

In its meetings, deliberations and other activities, the Advisory Council and its members must remain cognizant of their obligation to comply in all respects with the antitrust laws of the United States, each state and all jurisdictions in which our members do business. In particular, to the extent that Advisory Council members are, or represent competitors, they must at all times remain sensitive to the need not to share or discuss competitively sensitive, company-specific information. Any questions that arise about antitrust compliance during Advisory Council meetings shall be referred to fTLD for resolution by its counsel before meetings continue.

3.6 Decision Making

The Advisory Council will follow consensus guidelines as outlined below:

- The Advisory Council is committed to working collaboratively. That is, the Advisory Council and its members recognize that the credibility and authority of the group's work products derive from the fact that they were developed through diverse stakeholder engagement and the cooperative efforts of a wide range of concerns and perspectives. Advisory Council members will work to craft consensus agreements (i.e., those recommendations about policy or practice that all members can support).
- A quorum of Advisory Council members must be present if a consensus decision is to be made.
- A consensus decision may be made by a majority of the Advisory Council members at the meeting.

3.7 Characterizing Differences

Given its nature as an advisory body, the Advisory Council will also allow a mechanism for dissenting opinions to be presented to the Board in writing in the event that consensus is not achieved. If unable to reach consensus, differences will be characterized by fTLD or the Advisory Council Chairperson.

The Advisory Council has the option of making decisions in-person, by email or teleconference, as requested by fTLD.

3.8 Conflicts

Advisory Council members will be required to abide by fTLD's Conflict of Interest Policy. If an Advisory Council member has a conflict of interest, or potential conflict of interest, with respect to any matter presented at any meeting of the Advisory Council, the member must reveal such conflict, shall be excused from the discussion of such matter and shall not be involved in the decision-making process regarding such matter.

3.9 Budget

The Advisory Council's activities shall be kept within the budget parameters set by fTLD and approved by the Board.

3.10 Reimbursement of Meeting Expenses

The Advisory Council members shall not be entitled to any expense reimbursements unless the expenses have received prior written (including by email) approval by fTLD.

4. Reporting

The Chairperson of the Advisory Council shall report to the Board no less frequently than quarterly in respect to the activities of the Advisory Council during such period. The Advisory Council shall provide such further information and reports to the Board as may be considered necessary or appropriate by the Advisory Council, or as the Board may otherwise reasonably direct.

4.1 Meeting Documentation

As a general rule for meeting summaries, there should be no attribution. If an Advisory Council member wishes for a comment to be attributed, they can make this request known to fTLD. Draft meeting summaries will be prepared by the Advisory Council's Secretary or fTLD after each meeting. The meeting summaries will serve as a non-attributable means of characterizing the issues, interests, conclusions and next steps discussed at each meeting. Draft meeting summaries will be circulated to the Advisory Council for review and/or approval, if applicable, before they are made available to the Board.

5. Relationship with Other Bodies

The Advisory Council is expected to work collaboratively with fTLD, Board and the respective financial service communities to support the on-going development of fTLD's gTLDs.

5.1 Building Support from Participating Organizations

It is the responsibility of the Advisory Council member to serve as a conduit for information and support with their respective organization or interest group(s) if they are part of such an organization or group, including sharing meeting information on the progress of ongoing stakeholder engagement and policy development.

Advisory Council members are also welcome to help fTLD attract participants into the community consultation process.

6. External Relations

Advisory Council members can speak as individual participants in the fTLD process and can identify as members of the Advisory Council but are not authorized to speak on behalf of fTLD or the Advisory Council. Any public statements which might cause confusion as to attribution in this regard should contain an appropriate disclaimer.

7. Confidentiality

Advisory Council members should maintain the confidentiality of information entrusted to them by fTLD, its Operating Manager or its Board and any other confidential information about the Advisory Council, fTLD and its business, except when disclosure is authorized in writing by fTLD or legally mandated. For purposes of this clause, "confidential information" includes all non-public information relating to the Advisory Council, fTLD and its business, or members of fTLD or the Advisory Council.

7.1 Unilateral Action

Members will make a good faith effort to keep other Advisory Council members, fTLD, the Board and the Operating Manager informed in advance about major activities within their sector that may affect the development of fTLD's policies, decisions or the Advisory Council's actions.

8. Interpretation

Notwithstanding any other provision of these Rules and Operating Procedures, fTLD's Operating Manager and Board are the final arbiters regarding the interpretation of these Rules and Operating Procedures.