Draft Applicant Guidebook, v4

Module 1

Please note that this is a discussion draft only. Potential applicants should not rely on any of the proposed details of the new gTLD program as the program remains subject to further consultation and revision.

31 May 2010

Module 1

Introduction to the gTLD Application Process

This module gives applicants an overview of the process for applying for a new generic top-level domain, and includes instructions on how to complete and submit an application, the supporting documentation an applicant must submit with an application, the fees required, and when and how to submit them.

This module also describes the conditions associated with particular types of applications, and the stages of the application life cycle.

For more about the origins, history and details of the policy development background to the New gTLD Program, please see http://gnso.icann.org/issues/new-gtlds/.

A glossary of relevant terms is included at the end of this Draft Applicant Guidebook.

Prospective applicants are encouraged to read and become familiar with the contents of this entire module, as well as the others, before starting the application process to make sure they understand what is required of them and what they can expect at each stage of the application evaluation process.

For the complete set of supporting documentation and more about the origins, history and details of the policy development background to the New gTLD Program, please see http://gnso.icann.org/issues/new-gtlds/.

1.1 Application Life Cycle and Timelines

This section provides a description of the stages that an application passes through once it is submitted. Some stages will occur for all applications submitted; others will only occur in specific circumstances. Applicants should be aware of the stages and steps involved in processing applications received.

1.1.1   Application Submission Dates

The application submission period opens at [time] UTC [date].

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The application submission period closes at [time] UTC [date].

To receive consideration, all applications must be submitted electronically through the online application system by the close of the application submission period.

An application will not be considered, in the absence of exceptional circumstances, if:

- It is received after the close of the application submission period.

- The application form is incomplete (either the questions have not been fully answered or required supporting documents are missing). Applicants will not ordinarily be permitted to supplement their applications after submission.

- The evaluation fee has not been paid by the deadline. Refer to Section 1.5 for fee information.

ICANN has gone to significant lengths to ensure that the online application system will be available for the duration of the application submission period. In the event that the system is not available, ICANN will provide alternative instructions for submitting applications.

1.1.2 Application Processing Stages

This subsection provides an overview of the stages involved in processing an application submitted to ICANN. In Figure 1-1, the shortest and most straightforward path is marked with bold lines, while certain stages that may or may not be applicable in any given case are also shown. A brief description of each stage follows.
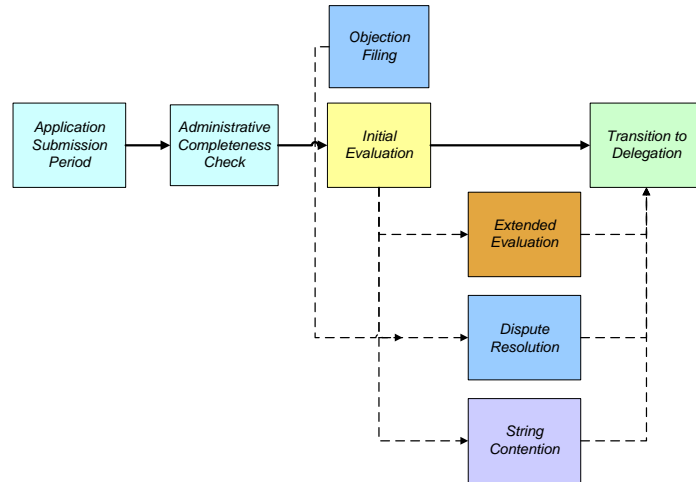
Figure 1-1 – Once submitted to ICANN, applications will pass through multiple stages of processing.

1.1.2.1 *Application Submission Period*

~~Prior to or a~~At the time the application submission period opens, ~~applicants~~ those wishing to submit~~apply for a~~ new gTLD applications can become registered users of the ~~online~~ TLD A~~a~~pplication sSystem (TAS). ~~Information provided in the registration process will be used to validate the identity of the registered user.~~

After completing the registration, TAS users will supply a partial deposit for each requested application slot, after which they will receive access codes enabling them to complete the full application form. To complete the application,

~~Through the application system, applicants~~users will answer a series of questions to provide general information, demonstrate financial capability, and demonstrate technical and operational capability. The supporting documents listed in subsection 1.2.2~~3~~ of this module must also be submitted through the application system as instructed in the relevant questions.

Applicants must also submit their evaluation fees during this period. Refer to Section 1.5 of this module for additional information about fees and payments.

Following the close of the application submission period, ICANN will provide applicants with periodic status updates on the progress of their applications.

1.1.2.2 Administrative Completeness Check

Immediately following the close of the application submission period, ICANN will check all applications for completeness. This check ensures that:

- All mandatory questions are answered;

- Required supporting documents are provided in the proper format(s); and

- The evaluation fees have been received.

ICANN will post ~~at one time the~~ all applications considered complete and ready for evaluation as soon as practicable after the close of the application submission period. Certain questions, including selected finance, architecture, and security-related questions, have been designated by ICANN as confidential: applicant responses to these questions will not be posted. Confidential questions are labeled as such in the application form. The remainder of the application as submitted by the applicant will be posted on ICANN's website.

The administrative completeness check is expected to be completed for all applications in a period of approximately 4 weeks, subject to extension depending on volume. In the event that all applications cannot be processed within a 4-week period, ICANN will post updated process information and an estimated timeline.

1.1.2.3 Initial Evaluation

Initial Evaluation will begin immediately after the administrative completeness check concludes. All complete applications will be reviewed during Initial Evaluation. At the beginning of this period, background checks on the applying entity and the individuals named in the application will be conducted. Applications must pass this step before the Initial Evaluation reviews are carried out.

There are two main elements of the Initial Evaluation:

1. String reviews (concerning the applied-for gTLD string). String reviews include a determination that the applied-for gTLD string is not likely to cause security or stability problems in the DNS, including problems caused by similarity to existing TLDs or reserved names.

2. Applicant reviews (concerning the entity applying for the gTLD and its proposed registry services). Applicant reviews include a determination of whether the applicant has the requisite technical, operational, and financial capability to operate a registry.

By the conclusion of the Initial Evaluation period, ICANN will post notice of all Initial Evaluation results. Depending on the volume of applications received, ICANN may post such notices may be posted in batches over the course of the Initial Evaluation period.

The Initial Evaluation is expected to be completed for all applications in a period of approximately 5 months. If the number of applications is a number in the range of 400-500, this timeframe would increase by 1-3 months. In theis event that the volume exceeds this amount, ICANN will construct a method will be constructed for processing applications in batches, which will extend the time frames involved. Applications will be selected randomly for each batch; however, measures will be taken to ensure that all contending strings are in the same batch. In this event, ICANN will post updated process information and an estimated timeline.

1.1.2.4 Objection Filing

Formal objections to applications can be filed on any of four enumerated grounds, by parties with standing to object. The objection filing period will open after ICANN posts the list of complete applications as described in subsection 1.1.2.2, and will last for approximately 5 ½ months.

Objectors must file such formal objections directly with dispute resolution service providers (DRSPs), not with ICANN. Refer to Module 3, Dispute Resolution Procedures, for further details.

The objection filing period will close following the end of the Initial Evaluation period (refer to subsection 1.1.2.3), with a two-week window of time between the posting of the Initial Evaluation results and the close of the objection filing period. Objections that have been filed during the objection filing period will be addressed in the dispute resolution stage, which is outlined in subsection 1.1.2.76 and discussed in detail in Module 3.

All applicants should be aware that third parties have the opportunity to file objections to any application during the objection filing period. Applicants whose applications are

the subject of a formal objection will have an opportunity to file a response according to the dispute resolution service provider's rules and procedures (refer to Module 3).

An applicant wishing to file a formal objection to another application that has been submitted would do so within the objection filing period, following the objection filing procedures in Module 3.

1.1.2.5   Public Comment

Public comment mechanisms are part of ICANN's policy development, implementation, and operational processes. As a private-public partnership, ICANN is dedicated to: preserving the operational security and stability of the Internet, promoting competition, to achieving broad representation of global Internet communities, and developing policy appropriate to its mission through bottom-up, consensus-based processes. This necessarily involves the participation of many stakeholder groups in a public discussion.

In the new gTLD application process, all applicants should be aware that public comment fora are a mechanism for the public to bring relevant information and issues to the attention of those charged with handling new gTLD applications. Anyone may submit a comment in a public comment forum.

ICANN will open a public comment period at the time applications are publicly posted on ICANN's website (refer to subsection 1.1.2.2), which will remain open for 45 calendar days. This period will allow time for the community to review and submit comments on posted application materials, and for consolidation of the received comments, distribution to the panels performing reviews, and analysis of the comments by the evaluators within the timeframe allotted for Initial Evaluation. The public comment period is subject to extension, in accordance with the time allotted for the Initial Evaluation period, should the volume of applications or other circumstances require.

Comments received during the public comment period will be tagged to a specific application. Evaluators will perform due diligence on the comments (i.e., determine their relevance to the evaluation, verify the accuracy of claims, analyze meaningfulness of references cited) and take the information provided in these comments into consideration. Consideration of the applicability of the

information submitted through public comments will be included in the evaluators' reports.

The public comment forum will remain open through the later stages of the evaluation process, to provide a means for the public to bring any other relevant information or issues to the attention of ICANN.

A distinction should be made between public comments, which may be relevant to ICANN's task of determining whether applications meet the established criteria, and formal objections that concern matters outside those evaluation criteria. The formal objection process was created to allow a full and fair consideration of objections based on limited areas outside ICANN's evaluation of applications on their merits. Public comments associated with formal objections will not be considered by panels during Initial Evaluation; however, they may be subsequently considered by an expert panel during a dispute resolution proceeding (see subsection 1.1.2.7).

1.1.2.6~~5~~   *Extended Evaluation*

Extended Evaluation is available only to certain applicants that do not pass Initial Evaluation.

Applicants failing certain elements of the Initial Evaluation can request an Extended Evaluation. If the applicant does not pass Initial Evaluation and does not expressly request an Extended Evaluation, the application will proceed no further. The Extended Evaluation period allows for an~~one~~ additional exchange of information between the applicant and evaluators to clarify information contained in the application. The reviews performed in Extended Evaluation do not introduce additional evaluation criteria.

~~In addition to failing evaluation elements,~~ A~~a~~n application may be required to enter an Extended Evaluation if ~~the applied for gTLD string or~~ one or more proposed registry services raise technical issues that might adversely affect the security or stability of the DNS. The Extended Evaluation period provides a time frame for these issues to be investigated. Applicants will be informed if such a review~~s~~ ~~are~~is required by the end of the Initial Evaluation period.

Evaluators and any applicable experts consulted will communicate the conclusions resulting from the additional review by the end of the Extended Evaluation period.

At the conclusion of the Extended Evaluation period, ICANN will post all evaluator reports from the Initial and Extended Evaluation periods.

If an application passes the Extended Evaluation, it can then proceed to the next relevant stage. If the application does not pass the Extended Evaluation, it will proceed no further.

The Extended Evaluation is expected to be completed for all applications in a period of approximately 5 months, though this timeframe could be increased based on volume. In this event, ICANN will post updated process information and an estimated timeline.

1.1.2.7~~6~~ *Dispute Resolution*

Dispute resolution applies only to applicants whose applications are the subject of a formal objection.

Where formal objections are filed and filing fees paid during the objection filing period, independent dispute resolution service providers (DRSPs) will initiate and conclude proceedings based on the objections received. The formal objection procedure exists to provide a path for those who wish to object to an application that has been submitted to ICANN. Dispute resolution service providers serve as the fora to adjudicate the proceedings based on the subject matter and the needed expertise. Consolidation of objections filed will occur where appropriate, at the discretion of the DRSP.

Public comments may also be relevant to one or more objection grounds. (Refer to Module 3, Dispute Resolution Procedures, for the objection grounds.) The DRSPs will have access to all public comments received, and will have discretion to consider them.

As a result of a dispute resolution proceeding, either the applicant will prevail (in which case the application can proceed to the next relevant stage), or the objector will prevail (in which case either the application will proceed no further or the application will be bound to a contention resolution procedure). In the event of multiple objections, an applicant must prevail in all dispute resolution proceedings concerning the application to proceed to the next relevant stage. Applicants will be notified by the DRSP(s) of the results of dispute resolution proceedings. ~~Refer to Module 3, Dispute Resolution Procedures, for detailed information.~~

Dispute resolution proceedings, where applicable, are expected to be completed for all applications within approximately a 5 -month time frame. In the event that volume is such that this timeframe cannot be accommodated, ICANN will work with the dispute resolution service providers to create processing procedures and post updated timeline information.

1.1.2.87 String Contention

String contention applies only when there is more than one qualified application for the same or similar gTLD strings.

String contention refers to the scenario in which there is more than one qualified application for the identical gTLD string or for gTLD strings that are so similar that they create a probability of detrimental user confusion if more than one is delegated. Applicants are encouraged to resolve string contention cases among themselves prior to the string contention resolution stage. In the absence of resolution by the contending applicants, sString contention cases are resolved either through a community priority (comparative) evaluation (if a community-based applicant elects it) or through an auction.

In the event of contention between applied-for gTLD strings that represent geographical names, the parties may be required to follow a different process to resolve the contention. See subsection 2.12.1.4 of Module 2 for more information.

Groups of applied-for strings that are either identical or confusingly similar are called contention sets. All applicants should be aware that if an application is identified as being part of a contention set, string contention resolution procedures will not begin until all applications in the contention set have completed all aspects of evaluation, including dispute resolution, if applicable.

To illustrate, as shown in Figure 1-2, Applicants A, B, and C all apply for .EXAMPLE and are identified as a contention set. Applicants A and C pass Initial Evaluation, but Applicant B does not. Applicant B requests Extended Evaluation. A third party files an objection to Applicant C's application, and Applicant C enters the dispute resolution process. Applicant A must wait to see whether Applicants B and C successfully complete the Extended Evaluation and dispute resolution phases, respectively, before it can proceed to the string contention resolution stage. In this example, Applicant B passes the Extended Evaluation, but Applicant C does not prevail in the dispute resolution

proceeding. String contention resolution then proceeds between Applicants A and B.
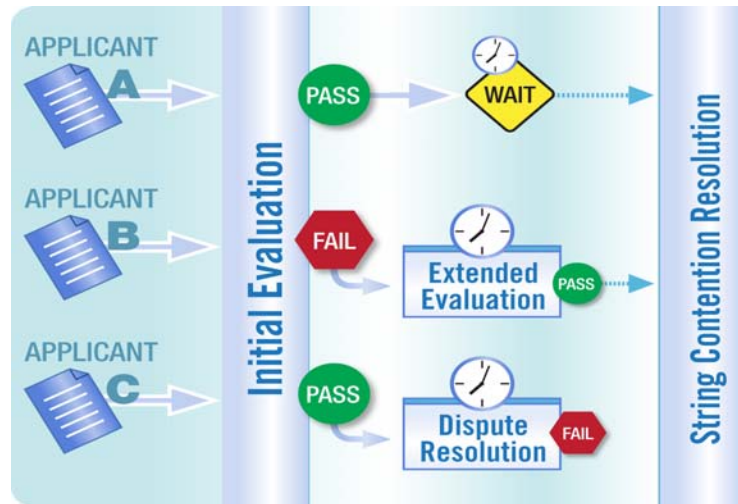

Figure 1-2 – All applications in a contention set must complete all previous evaluation and dispute resolution stages before string contention resolution can begin.

Applicants prevailing in a string contention resolution procedure will proceed toward delegation of the applied-for gTLDs.

In the event of a community priority evaluation (see Module 4, String Contention Procedures), ICANN will provide the comments received during the public comment period to the evaluators with instructions to take the relevant information into account in reaching their conclusions.

String contention resolution for a contention set is estimated to take from 2.5 to 6 months to complete. The time required will vary per case because some contention cases may be resolved in either a community priority (comparative) evaluation or an auction, while others may require both processes.

1.1.2.9~~8~~ *Transition to Delegation*

Applicants successfully completing all the relevant stages outlined in this subsection 1.1.2 are required to carry out a series of concluding steps before delegation of the applied-for gTLD into the root zone. These steps include execution of a registry agreement with ICANN and completion of a pre-delegation technical test to validate information provided in the application.

Following execution of a registry agreement, the prospective registry operator must complete technical set-up and show satisfactory performance on a set of technical tests before delegation of the gTLD into the root zone may be initiated. If the ~~initial start-up~~pre-delegation testing requirements are not satisfied so that the gTLD can be delegated into the root zone within the time frame specified in the registry agreement, ICANN may in its sole and absolute discretion elect to terminate the registry agreement.

Once all of these steps have been successfully completed, the applicant is eligible for delegation of its applied-for gTLD into the DNS root zone.

It is expected that the transition to delegation steps can be completed in approximately 2 months, though this could take more time depending on the applicant's level of preparedness for the pre-delegation testing and the volume of applications undergoing these steps concurrently.

1.1.3~~2.9~~   *Lifecycle Timelines*

Based on the estimates for each stage described in this section, the lifecycle for a straightforward application could be approximately 8 months, as follows:
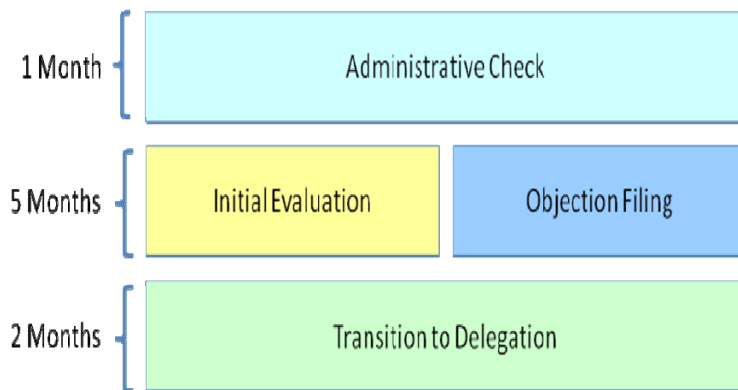

Figure 1-3 – A straightforward application could have an approximate 8-month lifecycle.

The lifecycle for a highly complex application could be much longer, such as 19 months in the example below:
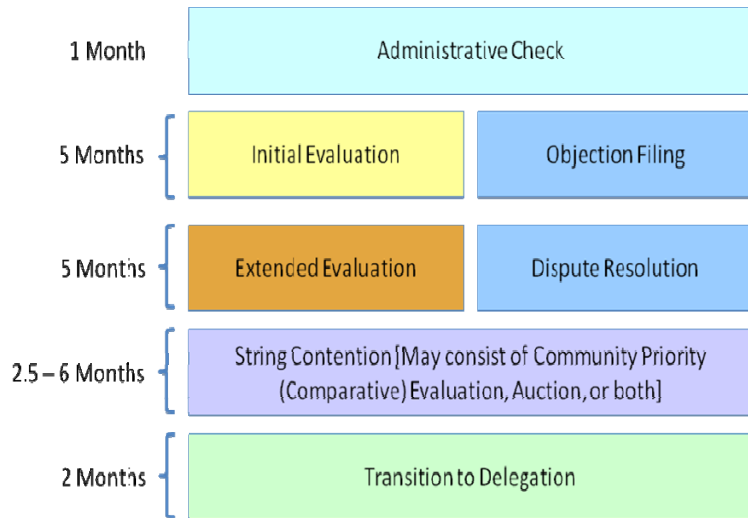
Figure 1-4 – A complex application could have an approximate 19-month lifecycle.

1.1.3   The Role of Public Comment in the Evaluation of Applications

Public comment mechanisms are part of ICANN's policy development and implementation processes. As a private-public partnership, ICANN is dedicated to: preserving the operational security and stability of the Internet, promoting competition, to achieving broad representation of global Internet communities, and developing policy appropriate to its mission through bottom-up, consensus-based processes. This necessarily involves the participation of many stakeholder groups in a public discussion.

In the new gTLD application process, public comments will be a mechanism for the public to bring relevant information and issues to the attention of those charged with handling new gTLD applications. ICANN will open a public comment forum at the time the applications are publicly posted on ICANN's website (refer to subsection 1.1.2.2), which will remain open through the evaluation stages described in subsection 1.1.2. Anyone may submit a comment in the public comment forum.

A distinction should be made between public comments, which may be relevant to ICANN's task of determining whether applications meet the established criteria, and formal objections that concern matters outside those evaluation criteria. The formal objection process was created to allow a full and fair consideration of objections based on limited areas outside ICANN's evaluation of applications on their merits. A party contacting ICANN to pursue an objection will be referred to the formal objection channels designed specifically for resolving these matters

in the new gTLD application process. More information on the objection and dispute resolution processes is available in Module 3. Public comments received will be provided to the evaluators during the Initial and Extended Evaluation periods. Evaluators will perform take the information provided in these comments into consideration. Consideration of the applicability of the information submitted through public comments will be included in the evaluators' reports.

Public comments may also be relevant to one or more objection grounds. (Refer to Module 3, Dispute Resolution Procedures, for the objection grounds.) ICANN will provide all public comments received to DRSPs, who will have discretion to consider them.

In the event of a community priority (comparative) evaluation (see Module 4, String Contention Procedures), ICANN will provide the comments received to the evaluators with instructions to take the relevant information into account in reaching their conclusions. As the community priority (comparative) evaluation includes assessment of relevant support and opposition, such comments are relevant to the task.

1.1.4   Posting Periods

The results of application reviews will be made available to the public at various stages in the process, as shown below.

Period	Posting Content
End of Administrative Check	All applications that have passed the Administrative Completeness Check are posted (confidential portions redacted).
During Initial Evaluation	Application status is updated with results from the Background Check and DNS Stability review as completed. Results from String Similarity review, including string contention sets, will be posted.
End of Initial Evaluation	Application status is updated with all Initial Evaluation results.
End of Extended Evaluation	Application status is updated with all Extended Evaluation results. Evaluation panelists' summary reports from the Initial and Extended Evaluation periods are posted.
During Objection Filing/Dispute Resolution	Updates to filed objections and status available via Dispute Resolution Service Provider websites. Notice of all objections posted by ICANN

	after close of Objection Filing period.
During Contention Resolution (Community Priority Evaluation)	Results of each Community Priority Evaluation posted as completed.
During Contention Resolution (Auction)	Results from an auction will be posted as completed.
Transition to Delegation	Registry Agreements will be posted when executed. Pre-delegation testing status will be provided.

1.1.54 Sample Application Scenarios

The following scenarios briefly show a variety of ways in which an application may proceed through the evaluation process. The table that follows exemplifies various processes and outcomes. This is not intended to be an exhaustive list of possibilities. There are other possible combinations of paths an application could follow.

Estimated time frames for each scenario are also included, based on current knowledge. Actual time frames may vary depending on several factors, including the total number of applications received by ICANN during the application submission period. It should be emphasized that most applications are expected to pass through the process in the shortest period of time, i.e., they will not go through extended evaluation, dispute resolution, or string contention resolution processes. Although most of the scenarios below are for processes extending beyond eight8 months, it is expected that most applications will be complete will complete the processd within the eight-month timeframe.

Scenario Number	Initial Eval-uation	Extended Eval-uation	Objec-tion(s) Filed	String Conten-tion	Ap-proved for Dele-gation Steps	Esti-mated Elapsed Time
1	Pass	N/A	None	No	Yes	8 months
2	Fail	Pass	None	No	Yes	13 months
3	Pass	N/A	None	Yes	Yes	10.5 – 14 months
4	Pass	N/A	Applicant prevails	No	Yes	13 months
5	Pass	N/A	Objector prevails	N/A	No	11 months
6	Fail	Quit	N/A	N/A	No	6 months
7	Fail	Fail	N/A	N/A	No	11 months

Scenario Number	Initial Eval-uation	Extended Eval-uation	Objec-tion(s) Filed	String Conten-tion	Ap-proved for -Dele-gation Steps	Esti-mated Elapsed Time
8	Fail	Pass	Applicant prevails	Yes	Yes	15.5 – 19 months
9	Fail	Pass	Applicant prevails	Yes	No	13.5 – 17 months

Scenario 1 – Pass Initial Evaluation, No Objection, No Contention – In the most straightforward case, the application passes Initial Evaluation and there is no need for an Extended Evaluation. No objections are filed during the objection period, so there is no dispute to resolve. As there is no contention for the applied-for gTLD string, the applicant can enter into a registry agreement and the application can proceed toward delegation of the applied-for gTLD. Most applications are expected to complete the process within this timeframe.

Scenario 2 – Extended Evaluation, No Objection, No Contention – In this case, the application fails one or more aspects of the Initial Evaluation. The applicant is eligible for and requests an Extended Evaluation for the appropriate elements. Here, the application passes the Extended Evaluation. As with Scenario 1, no objections are filed during the objection period, so there is no dispute to resolve. As there is no contention for the gTLD string, the applicant can enter into a registry agreement and the application can proceed toward delegation of the applied-for gTLD.

Scenario 3 – Pass Initial Evaluation, No Objection, Contention – In this case, the application passes the Initial Evaluation so there is no need for Extended Evaluation. No objections are filed during the objection period, so there is no dispute to resolve. However, there are other applications for the same or a similar gTLD string, so there is contention. In this case, the application prevails in~~wins~~ the contention resolution, and the other contenders are denied their applications, so the ~~winning~~ applicant can enter into a registry agreement and the application can proceed toward delegation of the applied-for gTLD.

Scenario 4 – Pass Initial Evaluation, Win Objection, No Contention – In this case, the application passes the Initial Evaluation so there is no need for Extended Evaluation. During the objection filing period, an objection is filed on one of the four enumerated grounds by an objector with standing (refer to Module 3, Dispute Resolution

Procedures). The objection is heard by a dispute resolution service provider panel that finds in favor of the applicant. The applicant can enter into a registry agreement and the application can proceed toward delegation of the applied-for gTLD.

Scenario 5 – Pass Initial Evaluation, Lose Objection – In this case, the application passes the Initial Evaluation so there is no need for Extended Evaluation. During the objection period, multiple objections are filed by one or more objectors with standing for one or more of the four enumerated objection grounds. Each objection is heard by a dispute resolution service provider panel. In this case, the panels find in favor of the applicant for most of the objections, but one finds in favor of the objector. As one of the objections has been upheld, the application does not proceed.

Scenario 6 – Fail Initial Evaluation, Applicant Withdraws – In this case, the application fails one or more aspects of the Initial Evaluation. The applicant decides to withdraw the application rather than continuing with Extended Evaluation. The application does not proceed.

Scenario 7 – Fail Initial Evaluation, Fail Extended Evaluation -- In this case, the application fails one or more aspects of the Initial Evaluation. The applicant requests Extended Evaluation for the appropriate elements. However, the application fails Extended Evaluation also. The application does not proceed.

Scenario 8 – Extended Evaluation, Win Objection, Pass Contention – In this case, the application fails one or more aspects of the Initial Evaluation. The applicant is eligible for and requests an Extended Evaluation for the appropriate elements. Here, the application passes the Extended Evaluation. During the objection filing period, an objection is filed on one of the four enumerated grounds by an objector with standing. The objection is heard by a dispute resolution service provider panel that finds in favor of the applicant. However, there are other applications for the same or a similar gTLD string, so there is contention. In this case, the applicant prevails over other applications in the contention resolution procedure, the applicant can enter into a registry agreement, and the application can proceed toward delegation of the applied-for gTLD.

Scenario 9 – Extended Evaluation, Objection, Fail Contention – In this case, the application fails one or more aspects of the Initial Evaluation. The applicant is eligible for and requests an Extended Evaluation for the appropriate

elements. Here, the application passes the Extended Evaluation. During the objection filing period, an objection is filed on one of the four enumerated grounds by an objector with standing. The objection is heard by a dispute resolution service provider that finds~~rules~~ in favor of the applicant. However, there are other applications for the same or a similar gTLD string, so there is contention. In this case, another applicant prevails in the contention resolution procedure, and the application does not proceed.

Transition to Delegation – After an application has successfully completed Initial Evaluation, and other stages as applicable, the applicant is required to complete a set of steps leading to delegation of the gTLD, including execution of a registry agreement with ICANN, and completion of pre-delegation testing. Refer to Module 5 for a description of the steps required in this stage.

1.1.6~~5~~ Subsequent Application Rounds

ICANN's goal is to launch subsequent gTLD application rounds as quickly as possible. The exact timing will be based on experiences gained and changes required after this round is completed. The goal is for the next application round to begin within one year of the close of the application submission period for this round.

1.2   Information for All Applicants

1.2.1   Eligibility

~~Any e~~Established corporations, organizations, or institutions in good standing may apply for a new gTLD. Applications from individuals or sole proprietorships will not be considered.

Note that all applicants will be subject to a background check process. The background check is in place to protect the public interest in the allocation of critical Internet resources, and ICANN reserves the right to ~~may~~ deny an otherwise qualified application, or to contact the applicant with additional questions, based on the information obtained in the background check.

Circumstances where ICANN may deny an otherwise qualified application include, but are not limited to ~~if:~~
~~a.~~ instances where the a~~A~~pplicant, or any partner, officer, director, or manager, or any person or entity owning (or

beneficially owning) fifteen percent or more of the applicant:

   i.   within the past ten years, has been convicted of a felony, or of a misdemeanor related to financial or corporate governance activities, or has been judged by a court to have committed fraud or breach of fiduciary duty, or has been the subject of a judicial determination that ICANN deemed as the substantive equivalent of any of these;

   ii.   within the past ten years, has been disciplined by any government or industry regulatory body for conduct involving dishonesty or misuse of the funds of others;

   iii.   is currently involved in any judicial or regulatory proceeding that could result in a conviction, judgment, determination, or discipline of the type specified in (i̶a̶) or (i̶i̶b̶);

   iv.   is the subject of a disqualification imposed by ICANN and in effect at the time the application is considered; o̶r̶

   v.   fails to provide ICANN with the identifying information necessary to confirm identity at the time of application;.̶

b̶.̶ ̶A̶p̶p̶l̶i̶c̶a̶n̶t̶,̶ ̶o̶r̶ ̶a̶n̶y̶ ̶p̶a̶r̶t̶n̶e̶r̶,̶ ̶o̶f̶f̶i̶c̶e̶r̶,̶ ̶d̶i̶r̶e̶c̶t̶o̶r̶,̶ ̶o̶r̶ ̶m̶a̶n̶a̶g̶e̶r̶,̶ ̶o̶r̶ ̶a̶n̶y̶ ̶p̶e̶r̶s̶o̶n̶ ̶o̶r̶ ̶e̶n̶t̶i̶t̶y̶ ̶o̶w̶n̶i̶n̶g̶ ̶(̶o̶r̶ ̶b̶e̶n̶e̶f̶i̶c̶i̶a̶l̶l̶y̶ ̶o̶w̶n̶i̶n̶g̶)̶ ̶f̶i̶f̶t̶e̶e̶n̶ ̶p̶e̶r̶c̶e̶n̶t̶ ̶o̶r̶ ̶m̶o̶r̶e̶ ̶o̶f̶ ̶a̶p̶p̶l̶i̶c̶a̶n̶t̶

   vi.   is the subject of a pattern of decisions indicating liability for, or repeated practice of bad faith in regard to domain name registrations, including:

      a) acquiring domain names primarily for the purpose of selling, renting, or otherwise transferring the domain name registrations to the owner of a trademark or service mark or to a competitor, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name; or

      b) registering domain names in order to prevent the owner of the trademark or

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service mark from reflecting the mark in a corresponding domain name; or

~~c)~~ registering domain names primarily for the purpose of disrupting the business of a competitor; or

d) using domain names with intent to attract, for commercial gain, Internet users to a web site or other on-line location, by creating a likelihood of confusion with a trademark or service mark as to the source, sponsorship, affiliation, or endorsement of the web site or location or of a product or service on the web site or location.

All applicants are required to make specific declarations regarding the above events.

Restrictions on Registrar Cross-Ownership[1] -- Applications will not be considered from any of the following:

1. ICANN-accredited registrars or their Affiliates;

2. Entities controlling or Beneficially Owning more than 2% of any class of securities of an ICANN-accredited registrar or any of its Affiliates; or

3. Entities where 2% or more of voting securities are beneficially owned by an ICANN-accredited registrar or any of its Affiliates.

Further, applications where the applicant has engaged an ICANN-accredited registrar, reseller, or any other form of distributor or any of their Affiliates (or any person or entity acting on their behalf) to provide any registry services for the TLD will not be approved.

"Affiliate" means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the person or entity specified.

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[1] Note: The text in this section is possible implementation language resulting from the resolutions of the ICANN Board (adopted at the ICANN Meeting in Nairobi) with respect to the separation of registry and registrar functions and ownership <http://www.icann.org/en/minutes/resolutions-12mar10-en.htm#5>. During the recent Board Retreat in Dublin during May 2010, the Board reviewed possible issues that might result from a strict interpretation of the Board's resolutions. It was the sense of the Board that: 1) the draft proposed stricter limitations on cross ownership represents a "default position" and they continue to encourage the GNSO to develop a stakeholder-based policy on these issues; 2) a very strict interpretation of the resolutions might create unintended consequences; 3) staff should produce language in the agreement matching a "de minimus" acceptable approach (2% language) while remaining generally consistent with the resolutions; 4) the Board encourages community input and comment on the correct approach to these issues in the absence of GNSO policy; and 5) the Board will review this issue again if no GNSO policy results on these topics.

"Control" (including as used in the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person or entity, whether through the ownership of securities, as trustee or executor, by serving as a member of a board of directors or equivalent governing body, by contract, by credit arrangement or otherwise.

A person or entity that possesses "Beneficial Ownership" of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares (A) voting power which includes the power to vote, or to direct the voting of, such security; and/or (B) investment power which includes the power to dispose, or to direct the disposition of, such security.

1.2.2   Required Documents

All applicants should be prepared to submit the following documents, which are required to accompany each application[2]:

1. **Proof of legal establishment –** Documentation of the applicant's establishment as a specific type of entity in accordance with the applicable laws of its jurisdiction.

2. **Proof of good standing** – Documentation from the applicable body in the applicant's jurisdiction that the applicant is in good standing.

    Under some laws or jurisdictions, it may be possible to prove both establishment and good standing with a single document. That is, the same document may suffice for items 1 and 2.

    The documents supplied for proof of establishment and good standing should constitute a coherent response for the applicant's jurisdiction.

3. 2. **Financial statements**. Applicants must provide audited or independently certified financial statements for the most recently completed fiscal year for the applicant. In some cases, unaudited financial statements may be provided.

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[2] The proof of good standing documentation has been eliminated as a document requirement since this will be covered during the background check (see Module 2). This also helps to eliminate the complexities for applicants in obtaining particular types of documentation to meet proof of good standing requirements, given that such documentation practices vary widely across global regions.

Supporting documentation should be submitted in the original language. English translations are not required.

All documents must be valid at the time of submission. Refer to the Evaluation Criteria, attached to Module 2, for additional details on the requirements for these documents.

All documents must be valid at the time of submission.

Supporting documentation should be submitted in the original language. English translations are not required.

Some types of supporting documentation are required only in certain cases:

1. *Community endorsement –* If an applicant has designated its application as community-based (see section 1.2.3), it will be asked to submit a written endorsement of its application by one or more established institutions representing the community it has named. An applicant may submit written endorsements from multiple institutions. If applicable, this will be submitted in the section of the application concerning the community-based designation.

2. *Government support or non-objection* – If an applicant has applied for a gTLD string that is a geographical name, the applicant is required to submit a statement of support for or non-objection to its application from the relevant governments or public authorities. Refer to subsection 2.2.1.4 for more information on the requirements for geographical names.

3. *Documentation of third-party funding commitments –* If an applicant lists funding from third parties in its application, it must provide evidence of commitment by the party committing the funds. If applicable, this will be submitted in the financial section of the application.

1.2.3   *Community-Based Designation*

All applicants are required to designate whether their application is **community-based**.

1.2.3.1   *Definitions*

For purposes of this Applicant Guidebook, a **community-based gTLD** is a gTLD that is operated for the benefit of a clearly delineated community. Designation or non-designation of an application as community-based is entirely at the discretion of the applicant. Any applicant

may designate its application as community-based; however, each applicant making this designation is asked to substantiate its status as representative of the community it names in the application by submission of written endorsements in support of the application. Additional information may be requested in the event of a community priority (comparative) evaluation (refer to Section 4.2 of Module 4). An applicant for a community-based gTLD is expected to:

1. Demonstrate an ongoing relationship with a clearly delineated community.

2. Have applied for a gTLD string strongly and specifically related to the community named in the application.

3. Have proposed dedicated registration and use policies for registrants in its proposed gTLD, commensurate with the community-based purpose it has named.

4. Have its application endorsed in writing by one or more established institutions representing the community it has named.

For purposes of differentiation, an application that has not been designated as community-based will be referred to hereinafter in this document as a **standard application.** A standard gTLD can be used for any purpose consistent with the requirements of the application and evaluation criteria, and with the registry agreement. A standard applicant may or may not have a formal relationship with an exclusive registrant or user population. It may or may not employ eligibility or use restrictions. Standard simply means here that the applicant has not designated the application as community-based.[3]

1.2.3.2 *Implications of Application Designation*

Applicants should understand how their designation as community-based or standard will affect application processing at particular stages, and, if the application is successful, execution of the registry agreement and subsequent obligations as a gTLD registry operator, as described in the following paragraphs.

Objection / Dispute Resolution – All applicants should understand that an objection may be filed against any application on community grounds, even if the applicant has not designated itself as community-based or declared

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[3] The term "standard" here replaces the previous terminology of "open" for applications not designated as community-based. "Open" was generally seen as misleading, since an "open" application could in fact impose tight restrictions on registration in its TLD.

the gTLD to be aimed at a particular community. Refer to Module 3, Dispute Resolution Procedures.

String Contention – Resolution of string contention may include one or more components, depending on the composition of the contention set and the elections made by community-based applicants.

- A **settlement between the parties** can occur at any time after contention is identified. The parties will be encouraged to meet with an objective to settle the contention. Applicants in contention always have the opportunity to resolve the contention voluntarily, resulting in the withdrawal of one or more applications, before reaching the contention resolution stage.

- A **community priority (comparative) evaluation** will take place only if a community-based applicant in a contention set elects this option. All community-based applicants in a contention set will be offered this option in the event that there is contention remaining after the applications have successfully completed all previous evaluation stages.

- An **auction** will result infor cases of contention not resolved by community priority (comparative) evaluation or agreement between the parties. Auction occurs as a contention resolution means of last resort. If a community priority (comparative) evaluation occurs but does not produce a clear winner, an auction will take place to resolve the contention.

Refer to Module 4, String Contention Procedures, for detailed discussions of contention resolution procedures.

Contract Execution and Post-Delegation – A community-based gTLD applicant will be subject to certain post-delegation contractual obligations to operate the gTLD in a manner consistent with the restrictions associated with its community-based designation. ICANN must approve all material changes to the contract, including changes to community-based nature of the gTLD and any associated provisions.

Community-based applications are intended to be a narrow category, for applications where there are unambiguousdistinct associations among the applicant, the community served, and the applied-for gTLD string. Evaluation of an applicant's designation as community-

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based will occur only in the event of a contention situation that results in a community priority (comparative) evaluation. However, any applicant designating its application as community-based will, if the application is approved, be bound by the registry agreement to implement the community-based restrictions it has specified in the application. This is true even if there are no contending applicants.

1.2.3.3 Changes to Application Designation

An applicant may not change its designation as standard or community-based once it has submitted a gTLD application for processing.

1.2.4 Notice concerning Technical Acceptance Issues with New gTLDs

All applicants should be aware that approval of an application and entry into a registry agreement with ICANN do not guarantee that a new gTLD will immediately function throughout the Internet. Past experience indicates that network operators may not immediately fully support new top-level domains, even when these domains have been delegated in the DNS root zone, since third-party software modification may be required and may not happen immediately.

Similarly, software applications sometimes attempt to validate domain names and may not recognize new or unknown top-level domains. ICANN has no authority or ability to require that software accept new top-level domains although it does prominently publicize which top-level domains are valid and has developed a basic tool to assist application providers in the use of current root-zone data.

ICANN encourages applicants to familiarize themselves with these issues and account for them in their startup and launch plans. Successful applicants may find themselves expending considerable efforts working with providers to achieve acceptance of their new top-level domain.

Applicants should review http://www.icann.org/en/topics/TLD-acceptance/ for background. IDN applicants should also review the material concerning experiences with IDN test strings in the root zone (see http://idn.icann.org/).

1.2.5 Notice concerning TLD Delegations

ICANN is only able to create TLDs as delegations in the DNS root zone, expressed using NS records with any corresponding DS records and glue records. There is no policy enabling ICANN to place TLDs as other DNS record types (such as A, MX, or DNAME records) in the root zone.

1.2.65 Terms and Conditions

All applicants must agree to a standard set of Terms and Conditions for the application process. The Terms and Conditions are available in Module 6 of this guidebook.

1.2.76 Notice of Changes to Information

If at any time during the evaluation process information previously submitted by an applicant becomes untrue or inaccurate, the applicant must promptly notify ICANN via submission of the appropriate forms. This includes applicant-specific information such as changes in financial position and changes in ownership or control of the applicant. ICANN reserves the right to require a re-evaluation of the application in the event of a material change. Failure to notify ICANN of any change in circumstances that would render any information provided in the application false or misleading may result in denial of the application.

1.2.87 Voluntary ~~Verification~~ Designation for High Security Zones[4]

ICANN and its stakeholders are currently developing a special designation for "High Security Zone Top Level Domains" ("HSTLDs"), through a separate HSTLD program. This voluntary designation is for top-level domains that demonstrate and uphold enhanced security-minded practices and policies. While any registry operator, including successful new gTLD applicants, will be eligible to participate in this program, its development and operation are beyond the scope of this guidebook. An applicant's election to pursue an HSTLD designation is entirely independent of the evaluation process and will require completion of an additional set of requirements.

For more information on the HSTLD program, including current program development material and activities, please refer to http://www.icann.org/en/topics/new-gtlds/hstld-program-en.htm.

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[4] This section is newly included in the guidebook, for comment, with additional details to follow.

An applicant for a new gTLD has the option of taking steps to gain a "verified" status by meeting a set of requirements additional to those that are in place for all applicants. If achieved, this status would allow the new gTLD registry operator to display a seal indicating that it is verified as a high-security zone, to enhance consumer awareness and trust.

The verification opportunity is entirely optional. A choice not to pursue verification at the time of the application does not reflect negatively on the applicant nor affect its scores in the evaluation process. The process for verification is entirely independent of the evaluation process and requires submission of a separate request with supporting information.

To achieve verification, the registry operations must be consistent with the following principles:

1.   The registry maintains effective controls to provide reasonable assurance that the security, availability, and confidentiality of systems and information assets supporting critical registry functions (i.e., registration services, registry databases, zone administration, and provision of domain name resolution services) and business operations are maintained.

2.   The registry maintains effective controls to provide reasonable assurance that the processing of core registry functions is authorized, accurate, complete, and performed in a timely manner in accordance with established policies and standards. The identity of participating entities is established and authenticated.

3.   The registry maintains effective controls to provide reasonable assurance that the processing of core registrar functions by its registrars is authorized, accurate, complete, and performed in a timely manner in accordance with established policies and standards. The identity of participating entities is established and authenticated.

The processes required to achieve this high-security status include verification of both registry operations and supporting registrar operations. The verification assessment is performed by an independent entity, external to the gTLD evaluation process.

In the event that an applicant wishes to pursue the verification option, it participates in a two phased process.

(1) Prior to delegation of the new gTLD, the applicant participates in an assessment (Phase 1) to establish that the TLD operator has designed and established appropriate technical and procedural controls for operations, in line with the requirements.

(2) After the new gTLD has been delegated and begins operations, a specified period will be given for the registry operator to implement all the pre-approved processes and controls. There will then be a second verification assessment (Phase 2) that will test the processes, controls, and procedures documented in Phase 1 to validate that the registry is operating as planned. If deficiencies are identified by the independent assessment agency, they will be communicated to the registry operator. The registry operator will have a limited time to resolve the problem before the request for verification will be turned down. The registry operator is free to re-apply for verification at a later time.

In the event that any new gTLD application completes the evaluation and the TLD is delegated, the registry operator may choose at a later point to request verification and would then complete the above tests in one step. That is, an applicant may choose to take the steps to obtain verification after it has completed the evaluation process and is operating its new gTLD, rather than concurrently with the evaluation process.

The controls necessary to support verification are assessed through audit on a periodic basis, to retain the gTLD's verified status.

The applicant will be required to pay additional fees for both phases of the verification process. The fees will be revenue neutral and will likely be paid to a third party directly.

See the explanatory memorandum *A Model for a High Security Zone Verification Program* for a detailed discussion of the verification option for high security zones.

1.3 Information for Internationalized Domain Name Applicants

Some applied-for gTLD strings are expected to be Internationalized Domain Names (IDNs) that require the insertion of IDN-encoded A-labels into the DNS root zone. IDNs are domain names including characters used in the local representation of languages not written with the basic Latin alphabet (a - z), European-Arabic digits (0 - 9), and the hyphen (-). As described below, IDNs require the insertion of A-labels into the DNS root zone.

1.3.1 IDN-Specific Requirements

An applicant for an IDN string must provide accompanying information indicating compliance with the IDNA protocol and other technical requirements. The IDNA protocol is currently under revision and its documentation can be found at http://icann.org/en/topics/idn/rfcs.htmhttp://tools.ietf.org/wg/idnabis/.

Applicants must provide applied-for gTLD strings in the form of both a **U-label** (the IDN TLD in local characters) and an **A-label**.

An A-label is the ASCII form of an IDN label. Every IDN A-label begins with the IDNA ACE prefix, "xn--", followed by a string that is a valid output of the Punycode algorithm, making and hence is a maximum of 6359total ASCII characters in length. The prefix and string together must conform to all requirements for a label that can be stored in the DNS including conformance to the LDH (host name) rule described in RFC 1034, RFC 1123, and elsewhere.

A U-label is the Unicode form of an IDN label, which a user expects to seebe displayed in applications.

For example, using the current IDN test string in Cyrillic script, the U-label is <**испытание**> and the A-label is <**xn--80akhbyknj4f>.** An A-label must be capable of being produced by conversion from a U-label and a U-label must be capable of being produced by conversion from an A-label.

Applicants for IDN gTLDs will also be required to provide the following at the time of the application:

1. Short formMeaning or restatement of string (in English). The applicant will provide a short description of what the string would mean or represent in English.

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2. Language of label (ISO 639-1). The applicant will specify the language of the applied-for TLD string, both according to the ISO~~'s~~ codes for the representation of names of languages, and in English.

3. Script of label (ISO 15924). The applicant will specify the script of the applied-for gTLD string, both according to the ISO codes for the representation of names of scripts, and in English.

4. Unicode code points. The applicant will list all the code points contained in the U-label according to its Unicode form.

~~IDN tables. An IDN table provides the list of characters eligible for registration in domain names according to registry policy. It will contain any multiple characters that can be considered "the same" for the purposes of registrations at the second level ("variant characters"). Once in use by an active TLD registry, tables will be lodged in the IANA Repository of IDN Practices. For additional information, see existing tables at http://iana.org/domains/idn-tables/, and submission guidelines at http://iana.org/procedures-idn-repository.html~~

5. Applicants must further demonstrate that they have made reasonable efforts to ensure that the encoded IDN string does not cause any rendering or operational problems. For example, problems have been identified in strings with characters of mixed right-to-left and left-to-right directionality when numerals are adjacent to the path separator (i.e., <u>the</u>~~a~~ dot).[5]

If an applicant is applying for a string with known issues, it should document steps that will be taken to mitigate these issues in applications. While it is not possible to ensure that all rendering problems are avoided, it is important that as many as possible are identified early and that the potential registry operator is aware of these issues. Applicants can become familiar with these issues by understanding the IDNA protocol ~~and in particular the proposed new version of the IDNA protocol~~ (see http://www.icann.org/en/topics/idn/rfcs.htm), and by active participation in the IDN wiki (see http://idn.icann.org/) where some rendering problems are demonstrated.

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[5] See examples at http://stupid.domain.name/node/683

6. **[Optional]** - Representation of label in phonetic alphabet. The applicant may choose to provide its applied-for gTLD string notated according to the International Phonetic Alphabet (http://www.langsci.ucl.ac.uk/ipa/). Note that this information will not be evaluated or scored. The information, if provided, will be used as a guide to ICANN in responding to inquiries or speaking of the application in public presentations.

1.3.2 IDN Tables

An IDN table provides the list of characters eligible for registration in domain names according to the registry's policy. It identifies any multiple characters that are considered equivalent for domain name registration purposes ("variant characters"). Variant characters (as defined in RFC 3743) occur where a single conceptual character has two or more graphic representations, which may or may not be visually similar. Examples of IDN tables can be found in the IANA IDN Repository at http://www.iana.org/procedures/idn-repository.html.

In the case of an application for an IDN gTLD, IDN tables must be submitted for the language or script for the applied-for gTLD string (the "top level tables"). IDN tables must also be submitted for each language or script in which the applicant intends to offer IDN registrations at the second or lower levels.

Each applicant is responsible for developing its IDN Tables, including specification of any variant characters. Tables must comply with ICANN's IDN Guidelines[6] and any updates thereto, including:

- Complying with IDN technical standards.
- Employing an inclusion-based approach (i.e., code points not explicitly permitted by the registry are prohibited).
- Defining variant characters.
- Excluding code points not permissible under the guidelines, e.g., line-drawing symbols, pictographic dingbats, structural punctuation marks.
- Developing tables and registration policies in collaboration with relevant stakeholders to address common issues.

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[6] http://www.icann.org/en/topics/idn/idn-guidelines-26apr07.pdf

- Depositing IDN tables with the IANA Repository for IDN Practices (once accepted as a TLD).

An applicant's IDN tables should help guard against user confusion in the deployment of IDN gTLDs. Applicants are strongly urged to consider specific linguistic and writing system issues that may cause problems when characters are used in domain names, as part of their work of defining variant characters.

To avoid user confusion due to differing practices across TLD registries, it is recommended that applicants cooperate with TLD operators that offer domain name registration with the same or visually similar characters.

As an example, languages or scripts are often shared across geographic boundaries. In some cases, this can cause confusion among the users of the corresponding language or script communities. Visual confusion can also exist in some instances between different scripts (for example, Greek, Cyrillic and Latin).

Applicants will be asked to describe the process used in developing the IDN tables submitted. ICANN may compare an applicant's IDN table with IDN tables for the same languages or scripts that already exist in the IANA repository or have been otherwise submitted to ICANN. If there are inconsistencies that have not been explained in the application, ICANN may ask the applicant to detail the rationale for differences. For applicants that wish to conduct and review such comparisons prior to submitting a table to ICANN, a table comparison tool will be available. ICANN will accept the applicant's IDN tables based on the factors above.

Once the applied-for string has been delegated as a TLD in the root zone, the submitted tables will be lodged in the IANA Repository of IDN Practices. For additional information, see existing tables at http://iana.org/domains/idn-tables/, and submission guidelines at http://iana.org/procedures/idn-repository.html.

1.3.3   IDN Variant TLDs[7]

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[7] The topic of variant management at the top level has been discussed in the community for some time. ICANN is working to support the implementation of IDN TLDs as quickly as possible, while developing an approach to address variant issues in the short term given that there is not yet an accepted mechanism for managing variants at the top level. An interim draft for implementing recommendations of the IDN-Implementation Working Team on this topic was published for comment previously (see http://icann.org/en/topics/new-gtlds/idn-variants-15feb10-en.pdf. This section attempts to draw on that work and discussion and advance toward a complete implementation solution that could be incorporated into the final version of the Applicant Guidebook. Under the approach described here, variant TLDs are not delegated in the short term, but variant strings declared by the applicant

A variant string results from the substitution of one or more characters in the applied-for gTLD string with variant characters based on the applicant's IDN table.

Each application contains one applied-for gTLD string. The applicant may also declare in its application any variant strings for the TLD.

Each variant string listed must also conform to the string requirements in section 2.2.1.3.2. Variant strings listed in the application will be reviewed for consistency with the IDN tables submitted in the application. Should any declared variant strings not be based on use of variant characters according to the submitted tables, the applicant will be notified and the declared string will no longer be considered part of the application.

If an application is approved, only the applied-for gTLD string will be delegated as a gTLD. Variant strings listed in successful gTLD applications will be tagged to the specific application and added to a "Declared Variants List" that will be available on ICANN's website. A list of pending (i.e., declared) variant strings from the IDN ccTLD Fast Track is available at http://icann.org/en/topics/idn/fast-track/string-evaluation-completion-en.htm. These lists are in place to preserve the possibility of allocating variant TLD strings to the appropriate entities when a variant management mechanism is developed. Any subsequent applications to ICANN for strings on these lists are subject to denial based on the string similarity review (see Module 2).

Variant TLDs may be delegated only when a mechanism for managing variant TLDs is completed and has been tested by ICANN. At that time, applicants may be required to submit additional information such as implementation details for the variant TLD management mechanism, and may need to participate in a subsequent evaluation process, which could contain additional fees and review steps to be determined.

Declaration of variant strings in an application does not provide the applicant any right or reservation to a particular string. Variant strings on the Declared Variants List may be subject to subsequent additional review per a process and criteria to be defined. It should be noted here that while variants for second and lower-level registrations

are recorded to preserve the opportunity for delegation of the desired variant TLDs once an appropriate mechanism is developed and tested.

are defined freely by the local communities without any ICANN validation, there may be specific rules and validation criteria specified for variants to be allowed at the top level. It is expected that the variant information provided by applicants in the first application round will contribute to a better understanding of the issues and assist in determining appropriate review steps and fee levels going forward.

Note on Variants -- Currently, the gTLD application process is established so that each application is for one string, whether ASCII or IDN. There has been comment that applications for IDN strings should also accommodate variant strings. Discussions on possible methods of managing variants at the top level have indicated that restricting variants from being delegated in the DNS root zone might disenfranchise certain regions that otherwise would benefit greatly from the introduction of IDN TLDs.

Delegating variant TLDs in the root zone without a mechanism for ensuring that the TLDs are treated in a method that guarantees a good user experience is a stability concern related to confusability for end-users. This can be compared to the "companyname.com" situation, where two domain names (one with all Latin characters and the other with mixed Latin and Cyrillic) look identical, but were different technically. Users clicked on the "wrong" address leading to a site different than expected. This activity resulted in a change in the IDN Guidelines, requiring that scripts not be mixed in domain names unless there is a linguistic reason for doing so (e.g., in the case of Japanese that is represented by mixing of four scripts). This is also a requirement for TLDs, but does not solve the variant issue.

At the same time, disallowing or blocking variant TLDs means that some users will have a very difficult time using the IDN TLDs. In some cases it is not possible for the user to know which character he or she is typing. Some keyboards will offer one or another variant character but not both. In this way, without the variant TLDs in the root, communities may be getting error messages when attempting to reach, for example, a web address with a domain name under one of these IDN TLDs. This is not the intent of IDN deployment. Rather, the objective is to help all communities have equal access to the Internet.

Not all variants are visually confusing. To maximize benefit, ICANN has attempted to define variants in a narrow manner, only including variants that are visually confusing.

The intent was to allow variant TLDs that are not visually confusable with others to be delegated in the DNS root zone while a stable solution was found to address the variants that are similar.

At this time it is an open question whether stability issues include variant TLDs that look different, and are typed differently, but are used interchangeably for the same term by the users.

Another open question is the content of an agreement between the IDN TLD operator and ICANN requiring that registrations under two variant TLDs be handled (say, in a bundled or aliased manner, following RFC 3747, or a different technical solution) in a certain manner.

Finally, there is the question of whether it is necessary to enforce rules required for the development of IDN Tables. IDN Tables hold information about the characters that should be treated as variants. The TLD operators develop IDN tables. Presently, TLD operators are urged to consider linguistic and writing system issues in their work of defining variants, and cooperate with other TLD operators that offer the same or very similar looking characters. This is not always practically possible, and there are currently no rules about defining variants. There also are no defined dispute mechanisms in cases where communities may disagree on a variant definition.

An implementation support team of technical and linguistic experts is examining this set of issues and expects to publish a proposed solution for managing variants at the top level. The proposed solution would then be available for public comment.

1.4 Submitting an Application

Applicants may complete the application form and submit supporting documents using ICANN's TLD Application System (TAS). To access the system, each applicant must first register as a TAS user.

As TAS users, applicants will be able to provide responses in open text boxes and submit required supporting documents as attachments. Restrictions on the size of attachments as well as the file formats are included in the instructions on the TAS site.

ICANN will not accept application forms or supporting materials submitted through other means than TAS (that is, hard copy, fax, email), unless such submission is in

accordance with specific instructions from ICANN to applicants.

1.4.1   Accessing the TLD Application System

The TAS site will be accessible from the New gTLD webpage (http://www.icann.org/en/topics/new-gtld-program.htm), and will be highlighted in communications regarding the opening of the application submission period.

The TAS site is located at [URL to be inserted in final version of Applicant Guidebook].

1.4.1.1 User Registration

TAS user registration requires submission of preliminary information, which will be used to validate the identity of the parties involved in the application. An overview of the information collected in the user registration process is below:

No.	Questions
1	Full legal name of Applicant
2	Principal business address
3	Phone number of Applicant
4	Fax number of Applicant
5	Website or URL, if applicable
6	Primary Contact: Name, Title, Address, Phone, Fax, Email
7	Secondary Contact: Name, Title, Address, Phone, Fax, Email
8	Proof of legal establishment
9	Trading, subsidiary, or joint venture information
10	Business ID, Tax ID, VAT registration number, or equivalent of Applicant
11	Applicant background: previous convictions, cybersquatting activities
12(a)	Deposit payment confirmation

A subset of identifying information will be collected from the entity performing the user registration, in addition to the applicant information listed above. The registered user could be, for example, an agent, representative, or employee who would be completing the application on behalf of the applicant.

The registration process will require the user to request the desired number of application slots. For example, a user intending to submit five gTLD applications would request five TAS slots, and the system would assign the user a unique ID number for each of the five applications.

Users will also be required to submit a deposit of USD 5,000 per application slot. This deposit amount will be credited against the evaluation fee for each application. The deposit requirement is in place to help reduce the risk of frivolous access to the application system.

After completing the registration, TAS users will receive access codes for each application slot, enabling them to enter the rest of the application information into the system.

No new user registrations will be accepted after [date to be inserted in final version of Applicant Guidebook].

ICANN will take commercially reasonable steps to protect all applicant data submitted from unauthorized access, but cannot warrant against the malicious acts of third parties who may, through system corruption or other means, gain unauthorized access to such data.

1.4.1.2 *Application Form*

Having obtained the requested application slots, the applicant will complete the remaining application questions. The application form encompasses a set of 50 questions. An overview of the areas and questions contained in the form is shown here:

No.	General Questions Application and String Information
1	Full legal name of Applicant
2	Principal business address
3	Phone number of Applicant
4	Fax number of Applicant

5	Email address for Applicant
6	Primary Contact: Name, Title, Address, Phone, Fax, Email
7	Secondary Contact: Name, Title, Address, Phone, Fax, Email
8	Proof of legal establishment
9	Proof of good standing
10	Business ID, Tax ID, VAT registration number, or equivalent of Applicant
11	Applicant background: previous convictions, cybersquatting activities
12(b)	Evaluation fee Ppayment confirmation for remaining evaluation fee amount
13	Applied-for gTLD string,
14	IDN string information, if applicable
15	IDN tables, if applicable
16	Mitigation of IDN operational or rendering problems, if applicable
17	Representation of string in International Phonetic Alphabet (Optional)
18	Mission/purpose of the TLD Is the application for a community-based TLD?
19	Is the application for a community-based TLD?If community based, describe elements of community and proposed policies
20	Mission/purpose of the TLDIf community based, describe elements of community and proposed policies
21	Is the application for a geographical name? If geographical, documents of support required
22	Provide mMeasures for protection of geographical names at second level
23	Registry Services: name and full description of all registry services to be provided
No.	**Technical and Operational Questions**
24	Technical overview of proposed registry
25	Architecture (Confidential)

26	Database capabilities
27	Geographic diversity
28	DNS service compliance
29	SRS performance
30	EPP
31	Security policy (Confidential)
32	IPv6 reachability
33	Whois
34	Registration life cycle
35	Abuse prevention and mitigation
36	Rights protection mechanisms
37	Data backup policies and procedures
38	Escrow
39	Registry continuity
40	Registry transition (Confidential)
41	Failover testing
42	Monitoring and fault escalation processes
43	DNSSEC
44	IDNs (Optional)
No.	**Financial Questions**
45	Financial statements (Confidential)
46	Projections template: costs and funding (Confidential)
47	Costs: setup and operating (Confidential)

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48	Funding and revenue (Confidential)
49	Contingency planning: barriers, funds, volumes (Confidential)
50	Continuity: financial instrument (Confidential)

1.4.~~2~~3 ~~Technical~~ Applicant Support

~~TAS users~~ TAS will also provide applicants with access to support mechanisms during the application process. A support link will be available in TAS where users can refer to reference documentation (such as FAQs or user guides), or contact customer support. ~~the FAQ/knowledge base or contact [email address to be inserted in final version of Applicant Guidebook] for technical help using the system.~~

When contacting customer support, ~~u~~Users can expect to receive a tracking ticket number for a ~~technical~~ support request, and a response within ~~24 to~~ 48 hours. ~~through the TAS submission tool.~~ Support requests will be routed to the appropriate person, depending upon the nature of the request. For example, a technical support request would be directed to the personnel charged with resolving TAS technical issues, while a question concerning the nature of the required information or documentation would be directed to an appropriate contact. The response will be added to the reference documentation available for all applicants.

1.4.~~3~~4 Backup Application Process

If the online application system is not available, ICANN will provide alternative instructions for submitting applications.

1.5 Fees and Payments

This section describes the fees to be paid by the applicant. Payment instructions are also included here.

1.5.1 gTLD Evaluation Fee

The gTLD evaluation fee is required from all applicants. This fee is in the amount of USD 185,000. The evaluation fee is payable in the form of a 5,000 deposit submitted at the time the user registers with TAS, and a payment of the remaining 180,000 submitted with the application. ICANN will not begin its evaluation of an application unless it has received the full gTLD evaluation fee by [time] UTC [date]. The gTLD evaluation fee is set to recover costs associated with the new gTLD program. The fee is set to ensure that

the program is fully funded and revenue neutral and is not subsidized by existing contributions from ICANN funding sources, including generic TLD registries and registrars, ccTLD contributions and RIR contributions.

The gTLD evaluation fee covers all required reviews in Initial Evaluation and, in most cases, any required reviews in Extended Evaluation. If an extended Registry Services review takes place, an additional fee will be incurred for this review (see section 1.5.2). There is no additional fee to the applicant for Extended Evaluation for DNS stability, geographical names, technical and operational, or financial reviews. The evaluation fee also covers community priority (comparative) evaluation fees in cases where the applicant achieves a passing score.

Refunds -- In certain cases, refunds of a portion of the evaluation fee may be available for applications that are withdrawn before the evaluation process is complete. The amount of the refund will depend on the point in the process at which the withdrawal is made, as follows:

Refund Available to Applicant	Percentage of Evaluation Fee	Amount of Refund
After posting of applications until posting of Initial Evaluation results	70%	USD 130,000
After posting Initial Evaluation results	35%	USD 65,000
After the applicant has completed Dispute Resolution, Extended Evaluation, or String Contention Resolution(s)	20%	USD 37,000

Thus, any applicant that has not been successful is eligible for at least a 20% refund of the evaluation fee if it withdraws its application.

An applicant that wishes to withdraw an application must submit the required form to request a refund, including agreement to the terms and conditions for withdrawal. Refunds will only be issued to the organization that submitted the original payment. All refunds are paid by wire transfer. Any bank transfer or transaction fees incurred by ICANN will be deducted from the amount paid.

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Note on 2000 proof-of-concept round applicants --
Participants in ICANN's proof-of-concept application process in 2000 may be eligible for a credit toward the evaluation fee. The credit is in the amount of USD 86,000 and is subject to:

- submission of documentary proof by the applicant that it is the same entity, a successor in interest to the same entity, or an affiliate of the same entity that applied previously;

- a confirmation that the applicant was not awarded any TLD string pursuant to the 2000 proof of concept application round and that the applicant has no legal claims arising from the 2000 proof of concept process; and

- submission of an application, which may be modified from the application originally submitted in 2000, for the same TLD string that such entity applied for in the 2000 proof-of-concept application round.

Each participant in the 2000 proof-of-concept application process is eligible for at most one credit. A maximum of one credit may be claimed for any new gTLD application submitted according to the process in this guidebook. Eligibility for this credit is determined by ICANN.

1.5.2 *Fees Required in Some Cases*

Applicants may be required to pay additional fees in certain cases where specialized process steps are applicable. Those possible additional fees include:

- ***Registry Services Review Fee –*** If applicable, this fee is payable for additional costs incurred in referring an application to the RSTEP for an extended review. Applicants will be notified if such a fee is due. The fee for a three member RSTEP review team is anticipated to be USD 50,000. In some cases, five-member panels might be required, or there might be increased scrutiny at a greater cost. In every case, the applicant will be advised of the cost before initiation of the review. Refer to subsection 2.2.3 of Module 2 on Registry Services review.

- ***Dispute Resolution Filing Fee –*** This amount must accompany any filing of a formal objection and any response that an applicant files to an

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objection. This fee is payable directly to the applicable dispute resolution service provider in accordance with the provider's payment instructions. ICANN estimates that non-refundable filing fees could range from approximately USD 1,000 to USD 5,000 (or more) per party per proceeding. Refer to the appropriate provider for the relevant amount. Refer to Module 3 for dispute resolution procedures.

- ***Advance Payment of CostsDispute Resolution Adjudication Fee*** – This feeIn the event of a formal objection, this is payable directly to the applicable dispute resolution service provider in accordance with that provider's procedures and schedule of costs. Ordinarily, both parties in the dispute resolution proceeding will be required to submit an advance payment of costs in an estimated amount to cover the entire cost of the proceeding. This may be either an hourly fee based on the estimated number of hours the panelists will spend on the case (including review of submissions, facilitation of a hearing, if allowed, and preparation of a decision), or a fixed amount. In cases where disputes are consolidated and there are more than two parties involved, the advance payment of fees will occur according to the dispute resolution service provider's rules.

The prevailing party in a dispute resolution proceeding will have its advance payment refunded, while the non-prevailing party will not receive a refund and thus will bear the cost of the proceeding. In cases where disputes are consolidated and there are more than two parties involved, the refund of fees will occur according to the dispute resolution service provider's rules.

ICANN estimates that adjudication fees for a proceeding involving a fixed amount could range from USD 2,000 to USD 8,000 (or more) per proceeding. ICANN further estimates that an hourly rate based proceeding with a one-member panel could range from USD 32,000 to USD 56,000 (or more) and with a three-member panel it could range from USD 70,000 to USD 122,000 (or more). These estimates may be lower if the panel does not call for written submissions beyond the objection and response, and does not allow a hearing. Please refer to the appropriate provider for the

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relevant amounts or fee structures. ~~Refer also to Section 3.3 of Module 3 for further details.~~

- *Community Priority ~~(Comparative)~~ Evaluation Fee –* In the event that the applicant participates in a community priority ~~(comparative)~~ evaluation, this fee is payable as a deposit in an amount to cover the cost of the panel's review of that application (currently estimated at USD 10,000). The deposit is payable to the provider appointed to handle community priority ~~(comparative)~~ evaluations. Applicants will be notified if such a fee is due. Refer to Section 4.2 of Module 4 for circumstances in which a community priority ~~(comparative)~~ evaluation may take place. An applicant who scores at or above the threshold for the community priority ~~(comparative)~~ evaluation will have its deposit refunded.

ICANN will notify the applicants of due dates for payment in respect of additional fees (if applicable). This list does not include fees (annual registry fees) that will be payable to ICANN following execution of a registry agreement.

1.5.3 Payment Method*s*

Payments to ICANN should be submitted by **wire transfer**. Instructions for making a payment by wire transfer will be available in TAS.[8]

Payments to Dispute Resolution Service Providers should be submitted in accordance with the provider's instructions.

1.5.4 Requesting an Invoice

The TAS interface allows applicants to request issuance of an invoice for any of the fees payable to ICANN. This service is for the convenience of applicants that require an invoice to process payments.

1.6 Questions about this Applicant Guidebook

For assistance and questions an applicant may have in the process of completing the application form, applicants should use the support resources available through TAS~~a question and answer forum will be open for the duration of the application submission period~~. Applicants who are

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[8] Wire transfer is~~has been identified as~~ the preferred method of payment as it offers a globally accessible and dependable means for international transfer of funds. This enables ICANN to receive the fee and begin processing applications as quickly as possible.

unsure of the information being sought in a question or the parameters for acceptable documentation are encouraged to communicate these questions through the appropriate support channels before the application is submitted. This helps to avoid the need for exchanges with evaluators to clarify information, which extends the timeframe associated with the application.

Questions may be submitted via the TAS support linkto [email address to be inserted in final version of Applicant Guidebook]. To provide all applicants equitable access to information, ICANN will post all questions and answers on the TAS support page, as well as in a centralized location on its public website.

All requests to ICANN for information about the process or issues surrounding preparation of an application must be submitted in writing viato the designated support channelsemail address. ICANN will not grant requests from applicants for personal or telephone consultations regarding the preparation of an application. Applicants that contact ICANN for clarification about aspects of the application will be referred to the dedicated online question and answer area.

Answers to inquiries will only provide clarification about the application forms and procedures. ICANN will not provide consulting, financial, or legal advice.

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DRAFT - New gTLD Program - Evaluation Process

ICANN

Application period opens → Application period closes → Applications reviewed for completeness → Pass Admin Check?

Pass Admin Check? — Yes → Applications posted for public comment

Pass Admin Check? — No → Ineligible for further review

Objection filing period opens

Public Comment period will open for a period of 45 days

*These three portions of the Initial Evaluation (IE) are referred to as the **String Review***

*These three portions of the Initial Evaluation (IE) are referred to as the **Applicant Review***

Background Check

ICANN will seek to publish the results of the String Similarity review, including contention sets, prior to publication of full IE results.

| String Similarity | DNS Stability | Geographical Names | Technical & Operational Capability | Financial Capability | Registry Services |

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Key	
	Application - Module 1
	Initial Evaluation - Module 2
	Extended Evauation - Module 2
	Dispute Resolution Proceedings - Module 3
	String Contention - Module 4
	Transition to Delegation - Module 5
Thicker Line	Indicates quickest path to delegation

DRAFT – For Discussion Purposes

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Extended Evaluation and Dispute Resolution will run concurrently

Applicant passes all elements of Initial Evaluation?

No

Applicant elects to proceed to Extended Evaluation (EE)

No

Yes

Applicant enters EE for any combination of the four elements below:
- Technical & Operational
- Financial
- Geographical Names
- Registry Services

IE results posted

Yes

Objection filing period closes two weeks after IE results are posted

The application can be objected to based upon any combination of the four objection grounds at the same time. Additionally, the application may face multiple objections on the same objection ground.

Are there any objections?

Yes

No

Applicant passes all elements of Extended Evaluation?

String Confusion proceedings

Legal Rights proceedings

Morality and Public Order proceedings

Community Objection proceedings

No

Does applicant clear all objections?

Yes

Ineligible for further review

No

Is there string contention?

No

Yes

Contract execution

Community Priority Evaluation

Yes

One or more community-based applicant(s) elected Community Priority?

No

Are applicants with contending strings able to self-resolve contention?

Yes

Pre-delegation check

No

Is there a clear winner?

No

Auction proceedings

Successful applicant secures string

Delegation

Yes