
BRENDA BREWER: Good morning, good afternoon, and good evening. Welcome to the BC Membership meeting on 7 July 2022 at 15:00 UTC.

Today's call is recorded. Please state your name before speaking and have your phones and microphones on mute when that speaking. Attendance is taken from Zoom participation. Apologies received from Marie Pattullo, and Barbara Wanner will be delayed today. With that, I'll turn the meeting over to BC chair Mason Cole. Thank you.

MASON COLE: Thank you, Brenda. Good morning, good afternoon, and good evening, everybody. Mason Cole here, chair of the BC. Good to have you on our call here on 7 July. It's our first meeting since ICANN74. It's good to see so many people on the call, so thank you for joining up.

We have our usual agenda up on the screen and a couple of things to add today. So before we begin, are there any additions or updates to the agenda that anyone would like to make? Okay. It looks like the queue is clear. All right, very good. We're going to dive right in. We're going to go to item number two on the agenda. Steve, please take the floor.

STEVE DELBIANCO: Thanks, Mason. Can you hear me all right?

MASON COLE: Yes, sir.

Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.

STEVE DELBIANCO: Great. Thanks a lot. I put the Policy Calendar up on the screen. There's nothing new that we filed since the last report. On open public comments, there's only one open right now, and then the other ongoing work on NIS2. But one that's open now is something that Arinola and Zak have talked to us about for several months, and that is the initial report on the Transfer Policy. It used to be the IRTP. Well, this is Phase 1A. Comments closed 2nd of August, so we have plenty of time. But now we need a volunteer or to step up and help pull together this set of BC comments on the recommendations. Because Zak and Arinola kept us so apprised in the [inaudible] itself a little bit, so I think we understand where things are going. We do want some volunteers to help. I see Zak's hand up. Go ahead, Zak.

ZAK MUSCOVITCH: Yes. Thanks, Steve. Volunteers are really welcome and needed. The good news is that this particular public comment is in one of those multiple choice answers, plus optional comment format. So it's not as heavy lift as could otherwise be the case, and so volunteers will be able to share their input fairly easily, if that helps encourage people to participate. Thanks.

STEVE DELBIANCO: Thanks, Zak. I really appreciate that. Because we did have a robust discussion—Howard, I'll go to you next—we had a robust discussion on the BC on some of these lock procedures. So it's important to get a couple of volunteers, maybe even volunteers with different points of

view on the BC comment. So I see that John Berard and Vivek, and now I'll turn to Howard whose hand is up. Go ahead, Howard.

HOWARD NEU: I just wanted to let—I'll volunteer as well.

STEVE DELBIANCO: Thanks, Howard. So if Howard, John ... We want to circulate a draft at least seven days prior to that due date. Given that it's one of these multiple choices really a challenge, I will undertake to download the questionnaire in a format that the BC can circulate, and I'll do that after the call. Then, Zak, we invite you and Arinola to participate in any degree you wish to help to resolve confusion or disagreements between the BC volunteers. But as the coordinator, I'll continue to manage the process and try to achieve a consensus on our comment, if that makes sense.

Okay. The next item up is under NIS2. At this point, Drew, do we have you on the call today?

DREW BENNETT: Yes.

STEVE DELBIANCO: Would you care to give a quick little update?

DREW BENNETT:

Sure. The biggest thing, it says it right there. You'll see this additional paragraph that is in the text of Article 23. I was not aware if that's really the decisive article in this text I think as far as the obligations for DNS security go in terms of NIS2's broader objectives on cybersecurity standards in the European Union. This paragraph was nothing we saw in any version, any amendment previously submitted. All that others—I don't know, Steve, Mason, with better technical background in history with ICANN and WHOIS, and myself speak to its implications, I would summarize basically as enabling avoidance of thick WHOIS for certain contracted parties that could be the implication of this. I'll just say on the process side, the parliament is in plenary now. All the parties need to formally adopt the text. The rest of the text, I circulated a number of times, I think there was a comparison chart that went through the e-mails. As has been stated in the past, a number of we think real positives, but this is not one of them.

So I was just checking, I don't think it's come up this week. It could be a good thing. We may have a summer—as I know, a lot of groups are already doing—to ask the question of what this is doing here, how it got in, and discussing with decision makers. Like I said, location, and I think from our view, it's unintended consequences. I don't know if you want to speak any more to those kinds of unintended consequences and implications for like WHOIS or lack thereof.

STEVE DELBIANCO:

Thank you, Drew. I don't have any inside knowledge on the origin of paragraph. But I believe that it's broader than just the registries that are not thick yet. Even registries that are already running thick WHOIS have

a concern that they're not the one managing the customer relationship, the registrars are. So if we just take an average thick TLD registry, I believe they want some coordination as to who is the entity that would be responsible, since the one who manages the customer relationship and has that first party privacy relationship and controller relationship is the—

DREW BENNETT: Did we lose Steve's audio there? I can't hear you, Steve.

MASON COLE: Steve, are you still with us? Brenda, we may have lost Steve. He may need to dial out.

BRENDA BREWER: Okay. I do see that he's connected but we cannot hear you, Steve. He just muted his line. Let's see what happens. Okay. We'll get him back on. Please stand by.

STEVE DELBIANCO: Try it again here.

BRENDA BREWER: There you are.

STEVE DELBIANCO: Is the screen share available?

BRENDA BREWER: Yes. We see your screen.

STEVE DELBIANCO: Sorry about that. I'm in a remote location. So, Drew, I was indicating that I thought it would affect those who are already thick, not just those who are not. What's your reaction to that?

DREW BENNETT: Yeah, good point. Agreed.

STEVE DELBIANCO: Are there any other insights? I do appreciate that Caroline pulled together a comparison, highlighting the fact that both the recitals and the article had the same element that was new. Mason, go over to you.

MASON COLE: Thanks, Steve. I don't have any additional insight on how this paragraph made its way into the directive. I'm sure there are people who are concerned about this and maybe giving additional input. I wanted to point out as well that once the directive is formally finished, we've got an opportunity to help work with member state governments to transpose the directive into law.

I'm looking to put together a small team. Hopefully, though, some of you who've been on the drafting team would be willing to participate. But we're looking at creating a team that would be helpful in advocating

the better principles of NIS2 to member state governments. So if you're interested in that, I'd encourage you to contact me offline to volunteer for that. It's going to be a bit of a heavy lift but it's very important work, and we've got some time to do it. But we're going to need some help, so if that's something that you can contribute to, I'd very much welcome that. Back to you, Steve. Brenda, it seems like we're having a little bit of a hard time with Steve this morning.

STEVE DELBIANCO: Yeah. I'm sorry about that.

MASON COLE: There you go.

STEVE DELBIANCO: On the Policy Calendar, I did note that in The Hague, several of us in the drafting team had a conversation with Bart Groothuis, a member of parliament. We learned a lot from that. Mason, I believe you shared the notes from that call with those of us that were on the drafting team. Has it gone out to any wider audience in the BC?

MASON COLE: Yeah. I believe it did go out to the wider BC. Unless ... no, actually, Steve, I'm thinking of the discussion we had with Göran. That's what we were putting out to the BC. So I'm happy to put together an update for the BC.

STEVE DELBIANCO: Did we promise Bart that we would keep very closed what he told us, or do you think it's okay for us to share that with the BC?

MASON COLE: I think it would probably be okay as long as members of the BC would be willing to treat that confidentially.

STEVE DELBIANCO: Good thought. That would be further motivation for joining the drafting team that's going to work on this. I appreciate that. Are there any other comments or questions on NIS2? Fantastic.

So I would like to turn things over to Mark and Marie. You'll see in the Policy Calendar I summarized things that happened on the June 15 meeting. Then I don't have much yet for what the July 21st would be. Marie and Mark?

MARK DATYSGELD: Thank you very much, Steve. Today, it's pretty much me. We have Marie doing something else. So I will briefly go over some of these points starting with the final report from the EPDP on Specific Curative Rights Protections for IGOs.

So, in summary, there's plenty of outcomes from this. But if we are to look into what's really material to this report, it's that there is now an additional definition which is the IGO complainants. When it comes to

actually working together with UDRP and URS processes, you now have this definition which will be the vehicle, which an IGO can use to actually file a complaint. So that was agreed upon. Also, it was agreed that voluntary arbitration within the UDRP and URS is the correct approach for those international institutions to actually work within the process and achieve their goals. So if I was to say these are the key points, that's what comes from it, but in case anybody is super interested, there's actually 34 pages long report which you can read further. It's attached in the Policy Calendar.

So moving on from that one in particular, we have the SSAD Light, which I think it's something that Steve would be more apt to talk about, but so far, as far as the Council is concerned and what Marie's and my position will be, we're leaning towards supporting this initiative. We understand that this is not necessarily absolute consensus within the constituency. But what we have been hearing from most members is that we should try to go ahead. It is something that's interesting but we do have some key points that we want to stick. I think Steve has outlined them fairly accurately. We would move ahead, but without necessarily some of the implications that might come from it. So I think, to me personally, point number one of this list that you see in your screen is the most important one. So requests for volumes will not be indicative of demand since no disclosures are required. This is something that we need. What did you say, Steve?

STEVE DELBIANCO:

Are you certain that Council will have some voting on this question of a SSAD Light? Or is the letter already been sent?

MARK DATYSGELD: The voting itself—it has been said that it will. I'm not sure how that will actually go. But it has been at least heavily implied that we will be voting on this a yes or no. So I can't say for sure but it has been implied that we will.

STEVE DELBIANCO: Not yet? The agenda for the meeting will be out on July 11, on Monday. So as soon as you have an indication of whether the agenda includes a motion, let's have a discussion on the BC list so that everybody can share views about how our Councilors would vote. Mason, do you want to weigh in on this as well?

MASON COLE: Thanks, Steve. Yeah. I appreciate where the Council is coming from. There's the potential of just taking what we can get at this point on SSAD Light. I mean, personally speaking, I'm not in favor of a SSAD Light. I prefer to push for a solution that would actually be usable by BC members and others in the community. That said, we may be outvoted again. I think it is important that the first point of your summary about reminding everyone about what we said in The Hague about request volumes are not indicative of demand since no disclosures are required. That's going to be very important to get across because this does feel a bit like a trap for the BC, and I don't want to see us fall into that trap. So if this is inevitable, that would be, I think, unfortunate, but we have to deal with the political reality as we find it.

So, Mark, my suggestion to you would be that we really emphasize that first point in Steve's summary and make sure that that gets across to ICANN Org and others in the community who are advocating for a SSAD Light.

STEVE DELBIANCO: Thanks, Mason. Third point as well, don't let them only aggregate the data on request. We need individualized data. It can be stripped of PII. But if we don't know, the law enforcement is asking for the following kind of information from the following domain names, we're not going to have the ammunition we'll need to drive for mandatory disclosures.

MARK DATYSGELD: Yeah. Thank you, Steve and Mason. I think those points are definitely incredibly important. We will be driving these points, but unless there is massive opposition from the BC community, we are at a situation in which we can sit outside the room. That would be a thing, if we really are inclined to do that. Or we can sit inside the room and try to push as hard as possible for this point of view that we carry to be observed and to be followed.

STEVE DELBIANCO: It's not necessarily the case that you're outside the room. If you recall, you voted no on SSAD. We were still at the table and I was one of the most vocal people on the SSAD small team. So we're still in the room. But the no vote has to have a significance. We have to be able to explain why we're no. I think we could say that the SSAD Light is inadequate,

but the SSAD itself was never going to be adequate for mandatory disclosures. If Light gives us the ticketing system that we have advocated before, it's hard for me to see how we would vote no on a ticketing system that was Alex Deacon's idea a couple of years ago.

MARK DATYSGELD:

Yeah. You frame it better than I did. Exactly. So we need to wait and see exactly how this will go down, but it's good to preempt members that this discussion will take place.

So on to the next subject, we have a new acronym. I don't know if you are all familiar with that one. It's the GGP. It's GNSO Guidance Process. So, in case you haven't heard of this before, it is because it is brand new. It is something that's being attempted for the first time.

What's substantially different from it, well, actually a lot of things are substantially different in it. But first of all, when it comes to the new gTLD Subsequent Procedures, this will not require a separate charter. So everything that has been true for the SubPro will be true for this one, scope working mechanisms, method of operation, all of that will be in this initial request. There's actually a structure that's group one versus group two topics.

So group one relates directly to SubPro final report, while group two will come from the ODP team. There's multiple potential ways in which this group can go. Right now, it's supposed to be a steering group. It will carry out work internally but also be able to determine sub teams to work on specific matters as it goes. Theoretically, this format will expedite the work, but we cannot be sure exactly because it hasn't been

tried before. So on this one, I recommend that the community just keeps an eye open. Let's look into what this process brings to the table, what we can potentially add to it. I wonder if Steve has any further thoughts on this particular model or if we are at a wait-and-see mode.

STEVE DELBIANCO:

Thank you, Mark. I think you've covered it well. Then as soon as you have any heads up on the July 11 agenda deadline, circulate it to the full BC because not all of us will see it as early as you do.

MARK DATYSGELD:

So our final key topic of the day will be the recommendations on closed generics. So we had a small team working on that process. While this task could be gigantic, they focused on a few more curated tasks. So from Recommendation 1, it was about who would facilitate those discussions. I'll step back for a second. If you all remember, this is actually comes from the way that the GAC intended to work together with the GNSO in this, and this emerges from that particular discussion.

So back to Recommendation 1, there will be a facilitator that the team has identified should be somebody fairly external, somebody who doesn't have the commercial interest in the outcomes of this group. So it remains to be seen what that actually means. In ICANN74, this was a bit of a muddy area, will watch out exactly what lack of commercial interest means in this case. But that's the recommendation for facilitator.

For task number two, it's about ALAC's role in this discussion, which the BC has been supportive. The ALAC had been allies to our positions in several situations. We hope they will continue to be and to expand our relationship with them. So we definitely support their participation strongly.

The third task was about the conditions, parameters, and methodology for the dialogue, which will be subject to mutual agreement with the GAC. In that sense, I think it's a lot of technicalities. For anybody super interested, that's task number three in the documents. Basically, it will follow the methodology from the ICANN Org framing paper. That's the gist of it. Whatever was laid out in that paper will be followed by the group.

Those were the substantive discussions that were carried out. As Steve has mentioned, we have an upcoming meeting. It will be quite substantial. But a lot of what will take place there is still not entirely clear. It will relate to a lot of the subjects that we have discussed, but matters such as votes and so on have not been announced yet. There's also potentially a subject that emerged in ICANN74, which was the GNSO Council-Board interaction and how we actually carry out those interactions. This is something that's also on our tentative agenda, let's say, and could become something of its own. But right now, we don't have the precise date on that. So as soon as that gets confirmed or not, we will be able to properly inform you better of this. So with that—

STEVE DELBIANCO: Keep in mind, the 21st of July is also, I believe, our next BC call. So the BC call will happen hours after you've had your Council meeting on the 21st. Is that right, Brenda? 21st is our next?

BRENDA BREWER: Sorry about that. Yes, I'm on the calendar, and you are correct. 21st will be our next BC meeting.

STEVE DELBIANCO: That is why if there's discussions along the lines of what Margie and Mason and I were discussing on the vote for SSAD Light or any other motions, we're going to have to do that via e-mail, because we will not have another meeting before your voting. Okay.

MARK DATYSGELD: Okay. Makes perfect sense.

STEVE DELBIANCO: Did you want to add anything on DNS abuse, anything happened since we were together in The Hague?

MARK DATYSGELD: Yeah, very briefly. We are now deep in the weeds of actually coming up with recommendations. It's going fine. There has been good collaboration from the CPH. We're still looking at this three-bucket model. One, our policy recommendations, the other, outreach recommendations, and finally, the potential contractual amendments.

That keeps our expectations very reasonable in terms of what we can suggest from the Council in terms of contract amendments. Heavy amendments have to come from the policy track. But very light touch specific recommendations on contractual amendments can be suggested by the group. This has been agreed from both sides that is within our remit to make those suggestions. So we will very, very carefully work within those limitations to try to fast track what we can do in terms of DNS abuse.

So if we can, for example, introduce a clause—not even a clause, a line—that says that instead of the current approach, which is these actors need to look into the situation and ICANN have to notify them, if we change that to they actually have to take some kind of action and that they would be liable for that, then we arrive at a situation in which the good players, it changes absolutely nothing for them. They already have community scrutiny, they already have to do this, whether they want to or not. At the same time, we get the bad actors in a situation in which they have to actually start paying attention to this instead of merrily ignoring it as they do today. So those are the overarching goals. Let's keep in mind those as we move on, and we definitely will have something to show you before ICANN74. Thank you.

STEVE DELBIANCO:

Thanks, Mark. Any questions? I see Alex Deacon on the line to update us on IRT. Unless any other members have IRT updates, I'll push things over to Tim Smith to handle the CSG update. Go ahead, Tim.

TIM SMITH:

Hi. Not too much to report. As is indicated here in our submission, we're just concluding six months with the BC in the chair of CSG. Thanks to Mason for capably representing our interest, and Wolf-Ulrich who will be taking over effective, I guess, now. We didn't have a meeting during ICANN74 but did have a little bit of a follow up e-mail exchange following, and agree that we need to continue with our push on DNS abuse, which, of course, I think some of you would acknowledge seems to be making some progress there. So that's good. We also acknowledged that there was little movement or no movement on WHOIS, so that continues to be a priority for us and something we'll watch very closely.

I guess just moving down there to paragraph four. We are thinking that we might have a meeting. Nothing has been scheduled at this point, but thinking we might have a meeting while ICANN74 is still fresh in our minds. And of course, the next meeting of ICANN, ICANN75 creeps up on us in September. So it would be good if we had some discussion sooner rather than later about setting the stage for ICANN75. Meanwhile, though, we are planning a meeting with the GNSO appointed Board members. That looks like it'll happen either next week or the following week, so we may have something to report by the time we meet again here on our next BC meeting.

Then other than that, I really haven't seen any update on Planning Prioritization Framework Project, which I had hoped to have seen something—I think we all would have by now—because some of the implementation has to take place through FY23 and others to be discussed as part of the FY24 planning. So it would be good to get some of those things in our hands so that we know what the priorities are and

how they'll proceed. But that's really it. I have nothing else to report at this time. Thank you.

STEVE DELBIANCO: Any questions for Tim? Mason, back to you.

MASON COLE: Thanks very much, Steve, and thank you, Tim for the update. So very helpful. Yeah, I'll just add to what Tim reported that we were approached in The Hague by Matthew Shears who is anxious put together another interaction with the CSG. So since Wolf-Ulrich is now in the CSG chair, that duty will move over to him. But, Tim, if you wouldn't mind coordinating with Wolf-Ulrich on making sure that BC members are aware of when that meeting might happen, that'd be great.

TIM SMITH: I will do that. Thank you.

MASON COLE: Thank you. Okay. All right, item three. So let's move to Finance and Operations update. Lawrence, over to you, please.

LAWRENCE OLAWALE-ROBERTS: Thank you, Mason. Good day, everyone. Pretty much my report today will be focused on the FY23 budgets proposals. But before then, I want to report that we have three new members joining the BC over in

FY23 for the last two weeks thereabout. We want to welcome the details. Jacques Rodriguez, I'm not sure if you're on the call. But if you're here, we want to welcome you to the BC. I just want to say that we're happy to have these new members joining us. We also have [Cibas Cocteau, Bau Rahman], and we have [inaudible]. So we've had three members joining us. If we have any of you on the call, we could give you a few minutes to just speak to the BC or we want to encourage you to actively join, participate, and possibly volunteer into any of the BC committees that we have so that you can be actively engaged with us.

I also want to remind members that invoices for FY23 has been sent out. We expect that by now everyone would have gotten an invoice. If you're yet to get one, please reach out to the invoicing secretariat and we will be very, very happy to work with you to see you through your payments for FY23.

Pardon me, some minutes back, I sent an abridged version of this report to the members list. The financial year '22 is already over and we're in FY23. Before you now is a report that I will share this normal report out. Like I said in my e-mail to members, I want to have the Executive Committee and the Finance Committee review this before sharing the full report with the rest of the membership, but the important aspects of the budget performance for FY22 is what you currently have in your mails. Our report basically speaks to the financial and executive summary of the financials for FY22, the budget estimates.

I would want to say that in FY22, we had our membership peak to 71. Because we had seven new members join in the BC, as of FY21, we had

64 members and the seven additional members took our membership up to 71. It was a coincidence of some sorts because we also had seven old members of the BC who didn't follow through with their payments for FY21. Two of these members, we are currently working with because there are some issues with regards how to remit the payments. That's for one member. And while for the other member located in the troubled zone of Afghan, we can understand the difficulty with regards to payments for FY21. So while we're working with these two members, five members that have not paid their dues for FY21 and FY22, we are going ahead to delete their membership. Details of those companies are in the report that you have in your mailbox.

For the membership dues for FY22 that was projected was at \$53,272, but what came in was less than about \$3200 Because of the seven members who are yet to pay off their dues. But that notwithstanding, the BC was able to manage its finances prudently over the last financial year. I will move ahead to the main body of our financial reports.

As of today, the bank balance for the BC sits at \$141,162. This forms the opening balance also for FY23. At the beginning of FY22, our bank balance was sitting at \$143,751. For the entire FY22, the membership dues that we received came to \$31,605. This was a bit short from what we projected to have because we are definitely having to resign membership of five members who have not been forthcoming with their dues.

For FY23, we're looking at an income of \$33,120, because in the plan for FY23, we have made plans to also increase our membership by 10. That target is down to seven now because we already have three new

members that have joined us. So we're hoping that we'll be able to reach the target of having 10 new members join the BC in FY23.

ICANN reimbursed us for our member click websites at the rate of \$3988 for FY22. We're maintaining the same figure for our budget for FY23 because we are not proposing any serious change to the websites. Yes, Mark, I see your hand's up.

MARK DATYSGELD:

Very briefly, Lawrence. Sorry to bring up a very old topic. But if you remember back in ICANN60-something before the pandemic, we were actually able to do a bit of a BC event. In Latin America, we were going to do an outreach event considering that we have so few members from LAC but we do have people who are very active in the Internet communities such as me, such as Nivaldo, we were going to do something to try to raise awareness that evidently got swept up by the two Cancún cancellations. I wonder if we still would have some budget for that or if that has gone with the wind. Something for us to be able to plan or try asking sponsors or do we still have something? What are your thoughts on this? At least preliminary, not asking for a binding answer.

LAWRENCE OLAWALE-ROBERTS:

Thank you for raising that point, Mark. In the budget for FY23, I've made provisions up to the tune of \$10,000, which was what we had in the budget for last year for outreach of this kind of nature. So we will definitely be happy. What we will definitely need will be an active BC team on ground that will help to push and plan and organize the

outreach. But where we have the team that is effective and engaged to help do that, the BC has put together some forms to help with this.

Also proposing aside from outreach to LAC region and also to Africa and other developing areas, we had also talked about the possibility of having an inreach just for BC members, which might be best suited for an AGM. So, looking at ICANN78, which will also give us enough time to plan towards such an event. As ICANN78 will not be within FY23, I have still made provisions for us to be able to have some arrangements, any groundwork that needs to be done in case we need to secure venues and contract at any parties. We have some provisions in FY23 budget to cover that. And we'll still have some funds in the FY24 budgets to take care of the expenses that might come up for the outreach and for the inreach so both are adequately covered.

The Membership, as it stands, is in the document that you also have in your mailbox. Like I said, we currently have 64 members. This is with the new members that have joined the seven new members that joined in FY22. This is also not recognizing the three new members that just recently joined. As this is a report for FY22, we're working with Louis Vuitton and TechNation on their membership. And we'll be retiring these five companies that have not responded to our invoices or to our calls to regularize their membership.

Just pardon me. I know that a lot about our budget will have to go back and forth by e-mail. So that's why I'm trying to use this opportunity to just intimate members on the budget proposals before us. So in terms of how we performed for FY22, we budgeted \$2500 for our invoicing

secretariat and that was completely expended. So for FY23, we're still maintaining a budget for \$2500.

For our accounting contracts, we had a budget of \$4000. Unfortunately, that went as high as \$6000 and we are currently budgeting \$10,000 for FY23 because of the changes we are making to our accounting system.

We budgeted \$2500 for legal counsel. We didn't have any use for litigations, hiring a lawyer in the current in the past financial year. Because we're trying to also cut down on expenditure to a large extent so that we are very close to spending what we generate year in and year out, the provisions made for legal counsel for FY23 and putting out \$1000 for this can always be adjusted as the need arises.

We have put together some systems for bookkeeping, and accounting and payment purposes. We budgeted \$3000 In FY22. The subscription for that service and the one-time setup cost and payments for the new accounting firm went up to \$4200. As we will not be incurring a setup cost in the coming financial year, FY23, but we will definitely need to renew our instance of QuickBooks, build a common [inaudible], and so provision being made is \$4500.

For Wells Fargo's bank charges, we budgeted \$2000. Pardon me but this one, \$4000, is \$1435 was at April. I will need to go back to check what other fees have come in, but I'm sure that we wouldn't go past \$2000 so we are still budgeting \$2000 for our bank charges from Wells Fargo.

Web hosting, which is the member clicks BC website, we had a budget of \$4300. We expended \$3900. So pegging the FY23 bill for member clicks at \$4000, which I believe is safe.

\$1000 still remains the fee for maintenance of the ICANN BC account. We budgeted \$800 for our domains in FY22. It was fully expended. What we did was to register icannbc.org, extend the life of icannbc.org for 10 years. We also went ahead to register icannbc.com and .net just to block those names on the three common TLDs for 10 years. So we want to be incurring any further costs when it comes to domain renewals for at least the next nine years. This remains stable.

For the ICANN [inaudible] officer travel, the budget is still for \$9900. We only expended one leg of it for the last meeting. Pardon me, please, I'll soon be through.

For the focus outreach, this was what I was talking about, Mark, in terms of outreach to Asia Pacific, Latin America, and [inaudible], we had a budget of \$10,000. We couldn't do much around this because of the virtual nature of our meetings but while still looking at having this provision result for FY23.

For members' inreach, for the previous year, we budgeted \$4000. The possibility of we didn't have any in FY22, we might not have an inreach in FY23 because of the planning that is required, but we have gone ahead to put a provision of 2500 just to make sure that we can start making plans towards it once we know for sure where they ICANN78 venue is if ExCom agrees that it should hold this ICANN78 AGM. I'm talking about the inreach, the type that we had at Montreal. Then we will start making plans to commit the BC and making preparations for this to happen.

For the Leadership Development Program, we budgeted \$2500 In FY22. This wasn't expended because we couldn't travel. But in FY23, we are looking at moving this to \$3000 so that we could have at least one person supported with at least \$1000 to travel to an ICANN meeting around the meeting location. So hopefully this should be able to cover all the ICANN meetings in FY23 if ExCom so approves.

We have successfully implemented the ICANN cost. We didn't expend any cost at our end, though we budgeted \$3000. But it's possible that we might want to develop some interactive videos and place this in the course or to attract more participation. So the budget of \$1000 has been set aside for this.

For our communications, we're getting really active in terms of communications now. We budget at \$3000. We couldn't expend this in FY22 but we're looking at maintaining this cost over FY23.

The artist that designs our newsletter charged us a combined rate of \$1800 for FY22. So we're looking that it shouldn't go beyond \$2000 for FY23.

Publication of outreach materials were looking that we might not need to expend more than \$1500 in the coming FY23.

For webinars, we decided to cut the costs to about \$1000, seeing that we can piggyback on ICANN platforms if we need to do a web webinar in the current financial year.

For ex officers' onus, we give out a stipend, as we normally do, and produced a plug. All this came to \$600. Because I personally had to

travel and hunt, deliver this to Waldo in Kenya, so we didn't attract any cost for delivery. In FY23, we are budgeting \$1000 to be able to cover this expenditure for research.

So in building the FY23 budgets, seeing that we have to expend much more on our accounting, decided that most of the funds that we normally give out could be rationed back to take care of our accounting needs. Therefore, we are not so much under pressure. We will get better operational deliverables at the end of the day. But it just means that we are going to have to reduce the amount of charity funds that go out. So that's why we see a proposal of \$5000 for consulting from \$10,000.

Travel support for related issues is still pegged at \$5000. BC sponsored events are reduced by \$1000. It was \$5000 last year. The IGF remote support for Abuja was reduced by \$1000. It was \$2000 for FY22. The AfICTA support that we normally give is reduced also by \$1000. It was \$2500 in the previous year, while for the miscellaneous we also reduced that, bringing the total budget proposal for FY23 to \$74,900.

What we expended last year, FY22, was \$40,317. This is when all payments that are supposed to be made that are still pending is also covered. So with this expenditure rate of \$40,000, the thing that ICANN reimbursed us for the member clicks platform, we only had an expenditure of \$4729 over the FY22 dues that came in. We had \$31,000 coming in dues, we have \$3900 reimbursed, and we spent \$40,000 in all.

So I will say with that that's FY22 was a remarkable year. We were able to work with about half of our budgets and we didn't spend more than \$5000 from the dues that were generated for the year. I will stop at this point to entertain questions, observations from members. Thank you.

So while we're waiting for members to comment, I will be sharing this detailed document with ExCom and members of the Finance Committee. And after it's been properly reviewed, I expect imputes coming from ExCom that might change some of the figures, especially the projected rates for FY23. But after that has been done, I will go ahead to share the ExCom-approved documents with the rest of the BC, and that will be the documents that members will be required to make further comments on and give their approvals. I can see your hands up, Dr. Jimson, you have the floor.

JIMSON OLUFUYE:

Greetings, everybody. Thanks, vice chair, for a very fluid presentation and for the hard work. Thank you so much. I just have three quick comments. The first one is, well, usually we get the budget proposal earlier before the end of the fiscal year. So is there anything we can do so that we can get it earlier? Because the new budget year has already started.

Secondly, on the accounts, it's like we're expecting something is increasing by 100%. The expenditure on account operation is increased by 100%. I'm just wondering whether we have increased accounting activities and so on.

Then lastly, we got co-sponsorship support from AfICTA, which we started in 2013 from \$10,000, we put it to \$5000. And last year, it was reduced to \$2500 maybe because of online. But I believe going back to hybrid events now, I think bringing it down again to \$1500, maybe there could be some special reasons for that. I don't know. So those are the three comments I have for now. Thank you.

LAWRENCE OLAWALE-ROBERTS: Thank you very much. So let me start with the last question. We have a reserve fund in the sum of \$65,000. In the beginning of FY22, it was pegged at \$60,000, and then in the course of the year, ExCom reviewed that and moved it up to \$65,000. So whatever expenditure we undertake, we cannot go over the bar in such a way that we don't have \$65,000 left in the BC account. Now, to a large extent, it's costing us to also be innovative. While I also support the notion of having a reserve fund, it just means that we have to be a bit more creative with our expenditure. Aside from the fact that we have to maintain BC reserve fund, except members will be looking to adjusting that security deposit that we are keeping for future operations, because it's supposed to cover at least one year of operation. And even at 65, if we're having a budget, we're struggling to maintain a budget of \$74,000. You can imagine that running operations at \$65,000, we might need to still look at increasing the reserve fund maybe by another \$5000 if it's possible in the current year.

Now, aside from that requirement, the funds that the BC generates year in year, for instance, last year we generated about \$31,000. That was because we even had seven new members join. The year before was

around \$53,000. So year in, year out, there have been times when the BC was generating up to \$70,000 in a year for membership dues. Not only were the dues higher at that point, but there were also more members. Don't forget that we have also given rebates to reduce the dues for members. That's why we are paying dues at the rates that we are. So if we will have to have more funds available, it will definitely mean that we will be looking to increase our dues or do everything possible to attract more members. So rather than go that route, the first alternative, which I believe everyone would like ExCom to explore, we'll be seeing how we can cut costs by every means possible. While this might be painful, I believe that as the BC's financial cost improves, we might be able to go back to the level of funding that we used to have just before COVID happened.

Your second question has to do around account management. So, definitely we have seen a lot of increase in the financial management of the BC. The cost of \$6000 you see here is what the old accountant charge the BC. That's by the fact that we had a contract for \$4000. So everything in this amount at \$6000 was paid to the old BC accountant. I believe, like some of us know, that we still have something to deal with with regards and that's an additional fee that was recently introduced, it has not even been captured here because this is FY22 and has nothing to do with FY23.

So as you can see, even for the old BC accountant that we used to have, this was the running cost that was effected in FY22. We didn't come at this cost lightly. It came with a lot of challenges to have been able to maintain it at this particular point. If we didn't put those measures that we put in place, we will have seen a higher rate. The cost that has been

incurred by the new BC accountant is what we see under the item four. As we move into the new financial year, it's expected that the budget of \$10,000 will take care of the new accounting process that we've put in place. So the BC definitely needs to make this investment.

In terms of our finances, the [inaudible] that I, for instance, as the vice chair for finance and operation is premised around my knowledge and interaction personally with you, Dr. Jimson. While we have had a previous vice chair for finance and operations, I'm talking about Chris Chaplow, everything that happened within that time, we don't have any history for it. So what we're trying to put in place right now in the BC is a system that does our bookkeeping, that keeps the records for bookkeeping, IRS and everything. So that some six, seven years down the line with multiple changes in personnel, we still have our data in place and we don't have to go back looking for individuals who are the ones going to be housing all this information. So it's important that the BC makes this investment in its account managing system. I'm sure that we are definitely seeing value for it.

With regards having the account come in earlier, yes, I know that is a system that could be possible. I'm sure we're having a professional accounting firm engaged right now. We would definitely see that kind of event play out in FY23. For me as a core engineer, even before having all this accounting background, I rather would want to see the year end and have all the records and accounts expenditures and all that closed before I can now come out to say this is what we have expended for FY22. I wouldn't have felt comfortable presenting records as far back. We had all these computations done as far back as May, June. But we're just hopeful that there will be some changes. So I basically just took my

time to let the year end so that I can properly close the books in the way that I will not be making any mistakes or misrepresentation to members. I hope these points clear all the questions that have been put forward. But if there are any other questions, please feel free to raise. I don't know how we're doing with time.

MASON COLE: We're overtime, Lawrence.

LAWRENCE OLAWALE-ROBERTS: Sorry.

MASON COLE: No, that's okay. Thank you for that comprehensive review. But before I cut you off, are there any other questions for Lawrence? Okay. Excellent work, Lawrence. Thank you for that comprehensive review. I encourage anybody in the BC who has questions on the budget to contact Lawrence directly. But he's done a stellar job in getting our books in order and making sure that our finances are in good order. So, Lawrence, thank you very much.

Brenda is supporting another call. So we're a little bit on our own here. She can hear but she can't really speak to us. But, Brenda, if you're listening, you could put the agenda back up, that'd be great. If not, that's okay.

We have one quick agenda item that was raised again by Dr. Jimson, and that has to do with our charter. Thank you very much, Brenda. That

has to do with our charter, specifically as it relates to the charter obligation of keeping a general counsel for the BC. It's a formality that we have not observed for some time now when the BC was started. It made sense to have a general counselor who could help us with legal questions as the BC was forming, and legal questions as it dealt with ICANN policy and the like. We haven't used that function now for several years, and Jimson correctly pointed that out.

In a discussion with ExCom on this issue, the ExCom's thinking is, it would be wise to amend the charter to eliminate the obligation to maintain the general counsel. We don't really need it in terms of functionality on a regular basis, and it would eliminate a budget item in the event that we had to retain someone full time to fill that role. Instead, what the ExCom is advocating is updating the charter so that the general counsel position is not mandated. In the instance where we needed legal advice, we could retain an attorney to assist us. So before I open that up for discussion, Jimson, did you want to speak on that point?

JIMSON OLUFUYE:

Thank you, Mason. No. Well captured. Thank you.

MASON COLE:

Okay. All right. Thank you, Jimson. I appreciate you raising this. So there is a formal process that ICANN mandates to go through an update of the charter. I will kick off that process in the coming days. We'll handle it according to ICANN's procedure.

Now, if there are additional charter amendments that members would like to make at this point, it might make sense to consolidate those efforts into one so that we don't really have to do charter amendments one by one and follow the process in sort of a tedious way. So if there are other charter amendments that you think are warranted, feel free to contact me again off list and we'll get those organized and vetted through the ExCom in some way that would be satisfactory to members. But I just wanted to raise that. Are there any questions about this need?

Okay. It looks like I see no hands. All right. I realize we're seven minutes over time, but before we adjourn, is there any other business for the BC today?

Okay, very good. Thank you all for attending. Thank you for indulging us and staying over for about another extra 10 minutes. As was pointed out correctly earlier by Brenda, our next meeting is the 21st of July. So we look forward to seeing you then. If there's no other business, then the BC is adjourned. Thanks, everybody.

[END OF TRANSCRIPTION]