

APNIC EC Meeting Minutes

Teleconference
Thursday 21 May 2009,
Tuesday 26 May 2009

Meeting Start: 11:00 am (UTC +1000) 21 May 2009

Present

Akinori Maemura (Chair)
Che-Hoo Cheng
Kuo-Wei Wu
Ma Yan
Hyun-Joon Kwon
James Spenceley
Jian Zhang
Paul Wilson

Geoff Huston (minutes)
Irene Chan
Richard Brown
Connie Chan

Agenda

1. Agenda Bashing
2. Review of Minutes and Action List Review from 23 April meeting
3. Financial Report
4. Director-General's Report
5. EC response to APNIC Member Survey
6. 2010 APNIC Fee Schedule
7. APNIC Policies for Endorsement
8. AOB

Minutes

1. Agenda Bashing

No changes were made to the agenda.

2. Minutes of Last Meeting and Matters Arising

The minutes from the meeting of 23 April 2009 were approved unanimously.

Action ec-09-014: Secretariat to publish minutes, as corrected, of the April 23 meeting

Review of action items:

Action ec-09-011: Secretariat to publish minutes of the March 26 meeting
completed

Action ec-09-012: Treasurer and Secretary to provide a final version for the proposed Fee Schedule for the EC.
completed

Action ec-09-013: Secretariat to obtain a second legal opinion on the ByLaws, with the terms of the legal advice to be reviewed by Hyun-Joon Kwon.
completed

3. Finance Reports

Irene Chan reported to the EC on the April 2009 APNIC Financial Statement (attached). Income for the year to date is 6.7% below pro-rate budget projections, and expenses is 9% lower than pro-rata projections.

The Director-General informed the EC of an adverse finding of Australian Taxation Office concerning APNIC's status as a membership organization and that there was an associated taxation liability relating to certain income in previous years. It was reported that the liability for APNIC as a consequence of this taxation ruling is \$349,910, plus a possible further payment of interest on part of this amount, and that current and future APNIC income from member dues would be taxable under this ruling. Advice from KPMG on this matter indicated that this ruling from the Australian Taxation Office was unanticipated, and that the previous ruling relating to the taxation treatment of membership dues had been in place since 1997. The ruling is to be appealed.

The April Financial Statement was accepted by the EC.

4. Director-General's Report

The EC was informed of the NRO Response to the Malaysian National Advanced IPv6 Centre of Excellence (NAV6) Survey, noting a concern that the scope and orientation of this survey will not assist informed decision-making by the ITU's members or other stakeholders on IPv6 matters.

The EC also noted that APNIC had provided a public response to the ITU TSB Questionnaire on IPv6 Address Allocation with data that may that may assist ITU Member States in completing the questionnaire.

The D-G reported that APNIC has been recognised with guest status at APECTEL with ongoing opportunities for engagement at APECTEL forums. The next APECTEL meeting is scheduled for September 2009 at Mexico City. The D-G thanked Ma Yan for supporting the APNIC engagement with APECTEL.

It was also noted that the NRO was planning a response to the USG on the topic of the JPA with ICANN. No separate APNIC response to the notice was planned.

5. EC Response to APNIC Member Survey

The EC approved the response to the APNIC Member survey (attached).

Action ec-09-015: Secretariat to publish EC Response to the 2009 Membership and Stakeholder Survey

6. 2010 APNIC Fee Schedule

The Director-General reported that a second legal opinion had been sought regarding the provisions in the corporate documents relating to the powers of the Executive Council and the setting of membership fees (attached). It was noted that this legal opinion was circulated to EC members with the materials for this meeting.

The EC considered the 2010 fee schedule. Due to time constraints, the matter was adjourned for further consideration at a re-convened session of the EC meeting.

7. APNIC Policies for Endorsement

The EC unanimously endorsed policy proposal 69, Global policy proposal for the allocation of IPv4 blocks to Regional Internet Registries. (<http://www.apnic.net/services/services-apnic-provides/policy/policy-proposals/prop-069>)

The EC reviewed policy proposal 50, IPv4 Address Transfers. The EC decided to refer Proposal-50 back to the Policy SIG. The reason for this referral is that the EC was not of the opinion that the proposal has gathered a clear consensus in favour of the policy, and the EC notes that the proposal, taken in isolation, has engendered significant concerns within the community relating to the adequacy of safeguards against potential abuse as a consequence of implementation this policy. The motion to refer Proposal-50 back to the Policy SIG was carried with all EC members in favor, with the exception of Akinori Maemura and Jian Zhang, both of whom abstained from the EC's decision.

Action ec-09-016: Secretariat to inform NRO of Prop-69 endorsement

Action ec-09-017: Secretariat to pass Prop-50 back to the Policy SIG

8. AOB

There were no items of AOB.

The meeting was adjourned at 1:10pm (UTC+1000), 21 May 2009

The meeting reconvened at 4:00pm (UTC+1000), 26 May 2009

Che-Hoo Cheng submitted his apologies

9. 2010 APNIC Fee Schedule

The EC considered the fee structure for 2010 (attached), and discussed a number of settings for the fee schedule related to the parameters of the continuous fee formula to be used for member fees.

Paul Wilson requested that the following comments be recorded in the minutes of the meeting:

"I have serious concerns with the fee structures we are speaking about here. The four options have only minor differences between them. While the accumulated 5 year surplus might appear substantial it does not contribute enough to the capital reserve to cover even the modest increase of 5% p.a. in APNIC expenditure. These fee structure options are not sustainable – we will go backwards in terms of the EC's own capital reserve policy. There is a Global Financial Crisis underway that we have to recognise, and we do have a reserve that can be spent in such exceptional circumstances. I'd like to put on record that if we choose any of these fee structures we are making a serious compromise, well below expert recommendations made by KPMG."

"I'd like to request consideration in the next budget discussion of acceptable expense increases, and ongoing provisions for adjustment of fees to cover expenses in future. I am assuming an agreement by the EC that if these fees approved today do not cover reasonable future expenses, then we will accept operating losses in our budgets in order to maintain services. I am very concerned that the EC in the past has declined to draw on our reserves at all, as there has been a reluctance to approve any budget with a negative outcome. In the event that we have future problems with losses from this fee structure then I need a commitment from the EC not to reduce APNIC's services in order to balance the budget, but instead to adjust fees as needed to meet reasonable expenses."

"I'd like to also remark that APNIC has never had a situation in presenting a budget to the APNIC membership where the members have objected. If there is a reluctance to incur growth in expenses, it is not an historical concern of the members. Instead, it appears to be exclusively a concern of EC members. If the EC is contemplating limiting annual budget growth to a certain amount, 5% to 7%, then what is the attitude of the EC to new areas of expenditure which may arise in future? As an example, LACNIC, ARIN and the RIPE NCC are all now undertaking new liaison activities with law enforcement agencies and governmental bodies, for sound reasons which are based in our changing environment. These are demands that are being placed on the RIRs today, and while other RIRs can respond by undertaking additional activities and incurring additional expenditure, any imposed ceiling on APNIC's expenditure growth will limit the extent to which new activities can be undertaken. The only choice here is that any new activity will need to displace a current activity or service. I have a serious concern about this and I would like this comment to be included in the record of the meeting please. "

It was recorded as the sense of the EC that in adopting a particular fee schedule there was no pre-determined ceiling placed on APNIC's expenditure in future budgets, and that the EC would undertake the budget process in the light of the projected costs of service provision and activities, with the specific intention of maintaining or improving APNIC's services and service levels.

The APNIC EC unanimously approved a fee structure to be introduced in 2010 as per the attached fee schedules.

Action ec-09-018: Secretariat to publish the adopted Fee Schedule

Next Meeting

18th June 2009 (Teleconference)

Meeting closed: 1:10 pm (UTC+1000)

Summary of Action Items

Action ec-09-014: Secretariat to publish minutes, as corrected, of the April 23 meeting

Action ec-09-015: Secretariat to publish EC Response to the 2009 Membership and Stakeholder Survey

Action ec-09-016: Secretariat to inform NRO of Prop-69 endorsement

Action ec-09-017: Secretariat to pass Prop-50 back to the Policy SIG

Action ec-09-018: Secretariat to publish the adopted Fee Schedule



APNIC

Monthly financial report (in AUD)

For the month ending April 2009

Asia Pacific Network Information Centre

1. Balance Sheet

Statement of Financial Position (AUD)					
	30/04/2009	% of Total Asset or Liab+Equity	% change from 31/12/2008	Year-End 2008	Year-End 2007
CURRENT ASSETS					
Cash	6,619,983	42%	-3.3%	6,844,414	6,626,341
Term deposit investment	2,300,000	15%	0.0%	2,300,000	2,300,000
Receivables	1,916,674	12%	26.2%	1,518,540	737,859
Others	616,915	4%	14.1%	540,688	325,739
TOTAL CURRENT ASSETS	11,453,572	73%	2.2%	11,203,642	9,989,939
NON-CURRENT ASSETS					
Other financial assets	844,311	5%	-4.4%	883,201	1,222,666
Property, plant and equipment	1,657,147	11%	-3.0%	1,708,216	1,667,091
Long term deposit investment	1,700,000	11%	0.0%	1,700,000	1,700,000
TOTAL NON-CURRENT ASSETS	4,201,457	27%	-2.1%	4,291,417	4,589,758
TOTAL ASSETS	15,655,029	100%	1.0%	15,495,060	14,579,696
CURRENT LIABILITIES					
Payables	285,703	2%	-54.6%	629,650	1,139,160
Provisions	966,543	6%	-2.4%	989,847	888,178
Unearned revenue	5,705,690	36%	6.0%	5,383,679	3,817,898
TOTAL LIABILITIES	6,957,936	44%	-0.6%	7,003,177	5,845,236
EQUITY					
Share capital	1.00	0%	0.0%	1.00	1.00
Reserves other financial assets investment	(41,319)	0%	0.0%	0	90,827
Retained earnings	8,738,411	56%	2.9%	8,491,882	8,643,633
TOTAL EQUITY	8,697,093	56%	2.4%	8,491,883	8,734,461
TOTAL LIABILITIES & EQUITY	15,655,029	100%	1.0%	15,495,060	14,579,696

Note:

* The negative value in "Reserves on other financial assets investment" is due to the revaluation of our investment in unit trusts based on the market valuation as at the end of March.

2. Income Statement

2.1 Expenses

All expenses represent the actual and accrued costs for as at the end of April, and are compared to the approved 2009 budget.

EXPENSES (AUD)	Apr-09 Actual	YTD Actual	YTD (**) Budget 2009	YTD Budget Variation	YTD Budget Variation %	Budget 2009
Bank charges	5,329	22,482	24,605	(2,123)	-8.6%	73,816
Communication expenses	15,889	50,132	52,850	(2,717)	-5.1%	158,549
Computer expenses *	29,454	138,871	113,141	25,730	22.7%	339,423
Depreciation expense	58,628	232,541	226,620	5,920	2.6%	679,860
Sponsorship and Publicity expenses	13,073	56,483	58,994	(2,511)	-4.3%	176,981
Doubtful debt expenses	0	1,804	9,058	(7,254)	-80.1%	27,175
ICANN contract fee	36,317	118,616	109,733	8,882	8.1%	329,200
Insurance expense	10,230	47,386	43,437	3,949	9.1%	130,310
Meeting and training expense	7,003	51,302	71,167	(19,864)	-27.9%	213,500
Membership fees	5,372	21,490	22,900	(1,410)	-6.2%	68,700
Miscellaneous expenses	334	1,019	667	352	52.8%	2,000
Office operating expenses	13,636	38,447	42,244	(3,797)	-9.0%	126,731
Postage & delivery	817	7,584	11,667	(4,083)	-35.0%	35,000
Printing & photocopy	1,775	12,597	15,000	(2,403)	-16.0%	45,000
Professional fees *	40,810	304,975	284,944	20,031	7.0%	854,832
Recruitment expense	1,972	43,288	39,609	3,679	9.3%	118,826
Rent and outgoings	49,800	195,287	215,393	(20,106)	-9.3%	646,179
Salaries and personnel expenses *	446,311	1,670,801	1,877,895	(207,094)	-11.0%	6,103,160
Staff Training/conference expenses	15,897	32,092	44,000	(11,908)	-27.1%	132,000
Tax expense	0	0	45,000	(45,000)	-100.0%	135,000
Translation expenses	0	0	11,667	(11,667)	-100.0%	35,000
Travel expenses	130,822	467,022	542,412	(75,390)	-13.9%	1,627,237
TOTAL EXPENSES	883,471	3,514,218	3,863,002	(348,784)	-9.0%	12,058,479

2.2 Revenue

REVENUE (AUD)	Apr-09 Actual	YTD Actual	YTD (**) Budget 2009	YTD Budget Variation	YTD Budget Variation %	Budget 2009
Interest income	55,006	217,519	205,667	11,852	5.8%	617,000
IP Resource application fees	88,732	405,632	421,094	(15,462)	-3.7%	1,263,282
Membership fees	640,522	2,536,018	2,647,938	(111,920)	-4.2%	7,943,814
Non-members fees	10,652	41,976	43,995	(2,019)	-4.6%	131,984
Per Allocation fees	169,933	498,002	625,567	(127,565)	-20.4%	1,876,701
Reactivation fees	0	3,804	5,200	(1,396)	-26.9%	15,601
Sundry income	10,251	53,840	79,248	(25,408)	-32.1%	237,744
Foreign Exchange gain/(loss)	(16,911)	3,955	0	3,955	0.0%	0
TOTAL REVENUE	958,185	3,760,746	4,028,708	(267,962)	-6.7%	12,086,125

2.3 Operating Profit/ Loss

Revenue and Expenses (AUD)	Apr-09 Actual	YTD Actual	YTD (**) Budget 2009	YTD Budget Variation	YTD Budget Variation %	Budget 2009
Total Revenue	958,185	3,760,746	4,028,708	(267,962)	-6.7%	12,086,125
Total Expenses	883,471	3,514,218	3,863,002	(348,784)	-9.0%	12,058,479
OPERATING PROFIT/ (LOSS)	74,714	246,529	165,707			27,647

Notes on significant variances:

- 1) Computer expenses:
 - Increase in support and maintenance
- 2) Salaries and personnel:
 - Full year budget includes salary increments
 - Focus on reduction in leave balances resulting in more leave being taken
 - Time taken to find replacement staff
- 3) Professional Fees
 - Includes once-off expenses such as contribution to ISIF project, consultant fees on fees study and member survey

(**) YTD Budget and Variation values are based on a linear prorated calculation of the annual budget.

3. Membership

3.1 Membership statistics

At the end of April 2009, APNIC had a total of 1,960 members serving 51 economies. There is net growth of 17 members, with 33 new members, 16 member accounts were closed during April.

3.1.1 Membership by Category

The following table shows the monthly changes in membership and provides an analysis of APNIC's membership tiers; this table shows that 42% of APNIC members are included in the Small membership tier.

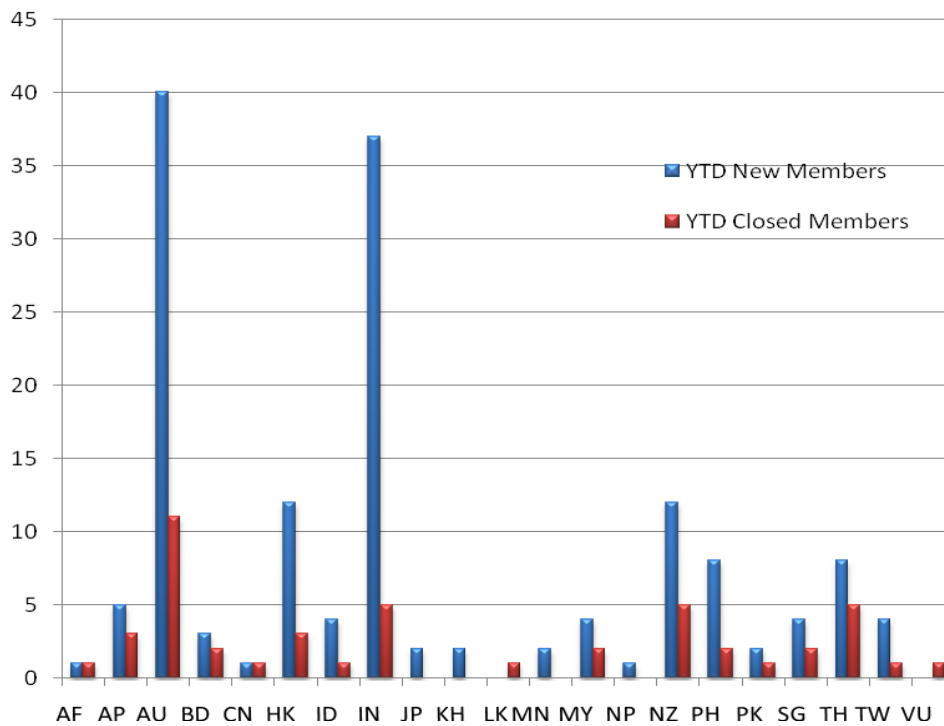
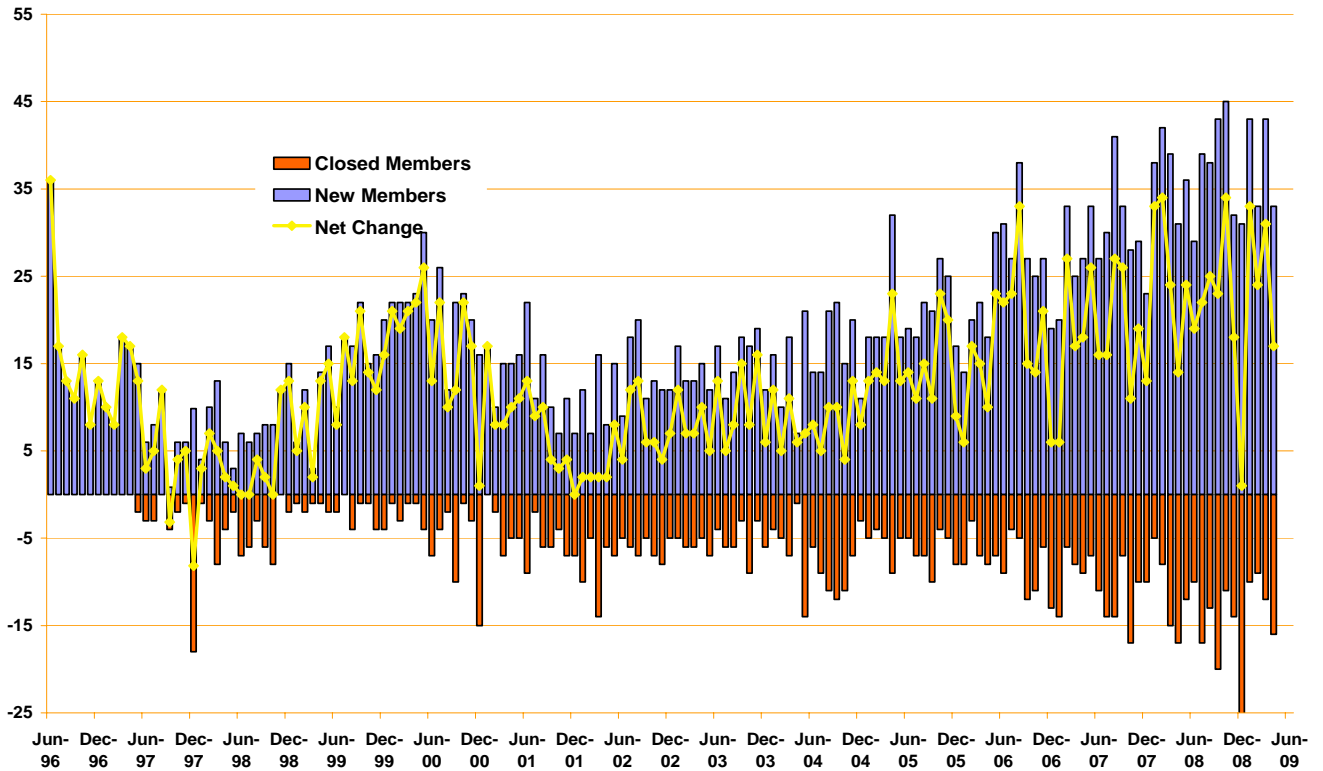
Membership	Total	New	(Closed)	Size	Total YTD	Total YTD
	Mar-09	Apr-09	Apr-09	Change	Apr-09	(%)
Extra Large	12	0	0	0	12	1%
Very Large	31	0	0	0	31	2%
Large Member	97	0	0	2	99	5%
Medium	258	0	(2)	3	259	13%
Small	815	0	(7)	8	816	42%
Very Small	365	3	(2)	2	368	19%
Associate	365	30	(5)	(15)	375	19%
TOTAL	1943	33	(16)	0	1960	100%

The table below compares the actual growth in each tier of membership at the end of April 2009 to the budgeted annual growth on a monthly pro-rata basis. Overall growth at the end of March is above budget, with Associate membership growing at a faster rate than anticipated, on the other hand, growth in the Small tier ended significantly lower than expected at the end of 2008, this resulted in the overestimation of membership in this tier for 2009.

Membership	Actual Total EOY 2008	Budgeted Total EOY 2009	Budgeted Growth EOY 2009	Actual Total YTD Apr-09	Actual Growth YTD 2009	Budgeted Growth YTD (*)	Variation Actual vs. Budget (*)
Extra Large	12	13	1	12	0	0	0
Very Large	30	33	3	31	1	1	0
Large Member	92	101	9	99	7	3	4
Medium	251	271	20	259	8	7	1
Small	813	903	90	816	3	30	-27
Very Small	345	420	75	368	23	25	-2
Associate	312	408	96	375	63	32	31
TOTAL	1855	2149	294	1960	105	98	7

3.1.2 Membership Movement

The graph below illustrates the monthly movements of APNIC membership, followed by the 2009 year to date new and closed members by economy.





2009 APNIC Member and Stakeholder Survey

Executive Council Response

Introduction

The 2009 APNIC Member and Stakeholder Survey, commissioned by the APNIC Executive Council (EC), provided valuable input from throughout the Asia Pacific region. The results of this survey will help APNIC to ensure that it continues to serve the community.

The survey was conducted independently by KPMG. The survey report, and the reports from previous member and stakeholder surveys, are available on the APNIC website at:

<http://www.apnic.net/services/become-a-member/member-feedback>

The EC is pleased to note that the overall results indicated a high overall level of satisfaction with the current service levels delivered by APNIC, with the lowest mean for any question relating to service levels being 6.73 (out of 10).

The EC has reviewed the survey findings and offers its response below. In particular, the EC has highlighted areas of potential development for APNIC services and for APNIC as an organization.

Survey Participation

APNIC Member and Stakeholder Surveys are conducted every two years. The survey is conducted independently by KPMG, and survey responses can be made anonymously. The 2009 survey received 601 responses from 44 Asia Pacific economies. This was an increase of almost 100 per cent over the 2007 level of response, illustrating an increased interest in APNIC activities and ongoing increases in APNIC service levels. Importantly, it highlights that APNIC activities are Member driven.

Service Quality

Survey respondents indicated, in general, a high level of satisfaction. In particular they indicated that APNIC online services such as *reverse DNS* and *whois* operate at a high level of access, quality, usability, and reliability. Similarly, there were positive findings on the quality of *helpdesk support*, *resource allocation services*, and *overall communication*.

Even though respondents indicated an overall high level of satisfaction with service quality, there are indications of potential service improvement in certain areas. The EC is committed to supporting ongoing improvement in APNIC service quality, within available financial resources.

Liaison Activities

The community indicated a strong positive opinion of APNIC's involvement with operator groups, ISP associations, government, and educational or academic groups. The EC has noted that the community has indicated that APNIC should have a higher level of representation when liaising with governments and industry.

In the EC's view, APNIC has the knowledge and the resources to represent the view of APNIC Members and Stakeholders in the Asia Pacific region. The EC expects APNIC to continue to maintain active liaison with various stakeholders in the region.

Remote Participation and Training

The survey results clearly indicate a requirement for better accessibility to *training* and *meeting* activities.

To accommodate these needs, on the EC supports further developing of APNIC's remote participation tools, such as video and audio streams, live session transcripts, chat rooms, and archived media. Also, economies with low bandwidth should be able to access these tools and readily interact in the proceedings.

APNIC has recently launched its real-time eLearning Interactive Program allowing members to take part in training remotely and increasing the reach of APNIC training across the region. The EC supports the continued development of this avenue of training delivery, in accordance with demand.

IPv6 Survey

In response to the community's request at the APNIC 26 meeting, a key addition to the 2009 survey was a new section on IPv6, in particular, *IPv6 readiness*.

The results indicate the Asia Pacific community are not fully prepared for widespread IPv6 deployment, particularly in terms of planning, resources, budgeting and expertise.

Also, APNIC Members and Stakeholders have indicated they believe governments must support IPv6 deployment activities including requiring IPv6 compliance within their own infrastructures.

The EC recognises the priority that is being placed on this area of activity and directs the Secretariat to take a leadership role in relation to IPv4 exhaustion and IPv6 deployment. The EC will support the APNIC Secretariat to continue to expand its promotion of IPv6-related activities.

APNIC Services

General Services

The majority of survey respondents agreed that APNIC should allocate resources to the three key areas of *Research and Development*, *Training*, and *IPv6 Deployment*.

The respondents indicated they expect ongoing investments in research activities by the Secretariat, and the provision of timely and relevant information arising from such activities.

On training, respondents concluded that APNIC should be supporting local network engineering education initiatives alongside an expansion of the APNIC training program in the region.

The majority of these findings are consistent with the 2009 APNIC budget and activity plan however the EC will, as a priority, ensure activities continue to meet Member recommendations as expressed in this survey, while also meeting reasonable cost-benefit expectations in terms of resource expenditure.

IPv6

A key finding from the community was the continued commitment by APNIC to support IPv6 deployment in all APNIC services and liaison activities. In the IPv6 readiness section respondents had the opportunity to suggest specific areas where APNIC should focus.

Members and Stakeholders voiced an expectation that APNIC will provide support for IPv6 infrastructure services. The community further indicated a desire for enhanced advisory services surrounding IPv6 deployment issues.

The EC feels that the survey findings validate the introduction of the APNIC IPv6 Program, which focuses on IPv6 promotion, education, and information sharing and will continue to encourage further investment.

Implementation

The EC has provided analysis on this feedback to the APNIC Secretariat.

Considered as a whole, the EC is pleased to note that the survey results were very positive. The EC recognize the achievements of the Secretariat in ensuring the continuous improvement of service to the APNIC community.

Moving forward, it will be the role of the EC to support the Secretariat to integrate these recommendations into current APNIC activity planning and ensure they are implemented in a timely and cost-effective manner.

The EC would like to thank all survey participants for their valuable input and the APNIC partners who promoted the survey in their communities.

Your ongoing support of APNIC is very much appreciated.

Akinori MAEMURA

Chair,

For the APNIC Executive Council.

APNIC 27 policy proposals that have reached consensus

Version: 1
Prepared by: Sam Dickinson
Date: 20 May 2008

Introduction and background

The intention of this document is to assist the APNIC EC in the process of endorsing the consensus policy decisions before implementation by the Secretariat.

The Policy SIG Chairs have deemed that two policy proposals reached consensus at APNIC 27 in Manila, Philippines and during the final eight-week comment period:

- prop-050: IPv4 address transfers
- prop-069: Global policy proposal for the allocation of IPv4 blocks to Regional Internet Registries

Explicit support is not required during the final call for comments period: consensus is assumed to prevail unless objections are posted to the appropriate SIG mailing list.

For a full description of the APNIC policy development process, please see:

<http://www.apnic.net/services/services-apnic-provides/policy/policy-development-process>

The following pages summarise the history of the two policy proposals listed above.

prop-050: IPv4 address transfers

Proposal details	This policy proposes removing APNIC policy restrictions on the transfer of registration of IPv4 address allocations and IPv4 portable address assignments between current APNIC account holders.
Current status	Consensus announced following end of final comment period. Pending endorsement at APNIC EC teleconference.
Author	Geoff Huston
Relevant forum	Policy SIG
Most recent version	prop-050-v004
Previous versions	prop-050-v003 prop-050-v002 prop-050-v001
Status at other RIRs	ARIN: The ARIN Board of Directors have adopted 2008-6: Emergency Transfer Policy for IPv4 Addresses. LACNIC: LAC-2009-04 Transfer of IPv4 Blocks within the LACNIC Region is currently under discussion. RIPE: RIPE has implemented a transfer policy in its region. See section 5.5, Transfers of Allocations, in IPv4 Address Allocation and Assignment Policies for the RIPE NCC Service Region. There is no similar proposal in discussion in AfriNIC.

Proposal history

Timeline	Activity
26 July 2007	Version 1 posted to the Policy SIG mailing list for discussion
6 September 2007	Version 1 presented at APNIC 24 Policy SIG. Proposal author did not seek consensus at APNIC 24 but planned to submit a second version of the proposal to the Policy SIG for further discussion at APNIC 25.
28 September 2007	Version 1 returned to mailing list for further development.
22 January 2008	Version 2 submitted to Policy SIG mailing list.
28 February 2008	Presented at the APNIC 25 Policy SIG. Author to revise proposal following discussion at the Policy SIG.
22 July 2008	Version 3 submitted to Policy SIG mailing list.
28 August 2008	Version 3 received majority support in the APNIC 26 Policy SIG but did not reach consensus.
29 August 2008	Version 3 returned to the author and the Policy SIG mailing list for further discussion.

Timeline	Activity
26 February 2009	<p>The proposal was modified and reached consensus on the following five points at APNIC 27. APNIC will process IPv4 address transfer requests involving current account holders following the adoption of this proposed policy, subject to the following conditions:</p> <ul style="list-style-type: none"> 4.1 The minimum transfer size accepted will be a /24. 4.4 APNIC is to maintain a public log of all transfers. 4.5 Address transfers should be permitted between APNIC account holders and NIR members, if and when individual NIRs implement the transfer policy. 4.6 Address transfers are permitted between APNIC account holders and other RIR account holders, following the policies of all the respective RIRs. 4.7 This proposal to take effect as soon as the APNIC Secretariat can implement the mechanisms of the policy.
6 March 2009	Version 4, which includes the elements of the transfer proposal that reached consensus in the APNIC 27 Policy SIG, submitted to Policy SIG mailing list.
6 March 2009 - 1 May 2009	Version 4 in eight-week final call for comment period.
20 May 2009	Consensus decision announced to SIG mailing list.
21 May 2008	Pending endorsement at APNIC EC teleconference.

Discussion statistics *

Total number of posts on mailing list in final comment period	81
Total number of people participating on mailing list discussion in final comment period	18

* Excluding administrative process comments related to the proposal from the SIG Chair or Co-chairs.

prop-069: Global policy proposal for the allocation of IPv4 blocks to Regional Internet Registries

Proposal details	This is a global policy proposal governing the allocation of reclaimed IPv4 address space from the IANA to the Regional Internet Registries (RIRs) after the IANA's existing free pool of unallocated IPv4 addresses space is depleted.
Current status	Consensus announced following end of final comment period. Pending endorsement at APNIC EC teleconference.
Author	<p>This proposal was developed by a team consisting of persons from each of the 5 RIRs:</p> <ul style="list-style-type: none">• Adiel A. Akplogan, AfriNIC• Raul Echeberria, LACNIC• Maemura Akinori, APNIC• Geoff Huston, APNIC• Axel Pawlik, RIPE NCC• Ray Plzak, ARIN• Oscar A. Robles-Garay, LACNIC• Nigel Tittley, RIPE NCC• * Paul Wilson, APNIC
Relevant forum	Policy SIG
Most recent version	prop-069-v003
Previous versions	prop-069-v002 prop-069-v001
Status at other RIRs	<p>This proposal is being submitted in all RIR regions with a view to becoming a global policy.</p> <ul style="list-style-type: none">• ARIN: The ARIN Advisory Council is considering amending the proposal to limit the return of addresses to the historical address pool.¹• AfriNIC, LACNIC, RIPE: The proposal is currently under discussion.

¹ Please note that the Global Policy Development Process (see Attachment A of the ICANN Address Supporting Organization (ASO) MoU at <http://www.aso.icann.org/docs/aso-mou2004.html>) does allow there to be some variation in versions of a global policy proposal from region to region. In particular, point 3 of the process description states:

It is recognized that the outcomes of consideration of a proposed global policy may differ in terms of specific language and detail from region to region. The staff of the RIRs will work with each other, and with the policy proposer to document the common elements of such outcomes.

Proposal history

Timeline	Activity
23 January 2009	Version 1 posted to the Policy SIG mailing list for discussion
3 February 2009	Version 2 submitted to the Policy SIG mailing list for discussion. <ul style="list-style-type: none">Version 2 contains a new section, Definitions inserted after section 1, Introduction.
26 February 2009	Consensus reached at APNIC 27 in Manila, Philippines. Suggestions to incorporate in updated version of proposal to go to final call: <ul style="list-style-type: none">Minimum allocation size from IANA back to the RIRs explicitly stated as a /24Examples documenting how the procedure of distributing address space would take place
6 March 2009	Version 3, which incorporates the suggestions from the APNIC 27 Policy SIG, submitted to Policy SIG mailing list.
6 March 2009 - 1 May 2009	Version 3 in eight-week final call for comment period.
19 May 2009	Consensus decision announced to SIG mailing list.
21 May 2008	Pending endorsement at APNIC EC teleconference.

Discussion statistics*

Total number of posts on mailing list in final comment period	2
Total number of people participating on mailing list discussion in final comment period	2

* Excluding administrative process comments related to the proposal from the SIG Chair or Co-chairs.

RBG Services Pty Ltd ACN 124 911 388
ABN 57 392 657 689

Level 5
360 Queen Street
Brisbane QLD 4000

GPO Box 795
Brisbane QLD 4001

T: + (61 7) 3009 9300
F: + (61 7) 3009 9399
E: admin@rbglawyers.com.au
W: www.rbglawyers.com.au

Our ref GWR:090211
Your ref

20 May 2009

Akinori MAEMURA
Chair
APNIC Pty Ltd
1/33 Park Road
MILTON QLD 4064

Contact
Alexandra McVay
(07)3009 9308

Director
Greg Rodgers
(07) 3009 9303

Dear Sir

**Executive Council's Power under APNIC Pty Ltd Articles of Association & By-laws
Membership Fees**

We refer to our meeting with Mr Wilson and Mr Brown on 6 May 2009.

We have been asked to consider the following questions (the answers to which we note below immediately following the specific question).

- Is the Executive Council able to exercise powers of management of the Company in the same manner as directors of a company would be empowered to act? *Yes. Its power to do so is regulated by the By-Laws of the Special Committee.*
- Is the Executive Council able to make decisions to set the fees payable by APNIC members without reference to members which comprise the Special Committee? *Yes.*
- If the Executive Council is able to make such decisions, are those decisions subject to review? *Yes.*

We set out an explanation for our conclusions in this advice. However, before doing so, we believe it will assist to briefly outline the legal structure of the various bodies that comprise the organisation. Then we deal with the specific questions noted above.

The Company is a proprietary company, the sole share in which is held by the director as trustee for the members from time to time of the Executive Council, pursuant to the terms of a declaration of trust dated 24 June 1998.

The articles of association provide for the creation of the Special Committee and for the Special Committee to elect from their number, Council members (the Executive Council) who may exercise any or all of the functions, powers and authority of the Special Committee. It is this same Executive Council which comprise the beneficial owners of the share in the Company.

1. Powers of Executive Council

The director, who (in the case of an ordinary company) would normally manage the affairs of the company, in this case must act in concert with the Executive Council. By the adoption of the by-laws, the director has delegated powers to the Special Committee whose operation is governed by the by-laws. However, the by-laws go further and contain provisions specifying powers to be exercised by the Executive Council, acting on behalf of the Special Committee. In this manner, the by-laws amount to a delegation of power to the Executive Council.

Reading the various documents together, the delegation or division of powers among the various arms of the organisation is as follows:

- The director has delegated all of his powers of management, to the extent specified in the by-laws, to the Special Committee;
- However, by force of the by-laws, the powers of the Special Committee are to be exercised by the Executive Council, subject to the rules set out in the by-laws.

As by-law 30 specifies that the Executive Council has the function to manage the activities, functions and affairs of the Company, the Executive Council is able to exercise powers of management of the Company in the same manner as directors of a company would be empowered to act (see in particular by-law 30(b) and (c)).

You have provided us with a copy of the advice you obtained from DLA Phillips Fox dated 19 September 2007. We concur with all of the observations and advice contained therein as being accurate.

By the processes noted above, the Executive Council exercise powers of management of the Company in the same manner as directors. The director of the Company acts in accordance with the directions made by the Executive Council. In substance, the Executive Council are "shadow directors" of the Company, and therefore under the *Corporations Act* are liable for their conduct in the same way as a properly appointed director would be. This means that the members of the Executive Council have obligations to the Company which may at times be in conflict with any obligations those persons may have or feel they have to their employers or bodies who sought their appointment to the Executive Council. The law is quite clear that

directors, including shadow directors have a duty to avoid conflicts of interest and must act in accordance with the best interests of the Company first.

2. Membership to Special Committee & Fees

Paragraph 4 of the by-laws regarding membership to the APNIC provides that, *'Membership shall be open to any person, unincorporated association, firm, corporation, Governmental Organisation or Non-Governmental Organisation, engaged in the use of or business of providing open system protocol network services'*.

This is consistent with the specific powers granted to the Executive Council in by-law 30(g), allowing the Council to "establish the basis for the budget of APNIC".

There is nothing in any of the constituent documents which would require the Executive Council to refer to the Special Committee beforehand when deciding issues of membership fees or budgets.

Therefore, we conclude that the Executive Council is able to make decisions to set the fees payable by APNIC members without reference to members which comprise the Special Committee.

We understand that the Company recently obtained a report from KPMG in which it made certain recommendations concerning proposed changes be made to maintain the financial viability of the organisation. If the financial position of the Company was such that the solvency position of the Company was in danger, then the Executive Council and the director would owe a duty to creditors which would conflict with, and (in an insolvent situation) would override any duty to the members.

However, we understand that the position of the Company is not insolvent and that the recommendations of the KPMG report are more in keeping with proper business management for organisations of this type so that proper provision for expenditure is made. In this situation, the Executive Council would be justified in adopting recommendations of its professional advisors without reference first to the greater membership, but any such decision could be reviewed as noted above.

3. Review of decisions by Executive Council

The decisions of the Executive Council are subject to the by-laws. In particular, by-law 5(f) specifies that the Special Committee has the power to review any decision of the Executive Council by vote of *a two-thirds majority of the entire membership of the Special Committee*. This is logical when one considers that the powers which are delegated to the Executive Council are in fact powers that the director has delegated to the Special Committee in accordance with the power allowed in the articles.

That is, although the Executive Council is able to make decisions without first referring to the greater membership of the Special Committee, those decisions can be reviewed.

The process of review would take place by general meeting of the Special Committee. However, if there were ever a situation where a member considered that the Executive Council was acting in breach of its properly delegated powers, then there is a dispute resolution mechanism set up in by-laws 73 to 81 which would need to be followed.

Therefore, we conclude that the powers of the Executive Council are subject to review.

If you have any queries then please let us know.

Yours faithfully

Rodgers Barnes & Green



Greg Rodgers

Email: greg.rodgers@rbglawyers.com.au



APNIC Fee Schedule

*DRAFT -- 20 March 2009
Option B - Per Address Fees Removed*

Effective: 1 January 2010

1. Member Fees

1.1 Annual Membership fees

Annual Fees paid by APNIC members are calculated based on the address resources held by the member at the time of the anniversary of APNIC membership. All fees are assessed, and are payable, using Australian Dollars (AUD).

The IPv4 and IPv6 components of the annual fee are calculated separately, according to the total address holdings of the member. The Annual Membership Fee is then charged as the greater of these two components. A member with no IPv4 or IPv6 address space holdings is assessed as an Associate Member.

NIR (National Internet Registry) Members and Confederation members are assessed on their total address holdings, with an additional premium, as described in section 1.1.4 of this schedule.

Members from Least Developed Countries will pay a discounted fee, as described in section 1.1.5 of this schedule.

Failure to pay the annual membership fee will result in the registration record being removed from the APNIC Whois Database. The address space will then be returned to the APNIC free address pool to be reallocated.

1.1.1 Associate (no address space holdings)

A member who holds no IPv4 addresses and no IPv6 addresses will be invoiced the Associate Membership Fee of \$675.00

An Associate member may hold allocated AS numbers, or Experimental IPv4 or Experimental IPv6 addresses.

1.1.2 IPv4 Component

The member's total IPv4 address holdings, including historical and APNIC-allocated address space, will be used to assess the IPv4 component of the annual membership fee as follows:

$$Fee_{v4} = 1350 \times 1.3^{(\log_2(Addresses)-8)}$$

Notes:

- The minimum annual fee is \$1,350

- In this formula, address holdings are expressed as the total count of individual IPv4 addresses (/32) so that, for example, a holding of a /16 and a /18 would constitute 81,920 IPv4 Addresses.
- Experimental allocations of IPv4 addresses are not included in this assessment of total address holdings.

1.1.3 IPv6 Component

The member's total IPv6 address holdings, including historical and APNIC-allocated address space, will be used to assess the IPv6 membership fee as follows:

$$Fee_{V_6} = 1350 \times 1.3^{(\log_2(Addresses)-8)}$$

Notes:

- The minimum annual fee is \$1,350
- In this formula, address holdings are expressed as the total of IPv6 end site addresses (/56), so that, for example, a holding of a /32 and a /31 would constitute 50,331,648 /56 Site Addresses.
- Experimental allocations of IPv6 addresses are not included in this assessment of total address holdings.

1.1.4 NIR and Confederation Members

NIR and Confederation Annual Membership fees will be assessed in the manner described above, with an additional premium of 300% on top of the calculated annual fee (in other words, the NIR and Confederation Annual Membership Fee is calculated as 400% of the ordinary membership fee.)

1.1.5 Members from Least Developed Countries.

The fees payable by members from Least Developed Countries (LDCs), as calculated in items 1.1.1 through 1.1.4 are discounted by 50%.

The list of LDCs used for the purposes of this fee discount is defined and maintained by the United Nations Statistics Division (currently available as <http://unstats.un.org/unsd/methods/m49/m49regin.htm#least>). The discount will be applied in accordance with the LDC status of the member's economy on the date of membership renewal.

1.2 IP Resource Application Fee

A member's first address allocation request is subject to an IP resource application fee of \$3,500.00.

Subsequent allocations are free of application fee charges.

The following services are exempt from the IP Resource Application Fee:

- Critical infrastructure assignments
- Experimental allocations
- IXP assignments
- AS numbers
- Historical resource transfers

Members of LDCs will receive a 50% discount on this fee, as per section 1.1.5.

1.3 Membership Reactivation Fee

An organisation whose APNIC membership has been terminated for non-payment of membership fees may be returned to good standing by payment of a "membership reactivation fee" of \$2,700, in addition to payment of any outstanding unpaid fees. This option is available for a limited period of three months after membership termination, after which time all previously allocated and assigned resources are subject to reallocation.

Members of LDCs will receive a 50% discount on this fee, as per section 1.1.5.

An organisation which does not opt for reactivation of their membership by this means, but wishes to continue using APNIC resources, will need to open a new membership and reapply for all resources required. In this case network renumbering will be necessary.

1.4 Member Fee Schedule Summary

Resource Service	Unit	Fee	Annual Membership Fee
Associate	Account Name		\$675.00 *
IPv4 Addresses	/32		$1350 \times 1.3^{(\log_2(\text{Addresses})-8)}$ **
IPv6 Addresses	/56 End Site Prefix		$1350 \times 1.3^{(\log_2(\text{Addresses})-22)}$ **
NIR and Confederation Premium	Account Name		+300% ***
LDC Discount	Account Name		-50% ***
Resource Application Fee	Account Name	\$3,500.00	-
Reactivation	Account Name	\$2,700.00****	-

- * Fee applies when the member holds no IP addresses
- ** Minimum fee is \$1,350.00
- ** Assessed Address Fees is the greater of the IPv4 and IPv6 Fees
- *** Premium / Discount is added / subtracted to Address Fees
- **** Plus payment of all outstanding unpaid fees.

2. Non-Member Fee Schedule

APNIC recognises that some organisations wish to have access to resources from APNIC without becoming full APNIC members. These organisations can apply for resources and access certain APNIC services as APNIC non-member account holders.

APNIC non-member account holders must pay the invoice for services before APNIC can provide services to the non-member account holder. The fees associated with specific types of resource services are detailed below.

2.1 IPv4 addresses fees

The fee for an assignment or allocation of IPv4 addresses (/32) is \$1.60 per address, with a minimum fee of \$13,500.

The annual fee for maintenance of the registration of the assignment or allocation records is \$0.16 per IPv4 address, with a minimum fee of \$1,350.

Failure to pay the annual registration fee will result in the registration record being removed from the APNIC Whois Database. The address space will then be returned to the APNIC free address pool to be reallocated.

2.2 IPv6 addresses fees

The fee for an assignment or allocation of IPv6 addresses is \$0.00625 per /56 prefix, with a minimum fee of \$13,500.

The annual fee for maintenance of the registration of the assignment or allocation records is \$0.000625 per /56 prefix, with a minimum fee of \$1,350.

Failure to pay the annual registration fee will result in the registration record being removed from the APNIC Whois Database. The address space will then be returned to the APNIC free address pool to be reallocated.

2.3 Autonomous System Number fees

The fee for the assignment of an Autonomous System Number (ASN) is \$800 per AS number.

The annual fee for the registration record is \$80 per AS number.

Failure to pay the annual maintenance fee will result in the registration record being removed from the APNIC Whois Database. The ASN will then be returned to the APNIC free pool to be reassigned.

2.4 Reverse DNS Delegations

The fee for a reverse DNS delegation in the in-addr.arpa tree is \$80 per "natural class boundary" delegation (/24 and /16 delegations).

Address ranges larger than /24 but smaller than a /16 must be represented by multiple /24 reverse DNS delegations. For example, a /23 address range would be represented by two /24 reverse DNS delegations for a total fee of \$160.

Similarly, address ranges larger than /16 must be represented by multiple /16 reverse DNS delegations.

The price for a reverse DNS delegation in the ip6.arpa tree is \$80 per "nibble boundary" delegation. Examples of nibble boundaries in IPv6 are /36 and /32.

If a network wished to create reverse DNS delegations for a /35 allocation, this would be represented by two /36 reverse DNS delegations for a total fee of AU\$160.

There is no annual maintenance fee for reverse DNS delegations; however, APNIC will remove reverse DNS delegations if the delegations refer to persistently lame DNS. For more information on lame DNS delegations registered in the APNIC Whois Database, see:

<http://www.apnic.net/services/rev-del/lame-del/lame-del-response.html>

2.5 Annual Account fee for Registry Database Maintenance

There is an annual \$160 account fee for non-member account holders with allocations performed prior to the movement of their registration records ("historical resource records") to APNIC's registry wishing to have authorisation to update these records and create assignment records within historical resource ranges.

Failure to pay the database resource maintenance annual fee will result in your organisation's maintainer being removed from the "mnt-lower" field of your historical Internet resource records.

2.6 Reactivation fee

An organisation whose APNIC registration records have been terminated for non-payment of fees may be returned to good standing by payment of a "non-membership reactivation fee" of \$2,700, in addition to payment of any outstanding unpaid fees. This option is available for a limited period of three months after termination of the registration record, after which time all previously allocated and assigned resources are subject to reallocation.

2.7 Non-Member Fee Schedule Summary

Resource Service	Unit	Fee	Annual Maintenance Fee
IPv4 Addresses	/32	\$1.60*	\$0.16**
IPv6 Addresses	/56 End Site Prefix	\$0.00625*	\$0.000625**
Autonomous System Numbers	AS Number	\$800.00	\$80.00
Reverse DNS Delegations	Delegation Point	\$80.00	-
Historical Resource Maintenance	Account Name	-	\$160.00
Reactivation	Account Name	\$2,700.00***	-

* Minimum fee is \$13,500.00

** Minimum fee is \$1,350.00

*** Plus payment of all outstanding unpaid fees.

Appendix: Example Fee Calculations

These examples do not from part of the fee schedule and are included as worked examples only.

1.1.2 Member IPv4 Fees

The following table provides the fee calculation for various IPv4 address blocks:

IPv4 Prefix	IPv4 Addresses	IPv4 Fee
/24	256	\$1,350
/23	512	\$1,755
/22	1,024	\$2,282
/21	2,048	\$2,966
/20	4,096	\$3,856
/19	8,192	\$5,012
/18	16,384	\$6,516
/17	32,768	\$8,471
/16	65,536	\$11,012
/15	131,072	\$14,316
/14	262,144	\$18,611
/13	524,288	\$24,194
/12	1,048,576	\$31,452
/11	2,097,152	\$40,888
/10	4,194,304	\$53,155
/9	8,388,608	\$69,101
/8	16,777,216	\$89,831
/7	33,554,432	\$116,781
/6	67,108,864	\$151,815

1.1.3 Member IPv6 Fees

The following table provides the fee calculation for various IPv6 address blocks:

IPv6 Addresses	End Site Addresses (/56)	IPv6 Fee
/34	4,194,304	\$1,350
/33	8,388,608	\$1,755
/32	16,777,216	\$2,282
/31	33,554,432	\$2,966
/30	67,108,864	\$3,856
/29	134,217,728	\$5,012
/28	268,435,456	\$6,516
/27	536,870,912	\$8,471
/26	1,073,741,824	\$11,012
/25	2,147,483,648	\$14,316

/24	4,294,967,296	\$18,611
/23	8,589,934,592	\$24,194
/22	17,179,869,184	\$31,452
/21	34,359,738,368	\$40,888
/20	68,719,476,736	\$53,155
/19	137,438,953,472	\$69,101
/18	274,877,906,944	\$89,831
/17	549,755,813,888	\$116,781
/16	1,099,511,627,776	\$151,815

2.1 Non-Member IPv4 addresses fees

IPv4 Prefix	IPv4 Addresses	Allocation Fee	Annual Maintenance Fee
/24	256	\$13,500.00	\$1,350.00
/23	512	\$13,500.00	\$1,350.00
/22	1,024	\$13,500.00	\$1,350.00
/21	2,048	\$13,500.00	\$1,350.00
/20	4,096	\$13,500.00	\$1,350.00
/19	8,192	\$13,500.00	\$1,350.00
/18	16,384	\$26,214.40	\$2,621.44
/17	32,768	\$52,428.80	\$5,242.88
/16	65,536	\$104,857.60	\$10,485.76

2.2 Non-Member IPv6 addresses fees

IPv6 Prefix	IPv6 /56 Site Prefixes	Allocation Fee	Annual Maintenance Fee
/48	256	\$13,500.00	\$1,350.00
/35	2,097,152	\$13,500.00	\$1,350.00
/34	4,194,304	\$26,214.40	\$2,621.44
/33	8,388,608	\$52,428.80	\$5,242.88
/32	16,777,216	\$104,857.60	\$10,485.76
/31	33,554,432	\$209,715.20	\$20,971.52
/30	67,108,864	\$429,430.40	\$42,943.40
/29	134,217,728	\$838,860.80	\$83,886.08
/28	268,435,456	\$1,677,721.60	\$167,772.16



APNIC Membership: Tiers and Voting rights

DRAFT - 20 March 2009

Effective 1 January 2010

1. Membership of APNIC

Members must be in good financial standing with APNIC and must be current with respect to all APNIC member fees and charges.

All APNIC members have equal access to the following benefits of membership:

- entitlement to vote at APNIC Member Meetings, according to membership tier;
- participation through APNIC activities in a regional community interest involved in IP addressing and related matters;
- free or discounted access to training, education, and information services;
- free or discounted access to APNIC meetings and associated conferences;
- representation of their interests in regional and global policy development; and
- access to APNIC's resource allocation, registration, and database services.

2. Membership Tiers

APNIC membership is available in seven tiers: Associate, Very Small, Small, Medium, Large, Very Large, and Extra Large. All members have equal access to the core services of APNIC, and voting entitlements are determined based on the tier structure.

A member's membership tier is determined by the amount of address space that member holds as of the anniversary of their date of joining APNIC as a member. The member's total IPv4 and IPv6 holdings, including historical and APNIC-allocated address space will be assessed. Experimental allocations are not counted when determining membership tier.

2.1 IPv4 address space

For IPv4 address space, the membership tier is assessed as follows:

Membership tier	IPv4 Holding
Associate	None
Very Small	Up to and including /22
Small	Greater than /22, up to and including /19
Medium	Greater than /19, up to and including /16
Large	Greater than /16, up to and including /13
Very Large	Greater than /13, up to and including /10

Extra Large | >/10

2.2 IPv6 address space

For IPv6 address space, the Membership Tier is assessed as follows.

Membership tier	IPv6 Holding
Associate	None
Very Small	Up to and including /35
Small	Greater than /35, up to and including /32
Medium	Greater than /32, up to and including /29
Large	Greater than /29, up to and including /26
Very Large	Greater than /26, up to and including /23
Extra Large	>/23

2.3 IPv4 and IPv6 Holdings

For members holding both IPv4 and IPv6 address space, the membership tier is assessed separately for each type, as above. The member's effective membership tier is then assessed as the larger of these.

3. Voting rights

APNIC members are entitled to vote at APNIC Member Meetings, according to their membership tier as follows:

Membership tier	Number of votes
Associate	1
Very Small	2
Small	4
Medium	8
Large	16
Very Large	32
Extra Large	64



APNIC Member Fee Schedule

Effective: January 2010

1. Annual Membership fees

Annual Fees paid by APNIC members are calculated based on the address resources held by the member at the time of the anniversary of APNIC membership. All fees are assessed, and are payable, using Australian Dollars (AUD).

The IPv4 and IPv6 components of the annual fee are calculated separately, according to the total address holdings of the member. The Annual Membership Fee is then charged as the greater of these two components. A member with no IPv4 or IPv6 address space holdings is assessed as an Associate Member.

NIR (National Internet Registry) Members and Confederation members are assessed on their total address holdings, with an additional premium, as described in section 1.1.4 of this schedule.

Members from Least Developed Countries will pay a discounted fee, as described in section 1.1.5 of this schedule.

Failure to pay the annual membership fee will result in the registration record being removed from the APNIC Whois Database. The address space will then be returned to the APNIC free address pool to be reallocated.

1.1 Associate (no address space holdings)

A member who holds no IPv4 addresses and no IPv6 addresses will be invoiced the Associate Membership Fee of \$675

An Associate Member may hold allocated AS numbers, or Experimental IPv4 or Experimental IPv6 addresses.

1.2 IPv4 Component

The member's total IPv4 address holdings, including historical and APNIC-allocated address space, will be used to assess the IPv4 component of the annual membership fee as follows:

$$Fee_{v4} = 1180 \times 1.3^{(\log_2(Addresses)-8)}$$

Notes:

- The minimum annual fee is \$1,180
- In this formula, address holdings are expressed as the total count of individual IPv4 addresses (/32) so that, for example, a holding of a /16 and a /18 would constitute 81,920 IPv4 Addresses.
- Experimental allocations of IPv4 addresses are not included in this assessment of total address holdings.

1.3 IPv6 Component

The member's total IPv6 address holdings, including historical and APNIC-allocated address space, will be used to assess the IPv6 membership fee as follows:

$$Fee_{V6} = 1180 \times 1.3^{(\log_2(Addresses)-22)}$$

Notes:

- The minimum annual fee is \$1,180
- In this formula, address holdings are expressed as the total of IPv6 end site addresses (/56), so that, for example, a holding of a /32 and a /31 would constitute 50,331,648 /56 Site Addresses.
- Experimental allocations of IPv6 addresses are not included in this assessment of total address holdings.

1.4 NIR and Confederation Members

NIR and Confederation Annual Membership fees will be assessed in the manner described above, with an additional premium of 190% applied to the annual membership fee, such that the total NIR and Confederation Annual Membership Fee is 290% of the ordinary membership fee.

1.5 Members from Least Developed Countries.

The fees payable by members from Least Developed Countries (LDCs), as calculated in items 1.1.1 through 1.1.4, are discounted by 50%.

The list of LDCs used for the purposes of this fee discount is defined and maintained by the United Nations Statistics Division (currently available as <http://unstats.un.org/unsd/methods/m49/m49regin.htm#least>). The discount will be applied in accordance with the LDC status of the member's economy on the date of membership renewal.

2. IP Resource Application Fee

A member's first address allocation request is subject to an IP resource application fee of \$3,500.

Subsequent allocations are free of application fee charges.

The following services are exempt from the IP Resource Application Fee:

- Critical infrastructure assignments
- Experimental allocations
- IXP assignments
- AS numbers
- Historical resource transfers

Members of LDCs will receive a 50% discount on this fee, as per section 1.1.5.

3. Membership Reactivation Fee

An organisation whose APNIC membership has been terminated for non-payment of membership fees may be returned to good standing by payment of a "membership reactivation fee" of \$2,700, in addition to payment of any

outstanding unpaid fees. This option is available for a limited period of three months after membership termination, after which time all previously allocated and assigned resources are subject to reallocation.

Members of LDCs will receive a 50% discount on this fee, as per section 1.1.5.

An organisation which does not opt for reactivation of their membership by this means, but wishes to continue using APNIC resources, will need to open a new membership and reapply for all resources required. In this case network renumbering will be necessary.

4. Member Fee Schedule Summary

Resource Service	Unit	Fee	Annual Membership Fee
Associate	Account Name		\$675.00 ¹
IPv4 Addresses	/32		$1180 \times 1.3^{(\log(\text{addresses}) - 8)}$ ^{2,3}
IPv6 Addresses	/56 End Site Prefix		$1180 \times 1.3^{(\log(\text{addresses}) - 22)}$ ^{2,3}
NIR and Confederation Premium	Account Name		+190% ⁴
LDC Discount	Account Name		-50% ⁴
Resource Application Fee	Account Name	\$3,500.00	-
Reactivation	Account Name	\$2,700.00 ⁵	-

Notes:

- 1 Fee applies when the member holds no IP addresses
- 2 Minimum fee is \$1,180.00
- 3 Assessed Address Fees are the greater of the IPv4 and IPv6 Fees
- 4 Premium / Discount is added / subtracted to Address Fees
- 5 Plus payment of all outstanding unpaid fees.

5. Adoption of this Fee Schedule

This fee schedule will be applied for each member on the first anniversary date of the annual membership fees on or after 1 January 2010.

For NIR and Confederation members per-address fees shall be payable for all allocations performed in 2010 prior to the anniversary date of the NIR or Confederation membership in 2010.

Appendix: Example Fee Calculations

These examples **do not** from part of the APNIC fee schedule and are included as worked examples only.

1.2 IPv4 Fees

The following table provides the fee calculation for various IPv4 address blocks:

IPv4 Prefix	IPv4 Addresses	IPv4 Fee	NIR Fee
/24	256	\$1,180	\$3,422
/23	512	\$1,534	\$4,449
/22	1,024	\$1,994	\$5,783
/21	2,048	\$2,592	\$7,518
/20	4,096	\$3,370	\$9,774
/19	8,192	\$4,381	\$12,706
/18	16,384	\$5,696	\$16,517
/17	32,768	\$7,404	\$21,473
/16	65,536	\$9,626	\$27,914
/15	131,072	\$12,513	\$36,289
/14	262,144	\$16,267	\$47,175
/13	524,288	\$21,147	\$61,328
/12	1,048,576	\$27,492	\$79,726
/11	2,097,152	\$35,739	\$103,644
/10	4,194,304	\$46,461	\$143,737
/9	8,388,608	\$60,399	\$175,178
/8	16,777,216	\$78,519	\$227,706
/7	33,554,432	\$102,075	\$296,017
/6	67,108,864	\$132,697	\$384,822

1.3 IPv6 Fees

The following table provides the fee calculation for various IPv6 address blocks:

IPv6 Addresses	End Site Addresses (/56)	IPv6 Fee	NIR Fee
/34	4,194,304	\$1,180	\$3,422
/33	8,388,608	\$1,534	\$4,449
/32	16,777,216	\$1,994	\$5,783
/31	33,554,432	\$2,592	\$7,518
/30	67,108,864	\$3,370	\$9,774
/29	134,217,728	\$4,381	\$12,706
/28	268,435,456	\$5,696	\$16,517
/27	536,870,912	\$7,404	\$21,473
/26	1,073,741,824	\$9,626	\$27,914
/25	2,147,483,648	\$12,513	\$36,289
/24	4,294,967,296	\$16,267	\$47,175

/23	8,589,934,592	\$21,147	\$61,328
/22	17,179,869,184	\$27,492	\$79,726
/21	34,359,738,368	\$35,739	\$103,644
/20	68,719,476,736	\$46,461	\$143,737
/19	137,438,953,472	\$60,399	\$175,178
/18	274,877,906,944	\$78,519	\$227,706
/17	549,755,813,888	\$102,075	\$296,017
/16	1,099,511,627,776	\$132,697	\$384,822



APNIC Non-Member Fee Schedule

Effective: January 2010

APNIC recognises that some organisations wish to have access to resources from APNIC without becoming full APNIC members. These organisations can apply for resources and access certain APNIC services as APNIC non-member account holders.

APNIC non-member account holders must pay the invoice for services before APNIC can provide services to the non-member account holder. The fees associated with specific types of resource services are detailed below.

1. IPv4 addresses fees

The fee for an assignment or allocation of IPv4 addresses (/32) is \$1.60 per address, with a minimum fee of \$13,500.

The annual fee for maintenance of the registration of the assignment or allocation records is \$0.16 per IPv4 address, with a minimum fee of \$1,350.

Failure to pay the annual registration fee will result in the registration record being removed from the APNIC Whois Database. The address space will then be returned to the APNIC free address pool to be reallocated.

2. IPv6 addresses fees

The fee for an assignment or allocation of IPv6 addresses is \$0.00625 per /56 prefix, with a minimum fee of \$13,500.

The annual fee for maintenance of the registration of the assignment or allocation records is \$0.000625 per /56 prefix, with a minimum fee of \$1,350.

Failure to pay the annual registration fee will result in the registration record being removed from the APNIC Whois Database. The address space will then be returned to the APNIC free address pool to be reallocated.

3. Autonomous System Number fees

The fee for the assignment of an Autonomous System Number (ASN) is \$800 per AS number.

The annual fee for the registration record is \$80 per AS number.

Failure to pay the annual maintenance fee will result in the registration record being removed from the APNIC Whois Database. The ASN will then be returned to the APNIC free pool to be reassigned.

4. Reverse DNS Delegation fees

The fee for a reverse DNS delegation in the in-addr.arpa tree is \$80 per "natural class boundary" delegation (/24 and /16 delegations).

Address ranges larger than /24 but smaller than a /16 must be represented by multiple /24 reverse DNS delegations. For example, a /23 address range would be represented by two /24 reverse DNS delegations for a total fee of \$160.

Similarly, address ranges larger than /16 must be represented by multiple /16 reverse DNS delegations.

The price for a reverse DNS delegation in the ip6.arpa tree is \$80 per "nibble boundary" delegation. Examples of nibble boundaries in IPv6 are /36 and /32.

If a network wished to create reverse DNS delegations for a /35 allocation, this would be represented by two /36 reverse DNS delegations for a total fee of AU\$160.

There is no annual maintenance fee for reverse DNS delegations; however, APNIC will remove reverse DNS delegations if the delegations refer to persistently lame DNS.

For more information on lame DNS delegations registered in the APNIC Whois Database, see: <http://www.apnic.net/services/rev-del/lame-del/lame-del-response.html>

5. Annual Account fee for Registry Database Maintenance

There is an annual \$160 account fee for non-member account holders with allocations performed prior to the movement of their registration records ("historical resource records") to APNIC's registry wishing to have authorisation to update these records and create assignment records within historical resource ranges.

Failure to pay the database resource maintenance annual fee will result in your organisation's maintainer being removed from the "mnt-lower" field of your historical Internet resource records.

6. Non-Member Account Reactivation fee

An organisation whose APNIC registration records have been terminated for non-payment of fees may be returned to good standing by payment of a "non-membership reactivation fee" of \$3,000, in addition to payment of any outstanding unpaid fees. This option is available for a limited period of three months after termination of the registration record, after which time all previously allocated and assigned resources are subject to reallocation.

7. Non-Member Fee Schedule Summary

Resource Service	Unit	Fee	Annual Maintenance Fee
IPv4 Addresses	/32	\$1.60 ¹	\$0.16 ²
IPv6 Addresses	/56 End Site Prefix	\$0.00625 ¹	\$0.000625 ²
Autonomous System Numbers	AS Number	\$800.00	\$80.00
Reverse DNS Delegations	Delegation Point	\$80.00	-
Historical Resource Maintenance	Account Name	-	\$160.00
Reactivation	Account Name	\$3,000.00 ³	-

Notes:

- 1 Minimum fee is \$13,500.00
- 2 Minimum fee is \$1,350.00
- 3 Plus payment of all outstanding unpaid fees.

8. Adoption of this Fee Schedule

This fee schedule will be applied to all non-member account upon the anniversary of the renewal of the annual non-member services agreement in 2010.