

Dear OpenID Foundation Members:

Over the last year, the OpenID Foundation Executive Committee and the Board of Directors undertook a comprehensive update to key OpenID Foundation policy and legal documents to ensure they are current. As part of this update, proposed updates to the IPR Policy were made. The changes were unanimously approved by the board. Approving these changes also requires a vote of the membership.

The primary changes to the updated OpenID Foundation IPR Policy are administrative, relating to the roles of individuals and entities. Specifically, the changes reduce the categories of contributors while making no changes to the Intellectual Property (IP) rights granted.

A summary of the proposed revisions to the OpenID Foundation IPR Policy:

1. **No Change to IPR Rights Granted:** There are **no changes to any IP rights granted** in Section V “Copyrights” or Section VI “Patents.” Changes relate to primarily to issues regarding the categories of Contributors.
2. **Simplified Contributor Categories:** The revised IPR Policy is simplified by reducing the number of different categories of contributors from four to two. The remaining two categories are now labeled as: **Individual Contributors** (formerly split between “Unaffiliated Individuals” and “Affiliated Individuals”), and **Legal Entity Contributors** (formerly called “Constituents”).
 - (a) **Individual Contributors:** The categories of “Unaffiliated Individual” and “Affiliated Individual” have been combined into a new category simply title “Individual.” Individual Contributors act on their own behalf.
 - (b) **Legal Entity Contributors** (typically companies or other entities) act through Representatives.
 - (c) **Representatives** are no longer considered Contributors and do not sign the Contribution Agreement. They are, in effect, agents acting for the Legal Entity Contributor (e.g., the company) that listed them as a Representative.
3. **Requirement for Written Verification From Employer/Clients:** The previous **requirement that Individual Contributors submit written verification** (from each of their employers and clients) stating that no duty is owed by the Individual Contributor to any such third party employer or client regarding his or her participation in, or Contributions to, Work Groups, and verifying the individual’s unfettered right to make Contributions, **has been deleted**. [Old Sections I.3 and II.1(b)(ii)].

Note that this accords with actual OI DF practice – i.e., apparently Individual Contributors have not been submitting such verification agreements.
4. **Requirement for “Manual” Signatures:** The previous **requirement that that Legal Entity Contributors** (formerly called “Constituents”) **must “manually” sign** a Contribution Agreement **has been deleted**. Electronic signing is now authorized (but not required).

5. **Requirement that Representatives Sign Contribution Agreement**: The previous requirement that **Representatives** listed by a company in a Constituent Contribution Agreement **must also sign a Contribution Agreement has been deleted**.

Note that this accords with actual OI DF practice – i.e., apparently persons named as a Representative have not been individually signing a Contribution Agreements.

6. **Applicability to “Related Entities”**: The current IPR Policy is binding on each company that signs a Contribution Agreement, as well as all “Related Entities” of each such company. Under the current IPR Policy, a business is a “Related Entity” of a signing company (and thus bound by the IPR Policy) if the signing company owns 40% or more of the Related Entity.” This new draft proposes **changing the ownership requirement for a Contributor’s “Related Entities” that are also bound by this Agreement from 40% to 50%**. The theory is that the company signing a Contribution Agreement may not have the power to bind a Related Entity if it only owns 40% of such entity. This issue was raised by Oracle.

[Link to the redline version of the updated OpenID Foundation IPR Policy being voted on.](#)

[Link to the clean version of the updated OpenID Foundation IPR Policy being voted on.](#)

[Link to the current OpenID Foundation IPR Policy that we published in 2007.](#)

Thank you for your participation in and support of the OpenID Foundation.

Regards,

Michael B. Jones
OpenID Foundation Secretary