

FOR DISCUSSION/APPROVAL, PAB MEETING, 7TH APRIL 2004

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SUBJECT: Call for a Voting Structure review.

There are now around 2,770 Nominet Members **worldwide**. The Voting Structure has been in place since 1999 when there were a lot less. The Voting Structure is weighted in respect of Members who hold most domain names.

You may see more about Voting Rights pages here:

<http://www.nic.uk/Members/VotingRights/VotingRights/>

The “formula” can be found on the page titled: “Voting Rights Policy”.

Example of weighted voting: Top 5 Members:

UK2 Limited:	795	(7.17%)
Fasthosts Internet Ltd:	643	(5.80%)
Host Europe Internet Ltd:	565	(5.09%)
Easily Limited	417	(3.76%)
Easyspace Limited:	389	(3.50%)

Example of weighted voting: 5 smaller Members:

NetConnex Limited:	002
CyberStrider Limited:	005
Dr. Willie Black	001
Alex Bligh	001
James Cronin	001

Eg: UK2 Ltd. has the same voting power as 795 members with 1 vote each.

The reason a review is necessary.

Important issues need to be reviewed periodically if for no other reason than good corporate governance. It may be that after consideration, we find no change is necessary, but for the sake of transparency, a review should be commenced. The Voting Structure has remained ‘as is’ since 1999 and from recent PAB election statements and comments on **nom-steer**, there seems to be strong support for a review amongst the elected PAB members.

The current status quo. Candidates elected to the CoM are elected on the strength of their popularity with the top vote holders. For the sake of clarity, if a small member stood for election, no matter how committed they were to the interests of the Internet Community, they would have little realistic chance of getting elected without the support of one or more of the top vote holders. Does the current weighted voting structure serve the Stakeholder best?

The point? We should allow ALL members a fair crack at standing for the non-executive seats on the CoM because the interests of the Stakeholder are of paramount importance to all other considerations. Hence, the call for a review of the Voting Structure.