

To: OpenID Foundation Board members

From: Nomura Research Institute, Ltd
SixApart K.K
VeriSign Japan K.K.
March 13, 2008

Re: Approved OIDF local chapters policy

Dear Sirs:

Japan Chapter Organizing committee has reviewed the Approved OIDF local chapters policy that was published on February 29, 2008 JST. As the result, we had a consensus that it is not possible for us to accept the condition as it stands.

Followings are the request from us in Japan for you to consider. We believe these are instrumental for the ultimate goal of the promotion and adoption of OpenID internationally. We will be obliged to you to consider these.

<Consideration Points>

1. Recognition that a National level organization and other regional organization will have different requirement both for the role and the financial stand point.

Your chapters policy seem to be based or targeted towards the regional initiatives/organization inside the U.S. This policy may be applicable to the similar type of organizations but it would not be a good match to a national level one.

The national level organization need to execute such tasks like

- (a) Legal and compliance check of the various OIDF policies against the local legislation.
 - (b) Patent and other intellectual property clearance in the jurisdiction.
 - (c) Central Government lobbying to affect the new laws that accelerate the adoption.
- etc.

These are not the tasks of the sub-national level organization. However, there needs to be at least one such, which is the “National Level” organization. We would like to note also that since having multiple parties tackling on these items are simply duplication of cost, it does not make sense to have multiple parallel parties tackling on these items. Not only that, it would be much less effective in presenting it to the authorities and press.

Therefore, we would like you to consider a single National Level organization which is separate from sub-national level ones.

2. Fund allocation rule between the local chapter and the OIDE.

It is very unlikely that the member companies and individuals pay the membership fee twice for the OIDE and the local chapter, as it simply is the duplicated cost. Given this, if all the local members were required to register to OIDE and pay membership fee to OIDE, the local chapter will have no foreseeable budget. Although it is written that “However, they may apply to the OIDE board for funding of specific activities or events and these requests will be considered on their merits”, it is entirely discretionary of the board decision. Given that there is no annual budgeting process and fund distribution guidelines, all the activity essentially would base on the voluntary effort of each member then, and it is impossible for the local chapter to plan out the activities on its initiative leading to substantially slowing down of the activity, which in turn leads to the slower and lesser adoption of OpenID.

We believe that the most effective way to promote the adoption and usage of OpenID in that country is not through the centralism but to do it distributed way, just like OpenID. i.e., to let the people who knows and understand the local laws and culture deal with it.

Thus, we believe that the chapters who is acquiring and keeping the members and promoting OpenID should get a healthy share of the membership fee as its budget for its activities, that there should be some guideline for the distribution of the membership fee such as 20% going to OIDE and 80% to the chapter. (The percentage here is just an example, but for the effective functioning of the local chapter,

something like this may be required at least)

3. Publishing the equitable board election policy.

Currently, the board is composed of original starting board plus the corporate board members which are entirely either North American or of North American affiliation. Although, since I personally know the board members, I believe this is not the case, but centralizing all the budgetary and other decisions impacting the international society to the current board does not seem equitable from an outsider's view.

We believe that the board should publish the election policy that will open the door to not only the already started European initiatives, starting Asia and Japan initiatives, but also to Latin America and Africa so that the world will perceive that OpenID Foundation is truly global, fair, and open society. This should, in turn, accelerate the global adoption.

We hope that the OI DF board can reconsider the "Approved OI DF local chapters policy" to reflect the above stated points.

Yours sincerely,

Nat Sakimura

Nomura Research Institute, Ltd.

Nobuhiro Seki

SixApart K.K.

Kazuya Ishikawa

Verisign JapanK.K.