IETF Administration LLC

Meeting of the Board of Directors

September 24, 2018
Proposed Agenda

1.) LLC Legal Support Model

2.) Legal Focus Areas - Biddle Law PC - Q4’18

3.) Next steps/plan for separate insurance for the LLC

4.) Circle back on opens related to accounting procedures/check signing? (and/or--would the board like to begin the detailed review of accounting procedures?)

5.) Circle back on Dec F2F

6.) Exec Session?
IETF legal support model for Q4 2018 & 2019

Brad Biddle
For 24-SEPT-2018 IETF LLC Board meeting
The content of this section has been removed for public posting because it concerns material confidential to Biddle Law.
Legal Focus Areas – BLPC – Q4’18

• Objectives
  • Share Q4’18 focus areas for legal work (BLPC) and:
    • Confirm assumptions
    • Discuss and adjust priority, timing/dependencies
    • Flag items for board review and decision making
      • Any decisions that can or should be deferred until the permanent board is seated?
    • ID Missing items/Areas of Concern
# Biddle Law Focus Areas – IETF LLC Transition Q4’18

<table>
<thead>
<tr>
<th>Priority</th>
<th>Focus Area</th>
<th>Board Reviews and/or Decisions Anticipated</th>
<th>High level timing</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Contract Assignment/Transfer of property</td>
<td>No escalations at this time – Board review not anticipated</td>
<td>Near completion. Pending closure on clarification on plan for GDPR</td>
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<td></td>
<td>LLC Legal Support Model</td>
<td>Approval on vision/plan</td>
<td>Late Sept/Early Oct</td>
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<td></td>
<td>Update Trust Agreement</td>
<td>Updates to eligibility definitions as requested</td>
<td>Early Oct</td>
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<td>Charitable Contributions</td>
<td>Plan for charitable contributions, understanding applicable regulations and characterization of sponsorships.</td>
<td>Mid-October</td>
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<td>Endowment</td>
<td>Recommendation for process and plan to effect transfer of Endowment</td>
<td>October</td>
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<td></td>
<td>Insurance</td>
<td>Review of specific policy options/legal assessment</td>
<td>TBD – Board may decide to defer</td>
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<td></td>
<td>Trust IP Licenses</td>
<td>Review of recommended scope of IP rights necessary for IETF Administration LLC Review draft IP license, Stakeholder approvals/Execute IP license</td>
<td>November/December</td>
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<td>Compliance Program: Initial Focus Areas and Priorities</td>
<td>Recommendations on priorities and staged-approach to development of compliance program (bribery, anti-terrorism sanctions, export controls, etc.)</td>
<td>November/December</td>
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<td>Specific Policy Work</td>
<td>Initial policies to be reviewed per compliance program and others as ID’d as part of LLC transition</td>
<td>December /Q1’19</td>
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<td>TBD - support required for Board F2F</td>
<td>TBD</td>
<td>December</td>
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Full task list for each focus area exists separately
Insurance – Next Steps
Accounting Procedures – Next Steps

• Circle back on check signing or other questions from 9/20
• Begin review today, schedule separate meeting, or...?
Discuss Plan for Board F2F

Doodle poll results

Potential Topics
   Legal/Policy Reviews
   Procedure development and/or reviews
   Activities related to planning the transition to permanent board

Next Steps
Other Questions/To Dos
Executive Session
Back Up
Week of October 1- Potential Topics for Board Meeting

• Carry over of topics from 9/24
• Trust Agreement Review
• LLC Transition Plan – Administrative Tasks and Timing - Q4’18 (check with Portia on this)
• Contract review, renewal and RFPs – Define the processes
Proposed Messaging: Transition of Legal Committee

The content of this slide has been removed for public posting because it was draft language.
Interim Accounting Procedures Update

- Draft Accounting Policies and Procedures have been prepared as a starting point for the interim LLC Board.
- Initial key tasks to get the business up and running – Bank selection (Wells Fargo), signers (ED and Board Chairman), interim accounting procedures.

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<th>Operating/Checking</th>
<th>Money Market</th>
<th>Investment</th>
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<td>Bank of America and Wells Fargo were compared with key considerations for global transactions and fee structure. We are in the process of opening an account with Wells Fargo.</td>
<td>Also suggest opening a <a href="#">Wells Fargo Money Market Account</a> to hold the majority of funds and transfer into the operating account as needed.</td>
<td>The investment account would be opened to receive and manage the $9M one time operational reserves from ISOC. Recommendation: <a href="#">Goldman Sachs</a></td>
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Additional Signers and Disbursement

• IETF currently pays all vendors and contractors via ACH transaction (Bill Pay) and wire transfer for international payments.

• AMS has proposed adding check writing as an option, which would increase the number of signers to the account:
  • Karen Moreland, as accountant who is also needed as an authorized user.
  • The other AMS Partners to act in Karen’s absence if needed.

• This is the current model AMS uses with their other clients.

• Cash Disbursement Recommendations
  • The Executive Director (ED) is one of two authorized positions for cash disbursements. The second is will be the Board Chairman.
  • Two e-authorizations will be required for amounts greater than or equal to $5,000.
  • Individuals may not authorize payments to themselves.
IETF Insurance Overview
Insurance Summary

• Current Status:
  • IETF Administration LLC (including actions by its board, activities by contractors and volunteers) and those individuals on behalf of LLC are covered under ISOC policies.

• Recommendations for IETF Administration LLC
  • General Corporate Insurance
    • Workforce Related Insurance
  • D&O Insurance
  • Supplemental Insurance
    • Publisher Liability, Professional Liability, Cybersecurity & Event Cancellation
Insurance Recommendations

• General Corporate Insurance
  • General Liability: Covers property damage and bodily injury
    • Umbrella – Excess coverage for GL and other types of insurance below

• Workforce Related Coverage
  • Worker’s compensation, group benefit
  • Auto coverage
  • Fiduciary Liability
  • Fidelity Bond/Crime Insurance

• International Package Policy
  • Adds international coverage (for claims brought abroad)
D&O and Supplemental Insurance

• Nonprofit Directors and Officers Insurance
  • Coverage extends to broad group of individuals (board directors and officers, but also volunteers, contractors, etc.).
  • Nature of coverage varies
    • Frequent exceptions include Professional Liability and Publishers Liability
    • Upon review of proposed coverage,

• Supplemental Insurance
  • Professional & Publisher Liability Insurance if required
  • Cybersecurity
  • Antitrust Exposure
  • Travel Accident Insurance
  • Event Cancellation Insurance: purchased on a per event basis
Process & Next Steps

• For General Liability/Umbrella, Fidelity Bond, International Package:
  • Andersen Insurance Group will seek out options
  • Ongoing need to assess appropriate coverage when decisions about staffing and PEO relationships are established

• D&O, Cyber and Publisher Insurance
  • Formal applications need to be completed
    • Will require budget and other input from IETF Administration LLC business side.
    • After submission of applications, Anderson Insurance Group interfaces with underwriters, provides final options for review

• Travel Accident: Requires certain information, will change over time.

• Cancellation Insurance: Will continue to obtain for future events.