

**Transcription ICANN Singapore  
Commercial and Business Users Constituency (CBUC)  
Tuesday 10 February 2015  
13:15-16:30 SGT**

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On page: <http://gns0.icann.org/en/calendar/#feb>

Elisa Cooper: All right. Why don't we go ahead and get started? Just for the transcript if we can go around the room if you can say your name and your affiliation starting with - can see without my glasses. Who is that again there?

Woman: (Unintelligible).

Man: (Unintelligible).

((Crosstalk))

Lars Hoffman: I'm sorry. It's Lars Hoffman from ICANN staff.

Man: (Unintelligible) from (unintelligible).

Brian Huseman: I'm Brian Huseman from Amazon.

Cat McGowan: Cat McGowan from LinkedIn.

Aparna Sridhar: Aparna Sridhar from Google.

Elisa Cooper: Elisa Cooper, Thomson Reuters.

Steve DelBianco: Steve DelBianco with NetChoice.

Susan Kawaguchi: Susan Kawaguchi, Facebook.

Philip Corwin: Philip Corwin, VirtualLaw on behalf of Internet Commerce Association.

Marilyn Cade: Marilyn Cade, mCADE LLC.

(Unintelligible): (Unintelligible).

Scott McCormick: Scott McCormick, (lock).

(Bob Belnick): (Bob Belnick), (unintelligible).

Karen Law: Karen Law from Alibaba.

(Marie Patelli): (Marie Patelli), (AIM).

Angie Graves: Angie Graves, WEB Group.

(Mary Jo Kukla): (Mary Jo Kukla), Administration.

Elisa Cooper: Couple folks came in.

J. Scott Evans: J. Scott Evans, Adobe Systems.

Sarah Deutsch: Sarah Deutsch, Nominating Committee.

Jim Baskin: Jim Baskin, Verizon.

Elisa Cooper: We're just doing this so we have it on the transcript who is here.

Laura Covington: Laura Covington, Yahoo.

Elisa Cooper: Great. Did we get everybody? So as a reminder, this is our open meeting and we have quite an agenda today starting off with talking a little bit about the transition and also accountability. So we've got like a full hour to discuss that. And Aparna is going to sort of take us through some of the areas that I think it would be good for us to more thoroughly understand and perhaps even get a sense of where folks are thinking.

They might want to see a new structure, what that might look like. And then we'll spend the other half of the time talking about accountability. And Steve DelBianco obviously who's been very focused on that will be able to take us through some of that as well.

But before we jump into that, we just open it up and ask if there are other questions or things or comments about anything that's happened so far that people would like to talk about or share. Marilyn.

Marilyn Cade: I just wanted at the - if we have time at the end to do a quick update on the CCWG IG from the meeting yesterday.

Elisa Cooper: Okay. Anything from anyone else?

Man: (Unintelligible).

Elisa Cooper: All right. So I think I know for me personally following everything that's going on is very difficult. So Aparna has graciously agreed to help provide us with a bit of background and information so that we can just do some level setting and talk about what some of the potential options might look like in terms of the transition. Aparna.

Aparna Sridhar: Sure. I'll start by saying that the CWG on Stewardship has put together a PDF document -- it's fairly short -- that is for discussion at the meeting. And if

you haven't read that, I think that is the single best document to provide an overview of what people are talking about and the options being considered.

As with accountability (listserve) there's a lot of chat and not too much (read) on the (listserve) so it's a little hard to follow. And I think that document is a good - is a good summary.

Steve DelBianco: Aparna, Steve DelBianco. I wanted to reinforce and support on one thing. The policy calendar that I sent today, under CWG I have the hyperlink to the PDF that Aparna just mentioned. And it is an easy ready. Thanks. And the one I sent earlier. The one I just - yes, it's on the one I just sent out.

Aparna Sridhar: Great. Yes. So - and I think for people who haven't been following the discussion, I would say there's probably four - let's call it four models being proposed, some of which are similar to each other.

The first one, which was the subject of a public comment at the very end of last year, is a contracting company proposal. And so the idea there is that right now there's a contract between NTIA and ICANN for the performance of the IANA function. A new entity called Contract Co would be established to be a new counter party in the place of NTIA.

That Contract Co - there's not a (ton to tell) about exactly what that structure would look like but it would - the folks who developed that proposal have said it would be lightweight and that there would be a number of other sort of community review teams.

The idea is that the Contract Co essentially reports to this multi stakeholder review team. There would also be a Customer Service Committee that would deal with sort of day-to-day questions or improvements to the IANA function; so monitoring an SLA for compliance, raising concerns about sort of the functions being performed adequately, efficient, et cetera.

So the idea is that this Customer Service Committee would really serve as kind of the front line to get issues resolved before escalating them further and that the participation on that committee would be sort of focused on people who are very skilled on the technical front and would not be kind of a policymaking body at all or even - not even concerned with policy implementation per se. It would be truly kind of (terminal) issues.

So that I think is the model that people have been talking about and have had most chance to digest. A second model that's very similar to that has been proposed I would say in the last week or so. And that is an external trust model. And that external trust model - I think the easiest way to think of it conceptually is it's very similar to the Contract Co model but instead - in lieu of having a contract you would have a trust.

So instead - rather than having the governing legal instrument be a contract, the governing legal instrument would be a trust and there would be a trustee who is not ICANN who would be sort of the person with whom ICANN had a legally binding relationship. Does that make sense to folks? Okay.

The third option is what people are calling an internal trust option. And so I know there's like some lawyers in the room and some not so I'll try to make this as non-(lawyery) as possible. And let me know if I don't succeed.

So basically the idea is that the functions themselves are - like constitutes the body of what is - can be held in trust. So I think the best analogy I can come up with here is if you like about land trusts like places where like a person who has a lot of money or a government decides to put land in a conversation trust and they end up - and that is governed either to a public or a private mechanism.

So the functions would be as equivalent of the land in a land trust for example. And the trustee in this situation would be ICANN. And ICANN would

be sort of the entity responsible for sort of managing the functions and taking care of them and preserving them, et cetera, maintaining them.

In this model there would - there are - as with any trust there are beneficiaries of a trust, right. So that's all of us in the model. There are direct beneficiaries like the registries who are direct customers of the function. There are indirect beneficiaries like everyone in this room and like sort of Internet users at large.

And the idea is that these - because the beneficiaries are extremely diffuse, there would be a guardian group to represent the interest of those beneficiaries.

And I think you can think of this - it's a little bit - now I'm mixing the metaphors but hopefully you'll bear with me. It's a little bit like in a proceeding where there's a dispute about what's in the best interest for the child.

The idea is that, you know, children can't always make decisions for themselves. And so a guardian is appointed to look at for that child's interest without regard for what everyone else thinks whether it's the parent in that situation or the state or whomever.

So for the internal trust model the guardian would have the principle check on the - on ICANN essentially in terms of the function. And I think in all three of the models that I described, whether it's the guardian or the multi stakeholder review team of that Contract Co, that group of entities would have the ability to trigger a separation process wherein the functions could be pulled out of ICANN and into - and sort of whether it's an RFP process or some other process be moved to another entity.

This is just editorializing. But one of the things that we had suggested in our public comment that I think could be incorporated into all of these proposals I think is something worth considering is to have ICANN establish at the beginning of this transition an emergency operator.

So someone - to have a contract where somebody is pre-designated to - and is measured on terms of their competency (unintelligible) to say if something goes sideways, we can pull the trigger and have this backup option as a (pretty right matter). That's not part of the framework of which of these models we would adopt. It's just something for us to consider.

So last model is what people - so the first - again, to recap, the first is a Contract Co model; a second is an external trust model; the third is this internal trust model that I just described; and then the last is what people are calling a golden bylaw model.

And so the idea here is that ICANN would agree to a set of terms in the bylaws that would be essentially un-modifiable without the sort of nearly unanimous consent - whether unanimous or nearly unanimous consent of the community. That if certain considerations were - if certain circumstances have changed, then the functions could be removed from ICANN.

So I think the commonality really is among all these proposals and among the discussions is one, people are happy with ICANN's performance of the IANA functions or lots of people that are unhappy including lots of us with other things ICANN's doing but with respect to the functions, people seem to think that's working pretty well.

So there isn't a desire to upset that apple cart. And there's a recognition that that could have pretty - it could be de-stabilizing in a time that's already kind of a time of a lot of change. But that there is this need to have some sort of mechanism for dealing with a circumstance in which ICANN fails to perform a function for whatever reason.

So I hope that's a helpful summary. I'm happy to take questions. There's probably 15 more layers of detail. But it's probably not worth doing at this point. Steve.

Steve DelBianco: Thanks. Steve DelBianco. Thanks Aparna. And appreciate the leadership that you provided in drafting the BC's questions/comments. I know that the first two of the four that Aparna went through we broadly call external and the other two we broadly call internal. And that's where you'll hear the rhetoric around this week internal versus external.

And it seems like there's a lot more in common that in different between them because in common they all have this principle of separability, which is if ICANN goes off the rails and doesn't run the root server name functions properly, it gets separated from them. The contract gets pulled. They all have that in mind.

They all have multi stakeholder processes that are supposed to kick in to make that decision. And they're all very focused on the customers of the root server. And the customers of the root table, the name table are really two-fold. The direct customers are the root server operators and they're very active, right. And the other is the registries themselves whose entries are in the root table.

So those customers are at the center of all of the four models, which broadly fall into internal and external. And all of this to say that there are more similarities than differences. But yet there is a critical difference. And I comes down to internal versus external. The external feels more complex.

And that is what the essences of the BC comment was. That it feels more complex than it needs to be. And we established the principle that we should not make something any more complex than it needs to be.

The more people I talk to on the CWG we learned that there's complexities in both but the separability arrangements for an internal are going to be equally as complex as separability for an external.



But the external function does require setting up an entity, a party, right; a counter party. That what you - the lawyers called it? To be - to stand in the shoes of where the U.S. Government NTIA (has) been in the past. Whether that's adequate.

I wanted to note that many people agree with the BC's comments about the complexity of Contract Co. And I would ask Aparna whether in the past three weeks since we submitted those comments do you feel like some of our questions about the complexity have been mitigated by answers and proposals, you know, including the document that came out this weekend.

Aparna Sridhar: Yes. I mean to be honest, I think that the key questions around complexity a lot of them remain and most of them are around kind of what is the relationship between the Contract Co and the Community Stakeholder Review Team. Because I think what we don't want to have is - so we already have one sort of entity that has a strong control over the functions, right, and that's the ICANN Board and staff.

And then we have all of us and sort of the GNSO as a group - and the CCs - not to discount the rest of ICANN community who have a strong interest in ensuring the functions operate properly.

And then to my mind like introducing two more focuses of power - it's already kind of complex landscape. Without more information it's (nervous) making is guess is the best way I would put it, not the best way to put it maybe.

And so I don't feel like there's been a ton of answers. I also feel like, and maybe this is just my perception. I think a lot of people are having the same questions we're having. So I don't think we're alone on that front.

Steve DelBianco: Would - if I could.

Aparna Sridhar: Yes.

Steve DelBianco: This Multi Stakeholder Review Team is not an entity. It's just a committee. It's not a legal entity. Doesn't need to be.

Aparna Sridhar: No.

Steve DelBianco: And the Customer Service Committee isn't an entity either.

Aparna Sridhar: No.

Steve DelBianco: And it's my understanding that whether you're internal or external you still have them there. So the complexities about who's on and the powers they have, the escalation process, same in both cases. So the internal external really comes down to the lawyers figuring out whether it's complex.

Or there's a note that the other two functions at IANA that the numbers and the protocols, they already had external entities who could step into the shoes of NTIA as a counter party, the IETF in the case of protocols, right, and the NRO, the Number Resource Organization in the case of numbers.

That's why they got their plans done in no time at all. Simple thing for them to do. So they're already on the external separate entity model. But it didn't have to be a new entity for them. It was an entity they already had.

Aparna Sridhar: I don't think there's a difference there is that you have a very - each of those is a narrow well-defined community whereas we have a very diffuse hard to define community.

Andrew Harris: Andrew.

Elisa Cooper: Andrew, (Cheryl), J. Scott. I got to put my glasses on.

Man: Marilyn.

Elisa Cooper: Marilyn.

Andrew Harris: Andrew Harris, Amazon. Aparna, thanks. I'm curious that there's been any conversation about which of these would be more likely to be acceptable to NTIA. And I ask that specifically with in mind Larry Strickland's speech from a week and a half ago or so in Washington when he laid a number of questions.

But also his comments to the GAC - in the GAC session earlier this week when he said, "All of this that you're proposing is about accountability and I don't see anything about operations in here." The operations of the functions, which I heard to say that (unintelligible) this is acceptable. And so I'm curious what your view of that is and if folks think that any of these are sellable to NTIA.

Aparna Sridhar: Yes. So I'm hearing the same chatter you're hearing on the list. I think people read into the tealeaves whatever supports their position. So there hasn't been a lot of - there hasn't been a lot of the kind of questioning that you're doing. But I don't have much to add to that beyond I'm hearing the same thing.

Elisa Cooper: (Cheryl).

(Cheryl): My apologies. I came in late. So I don't know if this was touched on before I came in. I'm just curious with respect to each of the models if there's been also a deeper discussion on what specific body of law might apply given the different IANA lawyers. So I apologize for that too.

Aparna Sridhar: Yes. There has been some discussion. Obviously the Jones Day memo, which is in response to that accountability group have caused some spillover (unintelligible) I guess is the best way to put it on the Stewardship list.

I think people have really sort of - they're seeking outside counsel advice in the CSG - CWG on Stewardship. And they're in the process of kind of getting a few firms to bid for it and then they'll go forward. And I think that will be one of the questions addressed.

You know, it's like a - this would be my characterization. There is a small minority of people who do not support maintaining U.S. jurisdiction on the list. But the most - most of the discussion has either assumed that or explicitly been in favor of it.

Philip Corwin: On that point, sorry. If it's an external system, I would assume the contract would determine applicable law.

Aparna Sridhar: Right. Or the trust...

((Crosstalk))

Philip Corwin: ...internal system I think would be subject to the law where ICANN has its primary headquarters. So that would be California.

Aparna Sridhar: Right.

Philip Corwin: That's my gut depending on how this plays out.

Aparna Sridhar: And I think...

J. Scott Evans: (And I understand that there's some) tax implications. I understand that there's some tax implications; that New York was talked about too because that's some of the complexities of what is (available structurally) under the state corporate structures. I think (might be) really pushing for New York. But I don't think that's been answered.

Philip Corwin: So that would be an external system.

J. Scott Evans: Yes. Yes. An external system.

Aparna Sridhar: I think also in an internal trust model whatever that sort of trust instrument is would make that same point. It would...

((Crosstalk))

Aparna Sridhar: I think you - so I'm not a trust lawyer.

Man: Yes.

Aparna Sridhar: But, you know, normally - (and it's really) going by named document like that you could specify choice of law. I don't see any reason why you wouldn't be able to and then it would be hard to get out of that choice of law. J. Scott.

J. Scott Evans: You know, I just want to say for the record that I agree with everything. This is really complex stuff and it's going to - it's driving more complexity into a system that already discourages participation because it seems so very complex.

And I think it - I think we'll have a - if there's a hearing on this, I think we're going to have a better idea of what the U.S. Government's thought is or at least the politicians within the U.S. Government think about it.

But I think we really need to hone in that our comments continue to focus on a very simple, clean, easy to follow system. And we just have to be the voice of reason. No business people like complexity like that. That's the reason lawyers drive business people insane is because we make it so complex.

At end of the day all they want to do is run the businesses. And I think we need to keep that. As a business user's constituency it is very incumbent upon us to have that message and make that message very clear. I think - I

know my executive expect me to do that. And I hope we can all do that together and stay very focused and clean in our messaging.

Aparna Sridhar: I don't have a lot to add to that.

((Crosstalk))

Elisa Cooper: Marilyn.

Marilyn Cade: Thanks. I really appreciate this. Aparna, you greatly simplified and clarified a lot of things that - by putting it into this approach. I had a question about the issue of pulling the contract. And - because I think that's the other thing that's pretty scary to business people and to governments who are friendly about this, right.

That if the contract is pulled so to speak, then what happens to it and what's the period of time and the structure when it's posted as a stepchild or whatever someplace until there's a remedial fix to the organization so that the contract either returns or it doesn't return?

I mean this process that if we blow up, where does the contract go for X period of time? And then is there a procedure to allow a -- probably a lawyerly phrase for this - but, you know, a remediation and a return?

Aparna Sridhar: Yes. So I think that's a really good question. It's not - it's one that people have flagged as needing to be fleshed out further. There are a lot of different ideas on just - in terms of how an escalation process might work.

I'll give you a couple examples. It won't be an exhaustive list and I don't think that the group (this area) in terms of saying this is a definitive way that this escalation process is going to work.

But one idea is that in the internal trust model for example that the members of the guardian entity who could either be constituted separately or could simply be the heads of all the SOs and ACs with increased representation for the GNSO for all the stakeholder groups.

That some super majority of those individuals would have to call for sort of - let's do a demand letter or the equivalent of a demand letter and then before the functions could actually be pulled there would have to be ratification through the community as a whole.

So if you're a lawyer, the way you can think of this is something along the lines of it takes four judges on the Supreme Court to grant certification of a petition (unintelligible) in the Supreme Court and then let's prevail on the merit you have (unintelligible) vote.

So it would be something like that where there's a threshold for calling the question and then a threshold that's higher for moving the functions. I think there's also been some discussion that issues would be escalated up through the Customer Service Committee and that that would be the first point of - port of call for - like you'd have to exhaust that field before kind of going to the next level.

So there's a lot of - there's a lot of different ways that you can do this. I think people are rightfully worried about that option being a pretty drastic one. There hasn't been a lot of talk about the precise thing that you mentioned, which is if there's an opportunity to (unintelligible) and then the functions either never leave ICANN or they go back to ICANN. People just haven't been focused on that because I think they're really trying to get the bigger piece right first.

Elisa Cooper: Other questions, thoughts? Steve.

Steve DelBianco: Yes. Thanks. The comment that the BC put in includes a suggestion Aparna came up with, which was an emergency backend registry operator concept. And that's specifically designed to suggest that if there's a period of transition or the inability of ICANN to execute the process, it can be moved. And to tell you the truth, moving the root table is somewhat trivial. It's 15...

Man: What?

Steve DelBianco: Trivial. It's 1500 rows.

Man: Yes.

Steve DelBianco: And it has an IP address and a TLD name. Can fit it on an index card.

Man: Right.

Steve DelBianco: There's nothing to it. And there are 13 root server operators pick up a copy every morning when they start their operations. I'm exaggerating a little bit. But it's a relatively simple matter. It's not like moving the entire registry and all the registrants' information, which is what (EBR) was set up.

Arpana Sridhar: Right.

So I say that to suggest that overall J. Scott, simple versus complex. An apartment building is extremely complex to design and build. But it's really easy for the people to live in.

J. Scott Evans: Okay.

Steve DelBianco: So let's not get wrapped around the axle of the complexity of living with a new arrangement because once it's done, you won't even know it's there. We've never had an incident. But the running of the publication of the root table it's just not that hard.



And we are likely after designing this complex structure to live in a very simple structure where the mechanisms that Aparna's describing are likely to be rarely if ever invoked. And when they are, even the downside of finding a temporary parking place to run the root again easy to do.

So it's almost as if we have to gut this out. Let's go ahead and get through - push through and deal with the complexity. And some of the complexity of what to do and right to (cure) in challenging, that would be the whether it's internal and external.

What I keep learning is when we talk about the complexities; they're almost always the same complexity with internal and external. I'm at the point where I don't even care. Flip a coin. Internal or external. It's mostly about which one will make ICANN reminded every day if they screw this up they're going to lose it. And sometimes external feels a little better for that.

J. Scott Evans: Right.

Elisa Cooper: Aparna.

Aparna Sridhar: Yes. I think (unintelligible).

Elisa Cooper: Oh, sorry. Okay.

Aparna Sridhar: I'll just respond to Steven. I think my comments responded to J. Scott's earlier (unintelligible). I think one of the things - and it's true for both external and internal models alike that we just want to be mindful of is to J. Scott's point about volunteer burnout and complexity and to your point about we want this to be lightweight and hopefully we'll never have to deal with it again.

One of the things that I've been thinking a lot about is sort of the undesirability of creating more committees. And so trying to figure out if

there's a way for example for the Multi Stakeholder Review Team to just be constituted out like from existing structures because I think for two reasons.

One is we have these structures in place already. The other is I think if you create a new structure then like that structure is like looking for things to do and has an opportunity to sort of expand its mission. And I think that like we definitely don't want that in this context. We want the mission to be very, very narrow.

And so for lack of a nicer way of saying it like dumping it on people's plates where their workload's already really full...

Man: Right.

Aparna Sridhar: ...makes it less likely for that to happen.

Elisa Cooper: David, then Phil.

David Fares: No, let Phil go.

Elisa Cooper: Oh, Phil.

Philip Corwin: Phil Corwin for the record. They're both pretty complex and they share a lot of the same elements. And for me my brain goes into vapor lock. When the trucks come up I'm more comfortable with contracts.

I think what we need - what we should consider is which one enhances the effectiveness of the accountability measures that are being created. And to me the one virtual of external is that it applies a contract with some limited term where it creates a periodic review where ICANN has to earn the right to continue to hold account, which we all know it's going to hold it forever, you know, unless something disastrous happens.

But it gives you more leverage for the accountability as with external. With an internal odds are you would never exercise the option to switch it to an EBERO or somebody else unless total disaster.

So I'm not arguing for either one but I think we should consider which model - how it's (interrelated). It's going to be in it. NTIA made it clear they want a complete intertwined integrated package delivered. And so I think we need to consider how - what's done on the IANA functions best enhances the accountability measures that are created and guarantees their effectiveness.

Aparna Sridhar: (Unintelligible) respond to that. Just at the risk of muddying the waters further, there's a lot of people who are in the Contract Co camp who don't support like a regular RFP.

So that contract wouldn't come up for a renewal periodically. And then there's also people who favor an internal model who want regular reviews. So I'm just not sure it's as black and white as contracting regular review and internal doesn't. At least not in the minds of the proponents of these models.

Philip Corwin: Quick response. Okay. It's not taking (making trouble).

Elisa Cooper: (Okay. Move).

Philip Corwin: Nobody breathe. I just want to - to me the idea of a perpetual contract with no end date is a rather - if you're going to do that, you might as well make it internal because at that point it's not much of a difference really. The chief virtue of a contract is periodic review when the contract comes up for renewal.

(Cheryl): You know, I had this early quick point. I mean I agreed with what Steve and Aparna had raised earlier although we're a few comments back. I think a lot of it is also perception just from the conversations I'm having for people.

People have a hard idea with internal from a perception - from an external view looking in so to speak. And I agree both are very complex. I think in part it also comes down to enforceability because we're replacing a role that the U.S. Government had.

And so whatever we put back into that role, who or what or, you know, whatever you want to call it, internal or external, what safeguard is really going to be able to have the actual enforcement authority to go into action efficiently if something does go awry?

Man: I guess - I've seen on the list since I just arrived today that there was some conversation about timing of everything now. And could you - do you have any sense of what's going to happen and what is required of the community if - it seems highly unlikely given the very huge outstanding questions that need to be resolved that this is going to be done by September.

And so is there - do we need to do something to suggest as a community that the contract be extended for a period of time?

Marilyn Cade: It's Marilyn speaking. I think it's a related question. Not amend your question but maybe add onto it. And at what point would it be helpful to do that and would it be harmful of certain other points.

Aparna Sridhar: It's definitely something that's very much on the minds of people on the list. And I think that they're planning to address that question in the working session that is tomorrow. I'll have to check and tell you what exactly the timing is.

But people are - I think there's growing acceptance that there will be an extension. The question is just how that comes about. I don't think there's anyone with the possible exception of the European Commission saying this is going to get done by September.

Elisa Cooper: (Cheryl).

(Cheryl): On the extension point, has there been any discussion about how long? I mean would it be - I know there are two buckets but would it be like three months, six months?

Aparna Sridhar: Some people are saying six months and some are saying (absolutely to term). And I think there's views in between too.

Elisa Cooper: Other questions? Comments or thoughts?

Aparna Sridhar: (Unintelligible).

Man: This is due again in six months...

Aparna Sridhar: Right.

Man: ...if they need it.

Aparna Sridhar: Exactly.

Elisa Cooper: Marilyn.

Marilyn Cade: Yes. I just wanted - it's Marilyn speaking. I just wanted to comment on this issue of two years. Geopolitically I think that would blow things up on other fronts.

So with this like ten other things - because they have the option to do it in segments. It would seem to me just speaking from, you know, what I'm seeing from a world view, it would be better to do it six to nine - or nine months and then if they had to do it again. But if they go for two years, I think we'll see governments being negative.

J. Scott Evans: Unless I heard her wrong, when I was in London (Fiona) spoke and she said the contract is written where it's one year extension. It's already written into the contract. She said, "Don't allow the September 15 deadline to be a false deadline for the contract is written." I believe I heard her say that.

Now I could be mis-remembering but I believe she said in an open meeting, "Don't be focused on September 15, 2015. The contract is built in with three one year extension terms build in" or something like that.

Philip Corwin: No. I - Phil Corwin for the record. I've read - I've looked at that contract. It allows NTIA the option for two two-year extensions.

J. Scott Evans: Okay.

Philip Corwin: Now the question is could they interpret that to do an extension of less than two years. And I understand the politics of it that they prefer a six month or a year extension to keep pressure on the community and to show the rest of the world that it's not just some delay game that - where nothing will ever happen.

J. Scott Evans: (Okay).

Elisa Cooper: David.

David Fares: No, that's okay.

Elisa Cooper: Anyone else? Well, thank you Aparna. I mean that was incredibly helpful for sort of laying out what the options are and at least I think for me helping me to better understand sort of what we're possibly looking at. So I think that's been incredibly helpful.

Obviously, you know, so one of the major considerations has to do with the accountability mechanisms in terms of, you know, once the transition

happens - well, in order for the transition to happen that these accountability mechanisms at least in Workstream 1 are implemented.

And I know that when we started to talk about some of the different accountability measures, there was a pretty long list. And we wanted to spend some time talking about those. And nobody knows it better than Steve. So, Steve.

Steve DelBianco: Thanks Elisa. It's Steve DelBianco. Most of what I'll discuss has been covered a little bit over the last four days. But many of you just arrived. You didn't - nobody told you about the weekend session that ICANN actually starts on Saturday.

The other is that the policy calendar that I circulated today the very end of it has any documents that I refer to either as attachments or hyperlinks. This should be a very quick update and I can follow that by taking your questions.

So the accountability track or the CCWG on accountability was literally conceived here in Singapore last March and a number of you were in the room. It was in - I think it was next door. It was the CSG meeting at which Larry Strickland came in on a Sunday.

And at that meeting a number of us pressed him and he admitted. He said, yes, I understand that the U.S. Government's power to withdraw the IANA contract, which Aparna just talked about for half an hour; that power to withdraw the contract kept ICANN accountable. It kept the Board from going off the rails. It makes sure that ICANN wouldn't quite the Affirmation of Commitments, which you can do with three months notice.

And it kept ICANN from broadly expanding its scope knowing that if it got out of line, the Commerce Department would say wait a minute, we're not going to give you the contract again. And if they lose IANA, they feel like they lose legitimacy.

This happened in 2011 when the IANA contract was up for renewal. Rod Beckstrom was at the helm. The Commerce Department asked the entire world what do you think we need to do to improve the operational excellence of IANA. People commented on it. And ICANN's response to the proposal was deemed inadequate.

So the Commerce Department said, you know what, we're just going to cancel the RFP, extend ICANN for several months and get another round of bidding. Well that got their attention. And that's precisely the kind of discipline that Larry Strickland acknowledged exists.

So we were able to conceive a year ago and here in this facility this notion that in parallel with giving up the IANA contract we've got to find some other mechanism to replace the leverage of (pulling) IANA. And that's accountability for ICANN in all of its other activities. And it's policymaking, it's compliance enforcement; all of what ICANN does outside of the maintenance of this root table.

So the accountability that Aparna had discussed was the narrow kind of accountability that they run that root table correctly, that they run the protocols and the numbers correctly.

Now this is a different kind of - kind of like a capital A accountability for things like adventures in NETMundial, accountability like the singular plural silliness. So you know what I'm talking about.

The - it was conceived here a year ago but it took nine difficult months to be born. And that's because ICANN's management and Board didn't want to acknowledge it. Larry Strickland did but ICANN's Board and management denied this notion of the need for any kind of accountability like that.



And a number of you were there in London when the community was revolting. I know they think we're always revolting. But we were particularly revolting in London saying that we needed the ability for the community to drive this process. And it was a rare show of unity of all of the GNSO stood together at the microphone. And the ALAC backed us as well.

And even that message really fell on deaf ears until the Istanbul Internet Governance Forum. And it wasn't even an ICANN meeting. But everyone from ICANN was there. The Board was there and good number of the people in this room were there.

And we used it to really bring this to a head that the community was really upset that ICANN was not allowing the community to define the accountability of ICANN to the community.

That gave rise to the idea that yes, we're going to allow a new process. But even then management tried to control who gets to be on the process and everything else. But long story short, by December 9 of 2014 the charter was finished and David Fares of the BC worked on an excellent charter for this Cross Community Working Group. So CCWG we call it.

And that charter is what we started with on December the 9th. And on that group the Commercial Stakeholders Group has one rep. We've discussed extensively in yesterday's meeting how we're going to fix that in the future so that the BC, IPC and (ISP) all should have a delegate or representative on that group.

For the time being, it's me and we've had meetings every week since December the 9th, holidays notwithstanding. We have an extensive and irrelevant email list that I hope you ignore. But we also have documents. We've generated a lot of really important documents and the BC's fingerprints are all over many of these key documents.

The reason. In May of - where were we in May? Who remembers? Was it London? In London we came up with a really extensive set of recommendations for ICANN's accountability. We were the only ones coming out of the gate who did that. Right. It was part of the whole IANA transition.

We said hey, well there's this broader accountability. And the BC's suggestions, which we approved there, really formed the core of what the accountability measures were and put them in two camps.

There's community powers like the ability to block a bylaws change; the ability to veto a budget that's proposed by ICANN; the ability to have standing to invoke an independent review panel that's binding; and finally to - maybe the ability to veto a Board decision of any kind mid term.

The second category is Affirmation of Commitments. We're very worried that the Affirmation could be walked away from and the Affirmation is an important source of commitments as well as the reviews that it includes.

So the BC suggested that those be imported into the bylaws, adapted a little bit. We have some specific suggestions of that. So even today, you know, nearly a year later those are still the core community powers that we're continuing to advance as the way in which the community can hold the Board and management accountable to us.

Now they're represented not as powers you exercise every day. They are last resort powers that we hope never has to be used, particularly the last one, which is the ability in a crisis to spill the Board, to dump the entire Board.

I know that the entities that nominate Board could come right back and elect the same people but it would be an incredibly powerful gesture, a nuclear option, if you will, that would be disruptive. Therefore we would be reticent to ever use it. And I believe the Board when faced with the prospect of being spilled might well acquiesce community's request.

I want to wrap something else up. The BC's comments also suggested to ten stress tests that could be used. And they evolved by last May because we found in Washington - a number of the folks who are members of NetChoice helped us to advance this.

We found that in Washington when Congress was very suspicious of this notion of turning over the Internet to China and none of that ever made any sense, we found that one way to calm the irrational -- in many cases irrational - in some cases substantive fears -- was to say look, don't try to stop the transition but instead shape the transition. Put guardrails on it. Put security checkpoints. We'll call them stress tests.

So we developed those. The Commerce Committee was extremely excited about it. The Chair had mentioned in his opening remarks and Larry Strickland mentions them frequently.

It's not that they know them and understand them that well but they love the idea that it's a way to let progress proceed but have the comfort of knowing that we're going to test whatever mechanisms we come up with to be sure that they can survive stress tests and are articulated sort of stress tests.

There were ten from the BC. We picked up a lot from other parties. And we now have 25 that are running through our group. Was anybody here at last night's three-hour marathon CCWG session?

You guys were having dinner and drinks while we did a three hour session last night and we went through all of these mechanisms that are currently on the table and went through several stress tests, exercises where I showed them how you apply stress tests to our current proposed mechanisms.

And the stress tests apply not just to the accountability mechanisms to the community but they apply a part to the root server functions. It says for

instance if there was a change to a country code or ccTLD operator that didn't have the support the users and registrants in that country, how would that be challenged? How could ICANN be held accountable to verify it's following its process on that?

So there are some elements of the stress tests and affect the IANA naming function. But for the most part, it's on the everyday activity. So if ICANN for instance had done a secret Board resolution to launch the NETMundial and spend \$1 million expanding the scope of the company, we would have had the opportunity to say time out, the community now has standing.

And if the super majority, say 2/3 of the AC/SO and SG leaders came together and voted, they could say we want to challenge that decision. And might - they would want to veto that decision or refer it to an independent review panel. Those are the kind of community powers that we don't have today but could have if we're successful in making this happen.

So what's in the way of us being successful right now? Well the biggest impediment is the friction of achieving consensus with people of different backgrounds, different priorities, different degrees of understanding of the complexities involved.

What J. Scott mentioned about the complexity - the sheer complexity of all this makes it very hard to bring people along. They miss a meeting, they miss a phone call, they forget - where were we on this. You know. So we're doing our best to have people focus on the current draft documents, not the mailing list, which completely confusing and moving along closer.

We had one break through last night and one obstacle. The obstacle is that we asked a number of questions about what kind of a structure does ICANN - does the community have to have. I keep saying what the community does and their alternative structures. And what the CCWG says is we want these

powers with a minimum structure. Similar to what you said about Contract Co being overly complex Aparna.

So what's the minimum structure for the community? It's an email list. Says that we generate an email to the ALAC Chair, ccNSO Chair, CSG, NCSG, registries, registrars and the email says do you like this decision. Would you take two weeks, consult with your members and decide whether you want to have a vote to overturn or veto a decision? Overturn, veto a Board decision or a bylaws change.

And that could be done with no structure at all other than polling the community as it were as we are represented by our individual stakeholder groups and leaders. So that's the lightest possible structure.

As you move - is that going to be enough? I'm no lawyer. So I'm told that it may not be enough to just have, you know, a vote of constituencies and stakeholder groups. Maybe what you need is something that's anticipated in California corporate law for non-profits. It's called a member structure.

And there's even another one called (deluxe). And this is where I run a trade association and a number of you in here are my members. So you are the ones who govern my trade association.

Now ICANN is a non-profit public benefit corporation California and it also has members anticipated. They're in the Articles of Incorporation. But there's a section of the ICANN bylaws that say that the bylaws say that we're not going to use members. So that doesn't mean you can't. It means you take that bylaw out and replace it with enumerated powers.

One thing the BC has been pushing for is that we don't believe this community however it's instituted should have the power to attached new plans, modify policy, change a line item in a budget; no. It's last resort blocking and vetoing type decisions.

Policy should be bottom up consensus PDP process following. A number of people have to understand that we don't want this community to be able to override what the community already agreed upon. It shouldn't be making rules.

I said structure could be as simple as an ad hoc working group, maybe a permanent cross community working group. We do working groups all the time. That's relatively lightweight. Maybe we change the bylaws to create members, maybe we do delegates and some other roll off.

One of the ccNSO operators thought we ought to have another board, which I don't think is going to (catch on). So which structure will we pick? Here's the good news. We're going to pick the lightest possible structure. The simplest and easiest structure that still give us the powers we're looking for.

Pursuant to that we sent a memo asking six questions of ICANN as to what they thought we could do under California corporate law because we've seen lots of memos from them before that say that they can't - the Board cannot give its responsibility to anyone else.

Well they replied yesterday. I have a link in the very bottom of the policy calendar to their six answers to our questions. And they basically said no. Under California law ICANN's Board cannot give up the power to make a decision even to its members.

Well that really upset a lot of people, particularly the lawyers that were in the room. And at last night's meeting the lawyer who wrote that for Jones Day was in the room, Robin Gross of the Non-Commercial Stakeholders Group, asked some very pointed questions said, "In your analysis of this answer, did you also take a look at this section of California corporate law? Were you aware that it explicitly permits members to override decisions of the Board?"

He says, "Yes, yes, I'm aware of that section." "Why did you put it in there?"  
He said, "Because I refer to the section that I think governs ICANN's law."  
And she pushed back and said, "Well that's just the way it is today. The point is could we change it?" And he admitted, yes. It can be changed.

So we're in the process of getting ICANN to help fund counsel to the CCWG.  
And as Aparna mentioned, the CWG is also looking for counsel. And last night we combined those approaches. So we're going to get the same law firm to advise us both so we can get consistent advice.

And then finally, the break through Aparna, which you'll be interested in, was last night at the CCWG we invited the two Chairs of the CWG on IANA and asked them is there anything on your plate - because remember, they started long before we even existed. Is there anything on your plate right now that you would wish for us to take on?

Well it turns out things like the Multi Stakeholder Review Team, that looks a lot and sounds a lot like the mechanism we're designing, which is a multi stakeholder community.

So if in fact that would suffice, then there's no need to create another committee or mechanism of rules. And that could well be there. I don't think the Customer Standing Committee would come over to the CCWG.

But then the CWG asked, what about overturning Board decisions? Got that. Got that. We're working on that. They said budgeting. They want to be able to see the budget every year and understand how much money ICANN is spending on the IANA functions. We got that. We'll make sure that that transparency's baked in.

So we are trying to simplify by taking some things off the table of the CWG if they wish and take it on in the CCWG. And with that, take questions.

Elisa Cooper: David.

David Fares: Well, Steve, David Fares. Would the legal advice also analyze whether you could have some sort of external independent third party mechanism for review of the Board and determine whether or not the Board is asking within the scope of its authorities or not according to the bylaws?

Steve DelBianco: Thank you David. That's in there and it was in the BC's - it was in the BC's recommendation in May. What it said is that the community came together and said we want to question the decision and send it to an independent review panel.

Remember, ICANN has an independent review panel. It's supposed to have the standing panel. They've never created it. But that independent review panel needs to have a couple of things to change to make it do what David just asked for.

It would have to have standards by which evaluate a decision. Standards. And Becky Burr last night was really embarked on that process. She put up several slides about how to define the standards by drawing from the Articles of Incorporation. The other thing we'd have to have is binding. If it came back with a decision, it needs to be binding on the Board and that's not a way it is today.

And finally, what if it was the community that had the concern? You see, because IRPs today require an aggrieved party to open their checkbook and start a process and pay for the arbitrators to do an independent review.

We think that if the community by a super majority came together and wanted to start an IRP that we ought to have standing for that. That's a change in the bylaws. And that ICANN ought to pay for it so that the process can move ahead.



So that is exactly what we're anticipating. But it's not as if we are creating some special party that's sort of watching the bylaws. No. That's out job.

David Fares: Right.

Steve DelBianco: The community will watch it. But when we think something is wrong, ICANN's straying outside of its mission, we want to be able to invoke an IRP to look at that against an objective standard and make a decision...

David Fares: Right.

Steve DelBianco: ...that's binding on the ICANN Board.

Elisa Cooper: Aparna.

Aparna Sridhar: Yes. Steve, thanks for that. It's really helpful because one of the things I've been watching as these two groups go in parallel has been this concern that there's going to be overlap or duplication, which I think especially like a risk of inconsistent adjudication between the sort of stewardship side of things and the accountability side of things. Not something we want to get into.

On that front, did you get a sense that, you know, I know one of the things that's common to all the stewardship models is an independent appeals panel. Did you get a sense that that was going to be folded into the accountability discussion in your group's work or did you get a sense that those two things were going to be on parallel track?

Steve DelBianco: Great question. That was one of last night's break throughs is when your Chairs, (Jonathan) and (Lisa) asked about the IAP, the independent appeals panel, we said as long as you can define the standard of evaluating a naming functions screw up. Because really the reason it's in Aparna's group is that they're saying hey look, ICANN's not doing a good job managing the root and that's a naming thing.

And not too many people understand the rules there. So as long as the CWG can - the Customer Service Committee can specify the standard of review, then great. We said we'll take it on and make it part of the independent review panel that we talked about who makes binding decisions, ICANN pays for it, right. So the answer's yes. IAP and MRT we think we could bring those over.

Elisa Cooper: Other questions, thoughts, comments? Rick.

Rick Lane: (Do I need a mic)?

Elisa Cooper: Yes. It's for the transcript.

Rick Lane: So is there - Rick Lane. Is there thoughts of what happens if the Jones Day view is correct that there is no mechanism? You know, what do we do then? I think that - I mean I have an idea what the Hill will do. But if there's no mechanism there to overturn what the Board's doing, kind of what's planned - not that we need to get there but what is Plan B and maybe we need to think about that?

And the second thing that made me nervous about the comments you - last night although I didn't stay. I did go out to dinner and have drinks, which is fun.

But anyhow, the, you know, they kept talking about procedures not being followed. And that has to be broader than just procedures. It has to be substance. So if it's bad decision, they could have followed the procedures but that can't be the determining factor. So I had to make sure as we're looking at these things that it's the decision that is problematic to the community as a whole that can be overturned even if the process was followed.

Steve DelBianco: Fantastic question. I'll take your second question first and then the first one. Hey, stay up at the mic in case you want to get back into it.

On process versus substance, this emerged mid December in the first inventory that we did. A number of others - didn't necessarily in this case come from the BC. A number of others said that matters of reconsideration today have to be on process only. Did you follow the process?

So a singular plural, the Board looks and says I guess we did follow the process. The process said we were getting an outside expert. They came back with a decision of string similarity. And we said, wait a minute. The substance of that is completely wrong. It didn't follow the GNSO's advice. We need to be able to challenge a decision on the substance of the decision.

Not that we would micromanage and change it but we want to reverse, dismiss it, make you do it over. We had a ton of support from the President of the GAC. And I brought this up as the main pitch of a case that we used at the Frankfurt meeting. So they're on board that we want to do that; that we can change the standard. And there's no legal barriers to that at all.

Since the standard of what can be reviewed in the reconsideration or an IRP is written into our bylaws. We can amend that. And I'll now get to your first question. But did you have a follow up?

Rick Lane: Yes. Just on, you know, on the procedures and the process. I mean you have to make sure you have standards so it's not, you know, everyone just slowing things down to slow things down for competitive advantage or for other reasons. So having a high standard I think needs to be clear in what we do.

But getting back to the other point of, you know, what is the follow up? What mechanisms do we have if there's a problem? You know, one of the things though, you know, if you'll say well, we'll have it in the bylaws. You know, so even if there is no mechanism to overturn what the Board - it'll be in the

bylaws. But then there's nothing that stops the bylaws from being changed.  
So I hope we don't fall for that one as well.

Steve DelBianco: Great point. So that you gave me two other threads which is the who challenges versus who decides. Remember a couple of our review and redress mechanisms are available not just to the community under our plan but to anyone. Anyone can do a re-consideration or an IRP or an (unintelligible) complaint today.

What if we lowered the standards, changed the standard, made it easier to access? Well then individuals -- aggrieved parties -- could gum up the works and block process. We're very concerned about that because our intention is not to lower the bar for people to screw ICANN's ability to do business. But we wanted to say if there was a supra-majority which is near consensus of that whole community -- which doesn't happen on many things -- that we ought to have standing and invoke these.

So we are trying very hard to reserve these extra powers to when the community acts as opposed to a single aggrieved individual. Are you with me on that?

Okay. So what happens if Jones Day is right and that as interpreted under California law -- even if we change the bylaws -- we could not get the community to override the board? I'll be predictive about what I think could happen. Three different avenues.

One would be there would be calls from many disabled -- and it sounds to me like California law is the wrong law -- we need to leave California. While we're at it, why don't we leave North American? That isn't going to anywhere in Congress. And I don't think there are too many other members of the ICANN community that think that is an appropriate measure there. Another might be to change the form of its corporation as opposed to California public benefit nonprofit corporation. It could be some other kind of an entity.

And then finally is this notion of half measures. If you read the Jones Day memo, when they say, "No, you can't override this decision", there are two paragraphs to say, "While you can't override a budget, you can input into the process." Yes, I know. Create another committee. So I call those half measures because they are all about giving - well, setting up more committees and more places to file comments that don't ever make a change.

And then they would want to couple that with the nuclear option of well, now you have leverage now. If the committee isn't listened to, if your input is ignored, you can still (abort). Believe me, Rick, I think that would be a complete disaster. Mutual assured destruction hasn't done a thing to stop Russia from taking over Ukraine.

The nuclear option is not sensible to use. We would not use it. Its threat would be idle. Because who wants to vote in a supra-majority to turn ICANN upside down and dismiss the entire board and reconstitute that? That's such an extreme measure that I don't think it would provide much leverage at all.

So I'm really hoping that Jones Day is not right. Or maybe they're right, but they were only being right because they are serving their client. And if we get an attorney who serves us, - the CWG and CCWG -- they can look at the same body of law and come up with a completely different interpretation. And then the door is open for us to pursue what we want.

Woman:           Aparna?

Aparna Sridhar:   Yes. I did have a question on the budget issue and how you think it would work in practice. So here's the part that I'm not totally clear about. One is: Would the community have to sort of affirmatively assent to the budget or would it be more like a veto? Like ICANN would put it out there and then if

they really have problems, then there would be a vote to sort of call that question?

And then the second is: How do you envision that playing out on a day-to-day basis? Because you think of sort of the budget fights that we have in the U.S. Congress and they don't - I guess, like, is there going to be - I don't think we want to have a government shutdown situation over ICANN. And so kind of what are your thoughts on how to mitigate that sort of risk? And how would - in the absence of community agreement on the budget, how would ICANN continue to perform its day-to-day responsibilities?

Man:

Great question. When the BC comment went in in May, we had six bullets on there, and the bullet said the right to approve the budget. I would say that over the last nine weeks it has evolved more to say the community would veto the budget and it would be a supermajority, which is currently where the thinking is. What I think that means is if the community didn't convene and have a two-thirds majority against the budget, the budget goes through. It's a little bit different. It's almost like - it has assumed its budget is going to be the operating unless we take active steps with the votes and come back with it. All along, there is a long of input because you asked about day-to-day. This isn't the day-to-day. This is one time a year. This is not about budgetary approvals as every expenditure is made. It's only the annual budget. That's the only decision point that we have put into it so far.

If you wanted more frequent day-to-day reviews, we could do that, the envision here is this is very extreme and very rare.

Could you use the NETmundial initiative as an example? After the budget is approved, there is nothing it seems that we could do to stop it because it's not a line item veto if using congressional U.S. terms. It's overall budget. I think, you know, are there ways to make it more of -- I don't want to say a line item to give consensus -- but some type of mechanism to deal with the NETmundial initiative problem that comes up where it's a chunk of change.

It's not really worth spending, not helpful to ICANN's mission, central core mission. You know, how do you do that? Or can you frame it that only budgets can be approved that are core to the mission?

I think an easier way to go is to leave the budget as a veto once a year and yet at mid-year. Any decision of the board, the community can challenge through re-consideration or IRP -- that stuff we covered earlier.

So even if there were no dollars involved -- and there were -- the decision -- the secret board decision once we learned of it because it was secret -- once we learned of it, that would be the kind of decision we instantly convene the community. If two-thirds want to challenge it, we veto or send that to an independent review panel. And that would be the way to block something like that when it happens as opposed to once a year.

Getting back to sort of the accountability, are we going to go into more detail on some of the other issues on accountability that this group should look at? One is concern about - as ICANN's budget continues to grow and have surpluses and their staff continues to grow, we're always worried about government takeover of ICANN.

But have we begun thinking about a very large corporation that could have its hands into a lot of different governments pushing policy decisions that may be contrary and outside its scope and lobbying. And do we need to look at having mechanisms in place to ensure that are communications to government or elected officials and others that are outside the scope of ICANN using ICANN's large resources?

One example would be what we call the FARA filings in the U.S. -- Foreign Agent Registration Act -- which allows if you're a U.S. citizen and you're lobbying on behalf of a foreign government, you have to list everyone you have met within the U.S. government. You file it with the Justice Department.

Having something like that when we know the meetings are and who they're meeting with, I think it helps ensure that they're focusing only on issues that are related to ICANN and not delving into issues that are outside their scope. And I think that's critical and from a budgetary standpoint of how they're spending their money, but also a transparency point that your understanding of what they're doing outside in the closed meetings. I just think it's something we should be looking at.

Man: I agree.

Man: Thank you, Rick. One of the first jobs I had as the rapporteur on the first work team was to assemble all of the things the community has asked for. So everything Rick just mentioned was in the list of 70 items that were on the original inventory. That was a bit overwhelming for folks in the CCWG to handle. So the step back that we took in Frankfurt was to abstract it to broad community powers. So the details have been sort of been put on the side table for now and go back into it.

But there are almost a dozen requests for extra transparency measures -- FOIA type requests. There were requests for restrictive or proscriptive restrictions on activities of ICANN. But I have to be honest with you. So many of those items were deemed important. They feel into what is called WorkStream 2. Let me make the distinction.

WorkStream 1 are the powers the community needs prior to the transition of IANA. And that is to say they have to be baked into the bylaws or committed to. WorkStream 2 is everything else that once having achieved the community powers, the community could accomplish them. So what you're speaking of -- almost all the transparency, all the (unintelligible) -- WorkStream 2.

So we don't want to hold up the IANA transition for those. We have to use the one time, last time leverage of the IANA transition to obtain the community



powers we've talked about for the past 30 minutes. And if those are in place, the limited set of six powers, that ought to give us the ability to then implement.

Let's suppose the community embarked on a one-year process for a bottom up consensus driven set of bylaw changes associated with transparency and lobbying to lump two years together, it would take a year, year-and-a-half. If that came up as consensus, it survived two rounds of public comment. It was presented to the board the same way of an ATRT recommendation. And the boards says, "No, we don't do it." Then you go back to page one and say we have a power here that says we want to challenge or veto or review a board decision.

So if you've got the powers as WorkStream 1 and then the community cooks up a new policy like what you talked about, we're able to force it to be adopted, going to stop the board from blocking it.

Woman: Other thoughts, questions? Phil? Sorry.

Phil Corwin: Phil Corwin. Trying not to generate feedback. Steve, thank you for the great job you're doing on the accountability group. Two questions which kind of just covered. I want to drill down a little bit.

Accountability is great but you can't hold the board accountable if you don't know what they're doing. I kind of heard you say that transparency issues are going to be on WorkStream 2. I'm a little concerned that there ought to be at least some prohibition or some standard set against board actions being done on the dark and not being revealed to the community unless there is a very compelling reason -- a very high standard -- for doing so and even then that something be revealed, or at least something was done but they can't give us the details for some time.

Second and leading right into that: WorkStream 1 -- we've got the leverage that they have to pretty much take what the community comes up with accountability to get the transition. But the follow up is what will be have to ensure that the things the community feels are important and yet fall into WorkStream 2 are ultimately put in place in a timely manner. What I think I just heard is that we have to present it to the board and then override if they reject it. And I would think maybe it would be better if we had some way if the community reaches a certain level of agreement, it just becomes part of the bylaws. And they and the board can block it and force us to ahead that extra step.

Man: On the first question, I'll take it on notice that you want something in WorkStream 1 that increases board transparency that may be on the ATRT recommendations. We need to check that. So we're trying to make sure that the board implements what ATRT said to it. ATRT is the Accountability and Transparency Review Team. There have been two of them. The second one just finished its work.

The board is only now going through the recommendations to figure out which they're going to implement and how fast. I should say they're all going to be implemented but in what form? So I'll take that under a list. Thank you, Phil.

The second question is this notion of trying to -- WorkStream 2 -- get assurances that it gets done. Phil, I respectively disagree. I don't think we want a supermajority of the community to do a top down (imposition) of a new rule. It's got to get through the process. ICANN does things in a bottom up way. And if it survives that process -- I know it will take time but it's our time. We can move as fast as we want to move.

I just want to be sure that if the community truly does have a consensus on a change that the board knows if they resist this and it's clear that it has the community consensus, we will override their veto. We will override their

resistance. I realize that might take a little time and it will be more trouble. But I believe that the risks of blowing up the bottom up process like creating special powers for the chairs of the (acNSOs) to rewrite the bylaws. I don't think that's where we're going. This is about the multistate bottom up.

Man: Okay. We've got a lot more time before the final details are available. I just want to make sure that things that the community thinks are really important can't be delayed indefinitely.

Man: To most cases, it's up to us to do them. So it will be delayed, but it's only because we all have the will and the bandwidth and the volunteer fatigue to get them done. So we're trying to document everything that is in WorkStream 2. And there are a number of people who said exactly what Phil did on the CCWG. Keep saying we need deadlines. And I said, "Fine. Let's put target dates in" but realized that it's on us to bake those things.

Woman: Other questions? Comments? Thoughts? My question for you Steve as our policy coordination: What should be doing now as individual members of the BC and as the BC in terms of input into this and also the transition? What should we be doing? Are we waiting now for additional revisions? What should we be doing?

Steve DelBianco: I've been sending you updates approximately every week. And I try in the update to say what is it that's important in here. I think that quick feedback on critical items that you realize have to be covered now. So Corwin said let's make sure we have a transparency -- a core level transparency. That's a good example of the kind of thing I want to know about now, not later, since I start baking it through.

Rick Lane asked a couple of questions of things that it's great to know about now. On Saturday afternoon, I sent all of you stress tests. And a number of BC members replied right away. Cheryl Miller did. (Claudia Celi). It's fantastic. It was quick feedback, so we can take it and move it in. In that

particular instance on Saturday, there was a nine-hour turnaround. And the comments that you gave me and others, I was able to revise the document.

That's more important than re-subscribing to the accountability list. I think that's a waste of your time. But when I send you documents and ask for review, please give it a look. Honestly, nothing I'm sending you is going to take anything more than 15-20 minutes to look at.

I think Jay Scott has...

Woman: Jay Scott.

Jay Scott: Steve, would it help if we had like a point person that helped like follow up with people and stuff? Because I know you're the policy coordinator, but you're doing that and this. Would it help for this one when you send that out, somebody is contacting people and just following up and reminding them? I'm glad to do that.

I just think you need some help. You got a lot on your shoulders. You got a lot of balls in the air. If somebody could just take on sort of corralling people and getting you more than 9 comments, maybe 15 comments, and touching people and say what are you thinking about this or something? Would that help?

Steve DelBianco: I appreciate that. So the next time a note comes out -- and if it moves anyone -- I will put in there, it would really help to have a coordinator to quarterback this and get me comments in four days. I will put that at the top of the note. The first one to volunteer, I'll be very grateful.

Man: Right.

Steve DelBianco: Thank you.

Woman: Thank you, Steve, and again Aparna, very, very helpful.

Man: Do you have more people coming in?

Woman: Not at this time.

So at this point we're going to change the conversation a little bit. We have with us from compliance Maguy Serad and Allen Grogan. They have a presentation, but I think that we want to try there is keep this a little bit more conversational. But maybe it would be helpful if you kind of take us through some key points that you want to make. And then I know that there are certain members -- myself included -- that have some questions about compliance and some recent issues.

So go ahead. We can advance the slides for you.

Maguy Serad: Good afternoon. Maguy Serad, contractual compliance. Thank you for your time this afternoon. As (Alyssa) said, it is more interactive. But I do have homework for you. You see the slides? I'm going to quickly scan through the updates of ICANN 51. But I would like for you to kind of take a look at some of those.

If you have any questions and your time permits, please join us tomorrow -- Wednesday morning -- at every ICANN meeting. It's an open session where compliance talks to everybody at ICANN -- everybody shows up. And it's a great audience because it allows everybody to develop an appreciation and understanding of the other side.

It's not just compliance in this world. It's compliance. It's IPC. It's BC. It's ALAC. It's contract authority. It's the community. It's an amazing forum on Wednesday to understand and hear the issues from different perspectives. We (unintelligible). We share contractual obligations. But it has allowed a dialogue with everyone.

With this, before I provide you a brief update, I'll have Allen -- my new boss -- with me in ICANN 51. He was only in the job one day. So now he has been with us for a trimester.

Allen, do you want to say something?

Allen Grogan: No. Let's go ahead and I'll...

Maguy Serad: If you don't mind, can you just?

The next few slides -- we've got audit programs underway. I'm not going to go into detail. All I ask is you take a look at our Web site. We have published the report -- slide just kind of cut off. It's all right.

Next slide, please. Yes, there you go. Some of the quality efforts underway to ensure ongoing compliance with the issues that were reported and closed.

Next one. Is this fast enough for you?

Woman: Yes.

Maguy Serad: Okay. Public interest commitment. Hear me well. They are enforceable. Mandatory or referred to as selected voluntary. They are enforceable.

Allen Grogan: If they're in the contract.

Maguy Serad: Right. I would not know about them if they're not.

Allen Grogan: We don't want to talk about that.

Maguy Serad: But for those that are in the contract, what we've done - we have - ICANN has not received what we call a dispute yet or a report. We took on an

initiative which upset many people and made some other people happy. Again, there is always somebody who is happy or not. Our goal is not happiness. Our goal is security and stability of their net. It's ensuring that the contract and the obligations are being executed properly. We took on the monitoring efforts on 265 gTLDs in the new world. And the effort focused on this section is specification 11.

The reason you still see pies that are not fully closed in green is we have a remediation plan suggested to us by the contractors' party. We have a strong remediation plan -- a strong plan that contains not only actions but also dates to complete. And we are monitoring them.

Next slide, please. Last but not least is our famous abuse report requirement. Interesting dialogue. Different expectations from different diverse audience. We're leaving you with a slide that contains the section 3, 18-1 and 2 for you to review and the differences.

But I want to go to the next slide just to remind everyone the way the process is conducted. There has been some dialogue since we've been here and we put this together based on what we heard. What does compliance do? When we receive a complaint -- abuse complaint -- we also make sure that the reporter has reached out to the contracted parties first, that you've reinitiated that effort to address and work with the contracted parties.

If and when that is proven to us and there was no resolve or no response, we help facilitate the dialogue by ensuring and requesting what efforts were taken to address an abuse complaint. I'll leave you with this slide again to review what are the steps we take.

We'll take on the Q&A now. Is that good, (Alyssa)?

(Alyssa): Yes.

Allen Grogan: Let me just take a quick minute to say a couple of things that I've said to other constituents here and in the last few weeks. But not everybody has been in every meeting, so I want to make sure that everybody has similar information.

When I took over this role in October of last year, my title has two components. One was contract compliance and the other is consumer safeguard. On the contract compliance side, in some ways that is the easier of the two to define because you have contract terms that are enforceable and compliance can enforce those terms. I think various people in the community -- the contracted parties and others in the community -- have asked ICANN to clarify how we interpret and how we intend to enforce certain provisions of the agreement.

We've had a dialogue with contracted parties now going back for several months asking them for more definition about which provisions of the contract they would like to have dialogue about interpretation on, what their interpretation is and to give us some examples.

Actually in the last few days here in Singapore, it became apparent that one of the reasons those discussions have not progressed as far as I would have liked is that the contracted parties were concerned about disclosing to competitors in open meetings the nature of some of the complaints that have been filed against them.

So I've invited them in the last couple of days to reach out to us individually and give us some examples of complaints that they've received. How they've responded. Where they think our interpretation differs from their interpretation. Let us sanitize those, turn those into case studies and then let's schedule a meeting with the contracted parties to talk about it -- talk about their interpretation, talk about ours -- and see if we can clarify at least what ICANN's position is on interpretation of the agreement.



And I'm willing to have that same dialogue with other interested constituents in the community if you have concerns about how ICANN is interpreting certain provisions of the contract and you want to engage in a dialogue with us. Happy to reach out to you and have a similar dialogue.

On the consumer safeguard side, just briefly, I think however we interpret areas of contract provisions, it's clear that there will be areas where there are legitimate public policy, consumer safeguard concerns, public interest concerns that are outside the scope of the four corners of our rights to enforce an agreement. But I still think it's important that as a responsible member of the Internet community ICANN play a role in trying to help other people determine collectively how we can solve those issues.

So one of the things that I want to try to do in the coming weeks is put together a forum where we can engage in a dialogue and bring contracted parties and ICANN and law enforcement and regulatory agencies and civil society and civil libertarians together and try to address.

If we can't directly attack some of these problems through contract enforcement, how as a community can be address some of these problems? What role can each of us play and how can we collectively try to solve that? What roles can ICANN play in directing complaining parties to the appropriate party to help them solve a problem? If it's not ICANN or if all ICANN can do is a small piece of that and there are other parties in the community, they need to be involved.

So that's high-level introduction. Happy to take questions.

Woman: Marilyn and then Jay Scott.

Marilyn Cade: Thank you. Marilyn Cade speaking. Thank you for that comment. I guess I have a follow up question. ICANN in essence acts as the franchise -- or I'm going to get this wrong legally -- but...

Man: I know what you mean.

Marilyn Cade: ...no one is born with the right to uprate a gTLD. It does not come as a part of your constitutional right as a U.S. citizen or any other country's citizens. ICANN is managing a shared space. So we have decided when we set ICANN up to govern by contract. And then we agreed to certain limitations on what could go into that contract as a part of that I could call almost a social agreement or a social contract.

I'm not quite sure that I understand it. It sounds as though you're saying that ICANN is interpreting that there are very strong limitations to their ability to accept the responsibility of acting in the public interest and the decisions they made and that you're exploring then -- if that is the case -- what the other mechanisms or options might be.

Man: Thanks, Marilyn. So that's not quite the way I would put it, I think. I think that when this community came together and we did the new gTLD program, we collectively reached agreement on a new 2013 (RAA) and a new gTLD registry agreement. And those agreements contain contractual terms and conditions and those are between ICANN and the contracted parties.

ICANN is not a general global regulator or law enforcement agency. So from a contractual compliance point of view, our ability to impose remedies on contracted parties is limited to whether it's a breach of the contract or not. If it's not a breach of the contract, it's not clear what right ICANN has to impose remedies or require different behavior unless that goes through a PDP process.

But I think we need to recognize that irrespective of whether we have a contractual right of enforcement as a responsible member of the community we need to work with other responsible members of the community to try to solve difficult problems. And I'm not sure that we will always be the one who

can solve that problem within the scope of our limited (unintelligible) and the scope of our contractual rights. But I think we can reach out to others in the community and collectively work to solve some difficult problems.

Woman: Okay. We have quite a list. Jay Scott. Hopefully we can get these in quickly. I have a quick question, Steve, Susan and Rick Lane.

So, Jay Scott.

Jay Scott: My name is Jay Scott Evans. I'm from Adobe Systems. I'm also President of the International Trademark Association for 2015. I want to first say thank you for being here today. It's nice to meet you. I have not met you before. I also like this idea of bringing people together to have a reasonable discussion to find solutions that might not be in the contract because this is a business. We're business interests.

What we want to do is get to solutions that allow this organization to run and people to count on it so people can go about running the business of bringing goods and services to consumers in an effective and efficient manner. I thank you very much. I applause your efforts.

Anything I can do to assist or participate, I would gladly like to. Thank you.

Allen Grogan: I agree. I think we need to have predictable, constant behavior from ICANN and the community so that everybody can plan their businesses and run them in an efficient fashion.

Woman: Actually, I have not done this so far but I've put myself in the queue.

So a quick question. Have you provided clarification to contracted parties related to exactly what is expected in the contract for like different requirements? For instance, like for specification 11, have you provided any additional guidance? Like exactly what is required to full that specification?

Allen Grogan: On specification 11, we have not formally done so. There is a process underway under specification 11 to try to define what would be at least an acceptable level of monitoring of spam and phishing and malware and those kinds of things under one of the provisions in spec 11. And that's been out for public comment. And that's an ongoing effort.

We think that that likely leads to eventually - that if a registry met those standards, it would be a safe harbor for compliance with that provision. I don't think it probably means that that's the only way you could comply with that provision. That we'd like to set some guidance for - we have a wide range of registries and contracted parties out there.

So some of the larger and more sophisticated registries are already doing a lot to scan for spam and a lot of the brand owners will have a limited number of registrants. And they won't have the kinds of problems that some will have. We have smaller, less well financed registries who I think are floundering a little bit in figuring out how they would go about complying with that.

So one of the reasons for having the dialogue with the community about setting up some standards would be to guide them towards something that would tell them if you do this, you're at least meeting requirements that would keep you out of trouble with ICANN compliance.

Woman: Yes. So that's great. Perhaps you do this and I just don't know where it is located, but anytime you're providing sort of clarification to a contracted party about how to comply or what is acceptable or what would fulfill the requirement, if that information could be made easily accessible, either through like an advisory or somewhere that we could find that so that we can understand ourselves.

Allen Grogan: Yes. So that's one of the goals that I have in talking about kicking off this dialogue with contracted parties and other people is on certain provisions of

the agreements where I know that there is disagreement in the community about how to interpret it. I do think we need to provide greater clarity and I do intend to do that in a way that's public.

We have not done a lot of that so far in the new agreements in any formal way. When we do contract compliance enforcement, in order to encourage and facilitate contracted parties to collaborate and cooperate with us, we don't normally publicize the communications that we have with the contracted parties unless it actually rises to the level of a final breach note under the compliance process.

Because our feeling is a couple of things. If you really want to encourage people to collaborate and cooperate, the way to do that is to not put it on the front page of the ICANN Web site the instant you send out a notice. And also if then becomes subject to gaming because competitors can file 5000 complaints and then all of a sudden you have 5000 complaints listed on the ICANN Web site and all of them may be without merit but could impact somebody's business.

Woman: Thank you. Steve, Susan, Rick and then David.

Steve DelBianco: Steve DelBianco with NetChoice. On one spectrum of compliance, it would be we only investigate complaints when they come in. The only time we'll look at anything is if we have a specific complaint. In those instances, we'll only look at the complaint. And the other end of the spectrum would be constantly auditing everything, every contract for every compliance. And neither makes any sense.

Neither of those extremes makes sense. What is better is what some of what you do with audits on Whois Accuracy and other periodic audits that will do with respect to compliance. I do know that you respond to complaints. But here is the request is that when you have a complaint about a particular behavior, they - with respect to whether names from the clearing house or

being reserved or any sunrise or are they appropriately being allocated?  
When you're investigating that particular complaint, try to under whether it looks like maybe we ought to check a few other TLDs to see if the same thing is going on. Maybe look backwards in time at a few previous sunrise to see if the same thing was going on.

In other words, try, if you can, to generalize it. Because even if our complaints might not be completely telling on the particular registry we talked about, if you're able to extrapolate and investigate a bit broader, you will be so much more effective. Because otherwise we get the report back that no, we investigated; it wasn't a problem. And then we'll see the same thing again and again and again and again and again on the TLDs.

But each of those has to be taken up to (Nova) as a brand new complaint when, in fact, you can spot the trends as easily as we can and do the most to try to broaden what you do. Do you have the powers to do that, to investigate a particular behavior in registry A based on a complaint we made about registry B? Then that's great.

Maguy Serad: So I think you've seen. We try to take a proactive approach. It's not just audits. You're right. Audits is another extreme. We do address complaints for some (promos) because it can impact reporters who can be anyone of u. We would take that into heart and give it priority.

We have done proactive in the middle. And we have also taken an approach similar to what you're describing, Steve. We're seeing an issue - audit, a noncompliance in one area -- is that behavior happening somewhere else. And as Allen described, we take that approach and collaborate. We call those what we call systemic problems. And we take that issue and we kind of put the framework. What are the criteria and what are we going to look at and who so we can do really an apples-to-apples comparison.

We do the systemic approach and collaborate. We send notices but they're in the informal resolution. We have seen collaboration and we resolve it. Now is this addressing everything and everyone? There is no way that is going to happen.

If there is a problem of that nature, Steve, we're not catching, please let me know.

Steve DelBianco: If we think it's systemic, we should say so?

Maguy Serad: Please. Let us know.

Steve DelBianco: We do read the (briefs). We do look at columnists and newspapers. And if we notice complaints from accommodators in the industry about what they perceive to be abuses in sunrise or TMCH or whatever, we will initiate an investigation on our own. And then often if we do that, we will notice patterns and we'll try to pursue that against other parties as well.

So we don't wait for complaints to come in. We initiate some of them on our own. We initiate some of them in response to things we've read about in the press or heard on the streets.

Woman: Susan.

Susan Kawaguchi: This is Susan Kawaguchi for the record. So to sort of go further with Steve's point and just to take us back a little bit in time, during the intercessional I brought up my issue with the (dot top) registry that is going to charge me \$30,000 extra for the second sunrise period to register a domain name that was considered - it states that (dot top) had been on the name collision list.

And so when I brought that up to you, you said that was not - you can't control pricing. So there is no contractual means for you to take a compliance

action. So I get that. Don't like it. But I can't believe that I'm the only target that they - I was the only brand that they sent that or tried to charge that price to. I made some noise about it and it was picked up. And a blog was written about it. And the registry said, "Oh, no, no. It was a typo."

Man: We saw that.

((Crosstalk))

Susan Kawaguchi: Which is really interesting because they never reached out to me and said, "Hey, you can register this domain name for now only \$7500." They only added 3000 extra to a domain name that is on the collision list, being released from the collision list. So there was some speculation that there was something that could be dangerous about that domain name and now will be sold to the highest bidder of \$90. Because there is no way that I will ever - I could apply for it through a thousand registrars. I'll never get it.

Man: First come, first serve.

Susan Kawaguchi: Yes. Because audits just totally gets me for that. So I'll try. But I'm not paying \$7500. I wasn't going to pay \$3500 either.

So that said, do you track issues at all that are not contractual but are bad for the community, have been reported to you? And maybe we can see if ten companies came to you with a similar scenario -- it doesn't have to be the same registry -- and you're like, "Okay. Here's our little list of - this is bad." And it's coming to us because we're compliance. We get to hear the bad things.

Would you be able to track those and release those to the community and say, "You know, the next gTLD round, this should not be allowed." And maybe we should put pricing in the contract.



Maguy Serad: This is Maguy. Interesting how I'm sitting next to the metrics people. Where is (Jonathan)? So to answer your question. We do track closure codes. Now how many? We started initially on a previous slide. We never exceed ten closures codes. We're up to a couple of hundreds. We are tracking closure codes.

The focus has been in the last few months, we've received about 17 metrics from what is the group? Consumer Trust Consumer Competition? Yes. One of those alphabet soup letters. There are (70) metrics that have assessed the new world. We are trying to see where and how we can implement those metrics to track them. And we're working with Karen Lentz and her team on those metrics.

Once that comes together, I know it's going to be published. I don't have the timeline of that. But is there any specific areas you're thinking that needs to be tracked? Let me know. I'm not promising - we have to put it on the list, assess the value of that metric. How many and whose constituencies are really helping and how can it be tracked? What is the level of effort to implement it?

We can kind of keep an eye and see what came be done there. But we do have lots of metrics, lots of closure codes that we try to report on.

((Crosstalk))

Man: Can we have a dialogue about that. Do we need to come and talk to them?

Man: Sure.

Man: We have this contractual issue meeting. And we say, "Listen, these are trends that are happening." And we collect that. We come to the meeting. And they just go ahead in a discussion. It may not be a contract issue but it's a bad for the community issue. It's PR nightmare issue in that we all as

harbingers of the community have the ability to flush that out and find a solution.

I think the mechanism for that is this discussion that you want to facilitate to talk about non-contractual issues that plague the community.

Steve DelBianco: I'm completely open to that. Informally I would say we do some of that. Maguy and her team are very metric driven quantitative. And on the things that aren't breaches of specific contractual provisions, I don't think we do track those quantitatively, at least not in the compliance department. Now there is security and stability and resiliency group that does some of that and some other areas. Right?

It's worth a dialogue about whether there are things we can do to collect data about things that are perceived to be abuses and how we might address those. It's not contract compliance, what else could we do about it?

Woman: So then we should those things to you?

Maguy Serad: May I add a clarification?

Woman: Otherwise, how are you going to know?

((Crosstalk))

Maguy Serad: I heard Steve say something that caught my ear here. If we receive a complaint and it's closed because it's not within the compliance scope, it gets assigned -- every complaint from beginning to end. When we close a complaint, it has a closure code. So if there is an interest in - okay, let's see. What is the closure code on Whois Accuracy? Who have been reporting on those? On transfers? That has been fed into the policy development for UDRP in transfers.

I've heard what you are interested in. These are abuse complaints that ICANN is closing because they're not...

Woman: (Unintelligible) submitted that.

Maguy Serad: Okay. You have not. Okay.

Woman: I've brought it up in a discussion...

Maguy Serad: See. I'm being a dumb bunny. I'm predicting.

Woman: But what I'm....

Man: I don't want the contract compliance system overwhelmed with complaints that contract compliance can't handle. So maybe we need to set up another mechanism for reporting and tracking those. And (unintelligible) I'm thinking about this on the fly. So let me give it some thought.

Woman: Because (unintelligible) is being able to say to the community, "If you have..."

Elisa Cooper: We are actually out of time. David, did you have a quick comment? I know you were in the queue.

David Fares: Yes. Just to very brief, I understand your point that -- this is David Fares -- that it might be difficult for you to give information about particular complaints and naming the parties. But it would be helpful if we could get some information even if it's anonymized so it gives us a sense of what is within and outside of your ability to respond to a particular request. So some sort of information would be very helpful, some level of transparency.

Man: Yes. I agree. And I think we need to provide more clarity to not just the contracted parties, but the community and the people who are submitting complaints as to what do we think is within the scope of our contractual

compliance enforcement abilities and what do we think is not. And then I'll give some thought to if we think it's not and we make that clear, can we nonetheless encourage you to report that and track it and think about how to resolve it.

Elisa Cooper: Thank you so much. We really appreciate you coming here and taking our questions. And I think having this more interactive session is very useful. So thank you very much. We appreciate your time.

Man: Thank you.

Elisa Cooper: So we are now going to hear from ICANN finance. Again, we want to keep it sort of more interactive, more sort of Q&A. I do think they have a set of slides that they might point to.

((Crosstalk))

Elisa Cooper: So (Carol Cornel) from ICANN finance will be I think going through a couple slides. Is that right?

(Carol Cornel): (Unintelligible) should be joining. He's just next door. He's still just wrapping up next door. So he's coming.

Elisa Cooper: Okay.

(Carol Cornel): Because it's really kind of a joint presentation. But I'll start the planning part...

Elisa Cooper: Okay. That sounds great.

(Carol Cornel): ...at the same time. And then we'll go to the next.

Elisa Cooper: So we have your slides up here. And (Brenda) can flip through the slides.

(Carol Cornel): Okay. Well, thank you for letting me come and talk to you for a few minutes about the planning process and the finance process. This is the profit that we have been rolling out that's been new in the sense that we have (unintelligible) just shows you the cycle that we will continue to go through. I'm going to try and just give you a high-level brief overview. Okay. Next slide, please. Next slide, please. Next slide. Okay.

We went out for public comment and we closed that public comment period January 4. And we did the analysis of the 100 plus comments that were received. It is posted online, line for line, through some of the blocks that we identified. So there's an answer for each one of those. I know that the business constituency submitted comments. And I want to say thank you very much for that, because that's how we get better at what we do.

The three main areas -- if you were to synthesize it down into what are the key points in the comments we received -- the first is that overall everyone likes the development that we're headed to the for the five-year operating plan, specifically process and format, and that the format will be the same for the strategic plan to the operating plan to the annual operating plan. So it'll be easy to follow along and make sure those things stay consistently in what was presented.

The second comment has a lot to do with the key performance indicators. This is a (unintelligible) says more work needs to be done to refine the proposed KPIs. There were 20 in the plan. We are continuing to work on those. Right now they are the goal level 20. There is more refinement. Some the feedback was are good they way they're written. Others need more work in development. And we're working on that process as we continue to learn and process feedback we're given.

The two key things that we're going to work on though are specificity so like what is it, defining it a little better, putting more context as to what those are. And the second part of that is clarity, like what's the target direction, that kind

of (unintelligible). The third piece of this -- the introduction of the financial model -- in house understanding the ICANN approach. And that model is in the five-year operating plan and would be refined as we've received feedback.

In fact, all three of these we have a redline version that has been posted from the first version so you can see some of the direction and feedback and impact. We will continue to work on that until March. Then we will send it to the board for review and approval to incorporating all of the changes that we've received and done. Next slide, please.

This just shows you that there were eight groups that submitted them where they were divided into planning, key performance indicators, dependencies, phasing, financial, model, and other. And most of the other had a lot to do with combining or changing the strategic plan were a lot of the comments.

And I'm here to tell you we will not be changing the strategic plan because it's been approved by the board and we are trying to directionally hold onto that. It took 18 months to do. We're holding onto that and we're using that as the way it is. And we would revise it unless something really critical or key happened, otherwise it will maintain and stay there until FY '19 when we start working on the next one. Next slide please.

I'm not going to go through each one of these because, as I said, I was trying to just give an overview of the key points. But this slide is available, and you can go each one of the key points. I'd like to go on. There's five of these. Click through, please. What does it take to finish? I think I highlighted that. We will incorporate the changes, put a new draft out, present it to the board at the end of March with the idea that they would approve it hopefully in April. Next slide. Timeline, we are on track to the time we (unintelligible). Next slide.

One of the key questions that has come up quite a bit is once we put this and approve this, what are we going to do to update the process? This is a quick

high-level set of sets that we will do on an annual basis to update the five-year (unintelligible). Next slide. Up here I'm going to switch over a little bit and now let (Sayay) give a quick financial overview.

(Sayay): Thank you, (Carol). (Unintelligible) to see (unintelligible). I wanted to do a little bit of advertising while we're coming here about the Q2 stakeholder call and presentation that was held on the 29th of January. That was the second of its kind. The first one was held on November 20. It is -- in other worlds, your worlds -- called a quarterly shareholder and investor call. This is our equivalent. It is intended to provide immediately after the end of the quarter a comprehensive overview of the activities that have been carried out in the previous quarter across the organization.

It is structured as follows. (Patty) provides an overview for about 10 minutes. (David) then provides a review of all the policy development work that has been conducted throughout the ICANN community during that previous quarter. There's then a management update for the rest of the organization's activity other than policy. That update is provided by a global leader for the entire organization. Last time it was (Acra Metella). Sorry, the time before it was (Acra Metella). This time it was (Sally Gustanson). The next one will be by another global leader.

No one else wanted to take the financial section so I took it. And that's the end of that call after a number of Q&A. Last time it lasted about an hour and 10 minutes. And we had approximately (unintelligible) 160 or 200 people attended. I would simply encourage that you would attend. (Unintelligible) provides in an hour a very comprehensive review of all of the activities of the organization for the past quarter.

And we do intend to continue using this tool of communication to continue in terms of consistency of the information that we provide and also maybe taking time at ICANN meetings to focus (unintelligible) on the interaction rather than on the (unintelligible).

Elisa Cooper: Yes. So we have just a couple minutes left. I did want to have some time for us to actually ask you some questions.

(Sayay): So let me start here and let's go over the questions.

Elisa Cooper: Okay. The reason that we brought finance in was to ask questions. So I will open it up to members to ask questions from finance. I'm sure it's not necessarily related to just to the KPIs or the Q2 stakeholder's call. I'm sure that any questions related to ICANN finance, (Sayay) and (Carol) would be happy to answer.

(Sayay): Pleasure.

Elisa Cooper: Are there any questions?

Man: Thank you, Elisa. Well, this first form of comment and then question. I was at the meeting yesterday, very interesting (unintelligible) retreat to prepare the budget. I want to say that it was quite (unintelligible). I liked a lot. I'm not very old on this job. So but I agree that the methodology and the processes incorporated, they're kind of world class.

I also kind of noted that that was the first time we have a bottom-up consultation. It was a very good bottom-up consultation. And I want to say that it needs to be continued. As we feed you back all the Q&A that we asked yesterday before yesterday, you need to put it up so that more members of the constituency can see how your process has been progressing. So that is for that. So thank you for that.

The question I want to ask is - would trace back to the headache I've been having in quotes, so that time that being the vice chair of the (unintelligible) operation. And that is (unintelligible) invoicing and banking that a number of



our members have. I wrote yesterday. And you promised to look at it. I followed it up with another mail yesterday (unintelligible) question.

So we're also preparing our budget in BC. But they're going forward (unintelligible) BC. What is the feasibility of that, of us getting some good results that invoicing and banking can be incorporated into the toolkit we already enjoy? Thank you.

(Sayay): So this is a subject that we've discussed many times. I haven't had a chance to look at the document that was sent to me last night. I apologize for that, but I will. We need to follow up on the current decision that you and (Marilyn) and I had in L.A. simply because we had discussed a number of actions and things that you would try to (unintelligible) possible to do to address those needs. (Unintelligible) follow up on that separately.

As you remember, my point on that type of services I know you needed others in the organizations also need are challenging to address from the perspective that there is a (unintelligible) challenge to -- which is the one that you're facing -- to be able to invoice and manage bank accounts for separate organizations but that are not really separate. That's exactly the problem that you have is that the BC is not a legal entity.

So how can it invoice? How can it open a bank account because it's not a, as we say in French, ((foreign language spoken 00:13:57)), it's not a separate body. So that's the problem that it has. That's the problem that we discussed. That is a similar reason why ICANN has a problem in handling that as well and at this stage cannot offer the structured support to enable the operations of the membership management and collection of membership fees.

What we have done -- I took some notes, but for everyone else -- what we have done over the past few years is to by exception, invoice your members who were required to receive a documentation that only your corporation can issue. So we have been this corporation for the purpose of invoicing those

members of yours who are required this information so that they can make their payments. And they made their payments to us. And then we paid the amount back. But this is a patch. This is not a structured process. And this is an exception.

So I'm happy to work on it more. But unless we have a different option for a structure that can work and that I am happy to participate in implementing, at this stage, there's no solution that (unintelligible) in place to be able to do that.

Elisa Cooper: Phil, and then I have a quick question, and then we do need to move onto our policy discussion. Phil.

Phil Corwin: Yes. Phil Corwin. When CEO (Chadi) met with the GNSO Council on Sunday, he noted over the past 30 months ICANN staff numbers have tripled, which is a rather high rate of growth. I understand that was tied to creation of three-hub system, staffing the Global Domain Division etcetera. In the five-year plan, two questions.

What is the total number of staff and the annual budget now and what does it project to be five years from now? And what is the source of funding for that? Because certainly while the number of domains - which domain registration fees upstream through registrars and registries are the primary source of income for ICANN. They haven't been growing at that rate. So where are we now and were do we project being at five years under the current budget?

(Sayay): So we are at - I'm looking at (Terri) at the same time and we are at 310, 307. Okay. Approximately 310 now. I was the 112 employee of the organization when I arrived in September 2011. So three and a half years about three times in the organization to your point. So there's been a high growth. I don't think - in the budget -- sorry to be selfish -- but in the budget we provided a three-year view of the headcount that shows that growth.

It also shows that (unintelligible) it was quarter by quarter that we provided the head count. Right? So to try to help give a sense of trends, it also shows that the growth was high over the past year and a half, two years, and has now started to slow down as it should simply because now that I would say in a generic fashion without trying to be specific by (unintelligible), we have caught up with (unintelligible) organization that supports the delivery of the mission of ICANN. Now the needs are more marginal.

So the 307 that I'm mentioning now, we have a number of additional areas that require hiring but to a much smaller rate than what we have seen in the past. So I would expect that - sorry, in the five-year plan, we have not projected the headcount across all the five years on a headcount by headcount basis.

However, the financial model that we will be issuing as a result of the comments that have provided for the five-year operating (unintelligible), the five-year model assumes an average 5% increase of baseline expenses excluding erratic type of events. But baseline expenses, about a 5% ongoing growth per year, which is simply inflation plus type of growth. So we are not expecting at all the same amount of growth of the organization simply because we're now more or less ramped up. There's a number of (unintelligible).

The hubs need to continue growing a little bit just so that we have all functions that are required in the hubs represented, which is not always the case. With the example of that, the Singapore hub has grown from zero to 16 people as of to date. (Unintelligible) announced this morning that there's (unintelligible) functions represented that are needed now. We have registrars, registries, customer service, and so on. So it's about where it needs to be, maybe a slight amount (unintelligible). So that reflects that fact that we are expecting to reach a plateau now or in the next few weeks.

Phil Corwin: What is the annual budget right now?

(Sayay): The annual budget?

Phil Corwin: How much does ICANN expect to spend in the current fiscal year?

(Sayay): To spend on...

Phil Corwin: Total (unintelligible).

((Crosstalk))

Phil Corwin: Expenses for everything.

((Crosstalk))

(Sayay): (Unintelligible).

Elisa Cooper: We've got to move on.

(Sayay): One hundred and four.

Elisa Cooper: (Unintelligible) said 104. All right. Thank you so much. We appreciate your time. All right. We are going to change gears a little bit and move into our policy discussion. We will let our policy coordinator take us through that.

Steve DelBianco: Thanks, Elisa. I think we still fit the (unintelligible) in the schedule. What I would refer you to is the policy calendar circulated earlier today. We'll start at the top of that. A big chunk of this is going to be Susan and Phil Corwin as our counselors. (Marilyn) has got a contribution to make as well. At the top, I wanted to say there's two comments we have filed recently. One was J. Scott and (Andy Abram) helped us with a comment on country and territory names being released in two brand TLDs, BMW and dot mini.

A question, we need another one like that or dot DVAGTUI (unintelligible) and FL Smith. That's due the 18 of February. My question would be whether we could repurpose those comments on our concerns with those other brand TLDs. (Laura)'s nodding yes. We don't have J. Scott, or (Andy) here today. Who in the BC has some sense about - those of you that have brand TLDs that haven't gone through the process yet of obtaining the release of country and territory names, you would have the most interest in this since you're going to confront the same situation if you haven't already. I'm looking at you, Google. I'm looking at Yahoo and Flickr and 21st Century Fox.

Woman: I can talk to (Andy) to see if he would be willing.

Steve DelBianco: Talk to (Andy) again.

Woman: I'm volunteering.

Steve DelBianco: (Unintelligible) (Andy) again. Who else?

Woman: (Unintelligible) stay in California.

Steve DelBianco: Anyone else to sign this? (Laura)?

(Laura): If we're repurposing this (unintelligible).

Steve DelBianco: Why don't we start with that, (Laura)? If you're able and since you're here, if you're able to start with this, give it a look. It was great work that J. Scott and (Andy) did last time. Then if you think you can repurpose it. The comment I'm speaking of is the first one in the section below there where it says, "Number one," under release of territory names. Do you see that? And there's a link to it in my policy calendar. You don't have to write anything down and just click on it and go.

Woman: Can we talk about this one just a little bit? Because it's my understanding at the last meeting that there were GAC members that said that they didn't see an issue with this. Now, I think I'm hearing that there are some that are saying that there's an issue with this. I don't know. I'm not following this very closely.

Steve DelBianco: The answer is yes. The GAC - (unintelligible) from Los Angeles seem to have been somewhat backtracked. Because the chair of the GAC sent a letter saying, "Wait. We have some concerns there, some things we want to do differently." So that is new information. And I would suggest that as we adapt our comments from last month to these new ones and to the extent we can say whether there's a troubling concern with the GAC backtracking on that there would be an opportunity to raise a significant concern about that.

Man: I've asked a few people (unintelligible) questions about that GAC letter. It was not a GAC letter. It was a letter from the chair.

Steve DelBianco: Right.

Man: And it's not consensus GAC position. So it's unclear to me what exactly that means. Now, I know we need to be sensitive to what governments have to say if we want to preserve the system as it currently functions. Nonetheless, it's not GAC advice.

Steve DelBianco: It isn't. So the question is do you believe (unintelligible) speak about it in our comment?

Man: No. I think we should speak about it and explain why it's a challenge.

Steve DelBianco: We don't necessarily have to (unintelligible). We never would. We call it a letter questions about the GAC, follow-up questions from the GAC and react to those follow-up questions.

Man: I would say from some GAC members. Sorry to be a stickler.

Steve DelBianco: Right. Don't say it's from the GAC. That's a great point. It is only some GAC members have indicated some questions for follow up. To the extent possible, we'd like to address those. That's a great idea. So David, I've got you signed up for this one too. That's great.

((Crosstalk))

(Andrew): This is (Andrew) here. So another thing we can look at is the registry stakeholder group. They sent a pretty splintering letter in.

Woman: Can you speak up? Thank you.

(Andrew): Right. So the registry stakeholder group sent a splintering letter in already on this. And so there's probably things we can pull from that. If you don't have it, I can send it to you. But the GAC's probably going to do advice on this at this time.

Woman: Yes.

(Andrew): They had a session this morning.

Woman: (Unintelligible) on that.

(Andrew): And it's clear that countries are now coming in dead set on posing the use of their country code and their name. And so you're probably going to have a split list of countries. There's some saying, "Use it," some saying, "Don't." And so we should really wait for (unintelligible) communicate to come in. But it'll provide some more guidance on where they're going to be.

Steve DelBianco: (Unintelligible) but if that's coming, we have an opportunity tomorrow. We have an hour and a half session where the BC meets at roughly lunch time

where we plan our comments for the public forum. And on the assumption that this new GAC advice or a specific country countermanding -- to the extent that that's going to be publicized before the public forum on Thursday - - BC is going to want to formulate some positions on that.

Woman: I'm not sure that it will be published in time. There seems to be some divergence of opinion, but they do seem to be kind of coalescing around this idea of a couple of lists with the U.S. and some others saying, "We don't care." You don't need to seek permission. Talking about a second-level country name and a separate issue with the country codes.

Steve DelBianco: Two characters.

Woman: Right. Two characters, sorry. And then tomorrow there's also a session, which will be talking more about the top level -- country names at the top level. So it kind of all is converging.

Steve DelBianco: Let's not confuse this with top level.

Woman: Right.

Steve DelBianco: Top level is the next round.

Woman: Right.

Steve DelBianco: This is just about brands that you have where you want country territory names at the second level and maybe even two-character codes.

Woman: Right.

Steve DelBianco: Elisa.



Elisa Cooper: So just to be clear, we're only talking about dot brands right now. That's right?  
Allowing the two characters, country codes only in dot brand?

Steve DelBianco: That's right.

((Crosstalk))

Woman: I would say businesses should not be okay with having two-character country codes for non-dot brands, because what that does is it opens up a third level. And what happens is - and we've seen this. This happens today. There're a couple companies out there. But there's one in particular that's gone out and acquired things like UK.com, ENEL.com, and MX.com.

And then they go out and they sell third level. So we don't want to have country codes for non-branded TLDs, because I think that's just going to proliferate more names and more people wanting to sell you more names. For dot brands, I think it's totally fine.

Steve DelBianco: I'll check the records to see if the BC ever took a position on country codes at the second level in gTLDs. I don't know that we have. I understand your point that there could be a concern, but that might not be something the BC can say yet. That would have to be developed as part of this comment if you thought it were. However, to the extent this comment is only about brands, we wouldn't go there in this case.

Woman: Yes. For this comment.

Woman: (Unintelligible).

Steve DelBianco: Yes. When we react to the new, new GAC position, we may want to bring in this topic.

Woman: Yes. Because if the U.S. government's like, "Well, we don't care," well, yes. For dot brands that's great. Right? You can have US.Yahoo. But I don't want US.web, because what I anticipate is somebody's going to buy US.web and then start selling third-level domains unless there's a strict prohibition against selling third-level domains for any two-letter country code registration a second level for any generic TLD if that makes sense.

Steve DelBianco: Great. Thank you. So I got a list of folks who are going to help with that. That is due 18 of February, five new dot brands. So there's a need to move on it pretty quickly. The other comment we filed last week was on the transliteration of contact information, a lot of help from Susan Kawaguchi before and after and (Erika), (Ellen) and (Steve Coats), and then (Tim Chan). Thanks for putting that in.

There was one other item that we filed in December, which was a letter regarding supporting the ALAC's call for strong measures on getting the GAC's safeguards implemented for highly regulated strings. I saw (Ron) just walked in. This week, (Ron) has been walking in and walking out a lot because he's on NomCom. So while you're here, I want the man in the yellow coat to speak about what has been happening on safeguards in the highly regulated strings.

(Ron): Thanks, Steve. This is a kind of a rapidly moving picture in so much as things are changing pretty dynamically. But last night there was a meeting called, which was quite remarkable. It came out literally at the last minute. And when I walked into the room at 9 o'clock, there was (Fadi Shahadi). There was (Akrum) from GDD. There was (Jayjay), John Jeffrey, and (Alan Grogen) from staff. There was from the NGPC was (Shareen), Chris Disspain, (Susanne), I'm sorry, (Mike Sober), and George Sadowsky.

Then from the GAC was the chair of the GAC, Thomas Schneider, two representatives from the European Commission, and (Susanne). There was George Sadowsky, I'm sorry Alan Greenberg, chair of the ALAC, (Olivia), and

(Evan) from ALAC, and myself, and Jonathan Robinson, chair of the GSNL council, Jon Nevitt, (unintelligible) (Coal), Statton Hammock, and James Bladel from GoDaddy. I think that's everyone that's in the room.

It was an off-the-record conversation as to how to resolve the issue with public interest commitment specifications. We were there until just before midnight. Generally what happened was everyone had a chance to voice their opinion as to what the situation is and what needs to be done. I had put forward a request that we look to building the institution and kind of all stop with the focus on our own interests but try to create some common ground that will enable us to get to public interest commitments across all of the highly regulated strings.

We were told there were 39 of those strings that were in question. The net of the meeting was that we will meet again. That was the first meeting just to get this conversation underway. Staff are going to provide a list of the 39 strings and what the public interest commitments are in those strings and to see if we can find a way forward that the registries would accept a proposal to voluntarily modify the picks to make sure that the public interest commitments were in fact protected. Because there is a strong agreement on the non-contracted party side that they were absolutely not satisfactory.

On the contracted parties side, their view is they've made many changes in the contract already that they didn't want to do. So they're not in such a hurry to do it again. And that's more or less where it was left.

Steve DelBianco: Thank you, (Ron). For BC members not familiar with this topic, if you go to (BizConst.org) and under positions, you'll see under December the 9th there was a letter that summarized all prior BC positions on this as well as the BC support for the ALAC's letter. And a lot of it rests on the fact that the guidebook said that when the GAC objects that the ICANN board has to undertake an obligatory process to address the GAC's concerns.

So the GAC (unintelligible) advice is where the safeguards relate out. And the GAC considered that consensus advice and of the nature and objection. Although I learned yesterday that's not quite how ICANN sees it. The BC is asking ICANN to follow the rules. We have a guidebook. Follow the rules. You haven't addressed the GAC's concerns with these highly regulated strings. The BC resonates with the strings. But the BC has not taken a formal position on exactly how to solve it.

Our main objective, however achieved, was to get public interest commitments for highly regulated strings into the contract spec 11 so that ICANN can enforce them. Let me ask you your opinion on this, (Ron). Do you believe we'll see some written advice on this tomorrow night?

(Ron): The GAC - and actually that's a very good point, because the question came up. The comment was when will there be some action taken on this between the board and the GAC. And the response was that the board would wait to see what the GAC communicated looks like.

Now, on the Saturday meeting where I was invited to speak to the GAC on the topic along with Alan Greenberg. He had one minute and I had a minute, and (Nason Coal) had a minute from the registries, which was an unusual situation where they invited the public to speak at a GAC meeting. They said that they wanted to have this information because they want to make it very clear in the communiqué that they were not satisfied with where we stand on this and make it absolutely crystal clear that they are not going to tolerate it.

We number these meetings so we know where we are. Beijing 46, (unintelligible) Singapore 52. So I opened my comment last night by saying, "It's taken two years to get us to this table. I couldn't be more happy that we're here. Now we have to finish this." But I think the net net of it all is that the GAC will come back with some pretty prescriptive advice as to what they want to see happen here irrespective of this meeting we have, this high level group that we're discussing.

But I think what is disconcerting for me is that I think that certain members of the board and certain members of the NGBC take the view that we don't need to do anything, that we've covered a lot of ground from where we once were. If we got 85% then we should take it as a win, which is unsatisfactory.

I think the other part that's disconcerting is that they're looking at the overall picture as we all are. If you look at the budget this year, right now we expected to have some 1,400 names in the string and generating all kinds of revenues from the new top-level demand program. That didn't happen. We have 500 in the root, I should say, and not nearly enough revenue coming from that that's going to sustain this organization in the manner that we've grown to be.

So the fact is that you see a deference to the money-generating side of the ICANN community so that it can maintain the ICANN body as we are today. So I think the last thing ICANN wants to do is start shrinking and closing off and shrinking the staff, because that would show that they actually have missed, that they missed their targets. So all of these things are at play.

I just want to say very quickly in conclusion that the good news of the story, we're at the table and we're having a conversation, and it's very clear that we, from the non-contracting side, are not walking away from this until we get some resolution that the public interest commitments have been met.

Steve DelBianco: (Ron), thank you for your - (unintelligible) the on that. I want to remind folks who are relatively new to the BC that back at the meeting in Senegal - I don't remember the number. But the BC went to the mic and said, "Hang on. There are all these objections the governments are launching against applicants. The applicants are doing bilateral negotiations with the government to satisfy their objections and none of their promises are making their way into the contract. In fact, none of the promises made it in their applications were making the way into the contract. "

It was the BC alone who went to the mic over and over again on this. It's one of the rare times we made a tremendous difference. That's what they created spec 11, the BC spec, because it (encaptures) so that ICANN can enforce promises that are made in the proposal or comments that are made to a government to get them to pull their objection.

So what good is spec 11 if the promises never make their way into the contract? That's why I asked (Maggie) (unintelligible) earlier. She was bragging about spec 11 enforcement. I said, "Well, only if promises are in spec 11." Which is not her problem. She's not the one who's supposed to get them there. Go ahead, (Ron).

(Ron): And that just sparked in my mind one of the things that came up was the question about the - those were voluntary and those that were obligatory in terms of the picks. So (Alan Grogen) was asked a question, "If the voluntary picks are in the contract, does that mean that they will be enforced by (Maggie) and their team?" And his response was, "Well, the ones that are obligatory, yes. But if a registry should decide not to maintain their voluntary picks, then that would be fine."

I said, "I'm sorry. I don't think I heard what you said. You just said that the voluntary picks, public interest commitments, if I said I would do it but I decide now I don't want to do it, I can just stop doing it?" I said, "That's not a commitment. That's not a commitment in any way, shape, or form." I took a very strong line on that quite aggressively, because I said, "If we're talking commitments, let's get commitments in the contract."

Steve DelBianco: We were told over and over again that if it's in the contract, they'll enforce it. It doesn't matter how it got in the contract. It could have been on there on a typo, doesn't matter. Voluntary, if it's in the contract, we need to enforce it and if a registry wants to (unintelligible) amendment to its contract, it'll have to run I through the process of approval.

(Ron): And that's not (Alan Grogen)'s point of view.

Steve DelBianco: You may need to help correct that point of view. But it's a little separate than this question of what's in the pick spec. You jumped to another issue, which is how do you enforce them. We'll come to that later. At this point, we can't get them in there to begin with. Any questions for (Ron) on this? We'll move on. (Ron), thanks again on that.

Underneath the other comments that have to be done, we already covered the five brands that (Laura) and (Andy Abrams) are going to work on. The second one is the Whois accuracy pilot study report. Comments are due the 27th of February. Good news, Angie Graves undertook a (unintelligible) effort and developed the draft. We circulated it on the 2nd of February, the first attachment on today's policy calendar.

J. Scott, who is not here right now, has volunteered over the weekend for Monday to take a pass at looking at that, seeing if he can add anything to it. I have other volunteers in the queue on that, (Marilyn Gimpson) and Susan to take a look at it. If you want, you can wait until J. Scott has taken a pass on Monday through it. Susan.

Susan Kawaguchi: This is Susan. I've already taken a pass at it. But what has really sort of hit home this week is the identity validation part. I think it's a losing battle so I'm not sure where we want to stand as a constituency on it. I don't think it's possible to validate each and every registrant's identity.

But what do we do about fraudulent use of other people entities' information in the record? Because they have in the record, there could be - I find this all the time with my own company - Facebook Inc. Yeah. That's a company, 1601 Willow Road. Yes. That's an address. The phone number, they validate it syntactically and operationally. All of the information passes, but you would

never be able to contact the cyber squatter that has registered that domain name. So I'm trying to figure that out.

Steve DelBianco: While you're figuring it out though, we need to maintain some momentum. So what I would recommend, do you have a markup on Angie's draft?

Susan Kawaguchi: Yes. I do.

Steve DelBianco: Okay. I'm going to ask you to try to get closure on...

Susan Kawaguchi: I'll send it out tonight.

Steve DelBianco: Susan has already taken a first crack at Angie's draft. When can we get it from you because J. Scott's ready to take a second draft?

Susan Kawaguchi: I'll try to get it out tonight.

Steve DelBianco: Can you look at it tomorrow?

Man: Yes. (Unintelligible).

Susan Kawaguchi: But I definitely need some thought.

Steve DelBianco: Appreciate that (unintelligible).

Man: Just quickly (unintelligible) Susan. Actually it's possible to use those address simply but it's (unintelligible) possible to identify with the -- by telephone, telephone call, digital - using the telephone validation. I mean that's also...

Susan Kawaguchi: No. All they would do is validate that yes. That's Facebook's phone number, but it's not the registrant phone number because they're using - and I can show you domain name registrations that it, you know - the last one was (Mark Monitor) is the name.



Man: Yes. The phone number works but it isn't the registrant's phone number.

Susan Kawaguchi: Right. So it's fraudulent use. And it's not just - I mean Facebook is one problem. We can handle that. But it's the guy down the street who's, you know, 80 years old who - they've stolen his identity and put it in a domain name registration.

Woman: And I'll even just say even on the contact verification, they put an email address, right? And they use some hosted email provider. They put the email address in there. Yes. Fine. They can respond to it. You're still not going to catch them. Yes. Fine. They're responding to some generic email.

Man: (Unintelligible) poor woman, single mother and she owned all these horrible things...

Susan Kawaguchi: Yes.

Man: ...pornographic and fishing. And like the police were involved. They showed up at her house. She had no idea her name was being used. This is really dangerous. It scares these people to death.

Susan Kawaguchi: It does.

Man: It scares them to death when it happens. It's a form of (unintelligible).

Steve DelBianco: Okay. David Fares, last comment on this one.

David Fares: To Susan's point about verification, I mean there is some low hanging fruit. Right? There's some obviously certain cases where data is clearly fake. And what kind of obligations can there be about that?

Susan Kawaguchi: Yes.

Steve DelBianco: All right. Next item, 903 on the list. I'm pointing at J. Scott (unintelligible) because he just walked in. J. Scott was co-chair of a working group on GNSO, policy and implementation. There's a link to it there. Comments are due on this particular report, the initial report on March the 3rd. This was created in many respects because of the straw man proposal, another piece of delightful mischief initiated by the BC.

This was at the Toronto meeting, where we got us a brand new CEO to help to improve the RPMs with a straw-man proposal. That generated a lot of blowback in certain parts of the community that felt that we sort of came in, in the implementation stage and changed what the policy had been. We're glad that he did that. And yet we now have to confront this dilemma between policy and implementation. J. Scott, give us some sense of what's in this report and then we need to find volunteers to help draft BC comments.

J. Scott Evans: This report sets out a couple of processes for how to handle things that are outside of the policy development process. And it sort of does two different processes depending on what the outcome of that will be. So it sort of charts how that would happen. And there's some open questions that are being asked. One of things I think we're doing -- and I don't know if it's come out yet -- is to do more like a survey with regards to asking specific questions and giving you - so we get more feedback on this. So it's not a very long report, but it does have some open questions, and it seeks input. So we really hope that people will look at it and think about it, because we'd like to get this institutionalized.

It's just something that answers that amorphous question, because we've been doing these things, but there's never been some sort of set process, which always causes an illegitimacy to surround them when people are not satisfied. So all we're trying to do is legitimize this, so when it does occur and it follows the process, it can't be attacked on that particular level.

Some really good work has gone into this thanks to Chuck Gomes. You know, he's my co-chair. He's done a great job. And to Marika and Mary Wong, who have been our staff liaisons. And we reached out. We worked with the staff. We've interviewed people. We've talked. All different processes. It's not a long report, but I do think you need to make some (unintelligible) in response to this.

Steve DelBianco: Thank you, J. Scott. And since J. Scott is the co-chair, we've got the best of all worlds to have J. Scott's name as the primary author of the BC's comment. It would be better if we got guidance from J. Scott about things to focus on - oh, we shouldn't have missed this point.

I do need a volunteer who's conscious of the distinction between when policy comes out, and then the rubber meets the road on implementation. So the perfect - this is not subject-matter specific. It's a process comment. The subject matter that gave rise to it was the rights protection mechanisms and the straw man. So if you knew a lot about RPMs, you might not be much help on this particular one.

We need folks who participated in the working group and seen the way that staff and management turn policy into implementation. But I'm looking for some name. This is where I would go to that famous list that you described yesterday.

Who knows anything about this particular element? So folks who participated in PDPs before - (Zahid), I've got an eye on you right now as somebody who watched what happens when policy turns into implementation in IGO-INGO as well as RPMs. Could we recruit you to help on this? Fantastic. Was that your hand, too, (Marie)? Great. (Marie), is your hand up as well?

((Crosstalk))

Steve DelBianco: All right. (Zahid) and J. Scott, it's your - (Zahid), give it a read and then ask J. Scott. You sent an email back. Is this the kind of areas you think we should approach? J. Scott can write back to you, and then when the first draft comes around, I'll take it you're circulating, getting others to comment on it.

But we have to move somewhat quickly. This one is due on March 3. Phil Corwin, you had a hand up as well? Okay, thank you. I'm looking around the table. Everybody's keeping their hands under the table.

Number 4. This is a potential reduction or elimination of the commercial liability insurance that would be required by a registrar as part of the RAA. We scored some big wins in the new RAA to require commercial liability insurance.

That's essential because why? Well, registrars take the liability if they fail to do appropriate reveal and relay, if they're doing proxy and privacy services. So the BC was happy about that, and then the BC was upset because the RAA was - well voluntary. No one had to sign it.

So number one item on PIC Spec 11. Who wants to tell me what it is? On PIC Spec 11, it says that any registrar, any registry selling names in the new gTLD program has to use only registrars that have signed the new RAA. Another BC innovation. And that was one of the straw man items, as a matter of fact. Nobody complains about that, and it must makes so much sense.

But however, a lot of that good work could come undone if registrars, for whatever reason, can ratchet back their commercial liability insurance coverage.

So the comment on this one, I have one volunteer from Elisa. And, Elisa, I wanted to tell, one of our members is the MPA, Motion Picture Association. And Alex Deakin is setting in the IPC today. But he's happy to be a co-

volunteer on that. Elisa and Alex Deakin. I don't know how many of you have met him.

Who else has some experience in this area of needing to assess the adequacy of somebody's insurance, in order to pursue a liability policy? Any others? Well if you and Alex can get things started, it'd be fantastic. It closes March 13.

Elisa Cooper: Yes.

Steve DelBianco: Okay? Thank you very much. All right, the last one on that list, and then I'm going to pass the ball after that to Phil and Susan. But we have a draft report on ICANN's staff review of rights protection mechanisms.

You know that there are a lot of reviews that have to be done before we go to the next round. There are even some reviews that could affect and adjust the way RPMs work in this round. Keep in mind, most of the RPMs, that matter, the things like the sunrise and the claims, they all disappear after a couple of months anyway under the new gTLD.

But there are lasting impacts of things like the URS and the consistent - what is it? The RRDRP?

Woman: RR - yes.

((Crosstalk))

Steve DelBianco: Exactly. So there are a few that persist permanently. So on this one, it's not due till April 3. A lot of time, which is great. But on that, what we want is members who are experienced with rights protection mechanisms - where's (Martin)? Did he just leave? Somebody who's experienced. I'll volunteer him, too. Volunteering (Cat), Phil? I got you volunteering...

Phil Corwin: No, I got to raise a point of information. I believe that this is the staff report on the RPMs for new TLDs. They asked the GNSO Council for a six-month delay in delivering that report. So it's not going to be delivered until October 30. So I don't think this April 3 deadline is valid anymore.

Steve DelBianco: I think it is. Touch the link on my item, and you'll see the report's already been published. I think it is. So this one's been published. It's a draft report. Maybe what they're saying is they want to take their time on the final. But would you check on that? It's possible that the draft report is full of unanswered questions and unfinished business, and they want more time to reissue the draft.

Phil, you and Susan, would you check on that tomorrow during Council? And if discover there's a delay, that'll probably be good news to the volunteers, (Cat) and others, who are on it. Anyone else want to join (Cat) on this one on RPMs? This will end up mattering not just for the current round, but the new round.

J. Scott Evans: I would also (unintelligible) on this one, to make sure that we know where they're headed on this one. We need to come out strong and unified (unintelligible), and we can't afford to (unintelligible). We need to be strong and solid.

Steve DelBianco: Thank you, Phil. Oh, sorry, no. J. Scott. I do want to mention, too, that there are multiple bites of the apple on the next round of RPMs, right? There's a review we have to do, sort of the (unintelligible) commitment.

And the GAC insisted on independent review -- not a staff review -- one year after the 75th new gTLD was initiated. And that was agreed to at the first Singapore meeting. And I don't yet know if anything is moving on that. The GAC doesn't even - maybe they don't even remember that they got that.

Man: They remember.

Steve DelBianco: Oh, they do. All right, great. Okay, I'm going to turn things over to Susan Kawaguchi and Phil Corwin, our counselors, to cover Channel 2. Brenda, you're scrolling it up? Thank you.

Phil Corwin: Thank you, Steve. Phil Corwin. Just before getting into that, I want to very briefly circle back to one thing.

On the potential extension of the IANA contract between ICANN and the US government, (Keith) (unintelligible) Brett Schaefer from the Heritage Foundation in Washington; told me that at the conclusion of the IANA group session on Sunday, which Susan and I were not at because we had Council meeting, (Larry Strickling) spoke.

And Brett asked him afterwards, face to face, whether the US government could do an extension of less than two years, and he said it would require amendment of the contract, and that ICANN and the US were going to have to agree on that. I think probably there's going to be a Senate Commerce Committee hearing on that the end of February, and (Strickling) is expected to - will probably be outside. Just wanted to update members on that.

On the Sunday Council meetings, I think the only issue I wanted to mention -- and I don't know, Susan -- is that we did go over the new plan for ICANN meetings. And the key thing there is that the mid-year meeting - the first meeting of the year is going to be just like the one we have now. Six days.

The second one's going to be four days. It's expected to be smaller; expected to be held in smaller cities, primarily Africa and Latin America. And I'm still not clear after asking questions the difference between (unintelligible) to inter-community discussion and intra-community discussion. But it's going to be a whole new type of meeting, and that's going to start in 2016.

And then the last meeting's going to be a day longer than this one, and there's more information at ICANN. But it's going to be a change after 2015 of how the meetings are structured. Do you have anything from the weekend you wanted to bring up?

Susan Kawaguchi: Well what was interesting about that is that when we came to the four-day meeting, we were like, does the GNSO meet? And basically it was said you have to decide. So, you know, this is a done deal, but not a lot of clarity on how it would really pan out and work.

Phil Corwin: Yeah, and adding to that, of course, the GNSO meets before the official start of the meeting now, and I don't know if that four-day meeting will have a day or two of pre-meetings before...

Susan Kawaguchi: It's not supposed to.

Phil Corwin: Not supposed to, but as some Board members at the meeting noted, even though they shortened the meeting by a day two years ago, they've been meeting earlier. So it hasn't changed much in length for the Board.

Man: I do want to comment, though, in April of 2014 the meeting strategy proposal was put out. (BCS), we had a member on the committee. And the BC put together a really nice set of comments. And we did support the structure rotation. So most of these ideas were supported by the BC in April 2014. And you can find that by scrolling down on the bizconst.org under Positions. You scroll down to April 2014.

So it's only a surprise because we're so busy with so many things, we've forgotten what it was they planned. And there were certainly some details that weren't apparent back in April.

Phil Corwin: This is now a done deal. There's no reopening.



Man: It's your agenda, but I think Marilyn's got her hand up.

Marilyn Cade: I just want to make a comment to all of you. Jimson and I were part of a budget working group last night, and what's really clear is that if you as the Council feel that you need to have that Saturday and Sunday as a working session, you're going to need to ask for extraordinary Sunday. So I just want to flag that for the Council to be aware of, and you need to get it in by the deadline.

I think also, although we did support this idea, we supported this idea before we really got into the massive amounts of work that we're doing. And I would just also say you may, as a Council, decide that instead of having that two-day meeting, you need intercessional working time.

But you're going to have to - I'm not saying you have to put the budget together for it in detail, but you've got to at least flag the fact, because the meeting's budget won't accommodate it. And what that means is the venue is not available, so none of us can get access to the venue on the weekend. There's no transcription. There's no this. There's no that.

Susan Kawaguchi: Mary Wong did say that the GNSO Council responded to the working group on this last fall before Phil or I were on the GNSO Council, and agreed to all of this. So she's going to send me the letter.

Man: May I? When the BC supported the second meeting -- the little short meeting, four days -- we said the BC supports while expressing a concern around travel. We questioned whether four days makes sense, because people are traveling from a long way away. It takes a day and a half to get there, and a day and a half to get back. It's difficult to justify just a four-day meeting.

But, you know, that was a wise thing to say, but we buried it as a concern underneath the phrase that said the BC supports this, while concerned. You know, lesson to us. Let's not support something about which we have grave

concerns. It'd probably be better for us to say opposed, because we enabled staff to check the box supporting the four-day meeting.

Susan Kawaguchi: And the four-day meeting is in Africa and South America. Is that...

Marilyn Cade: Yeah, that's primarily...

Susan Kawaguchi: Primarily, which to me it would have made more sense to say let's do it in London or Singapore, or wherever it's easy to get to; and where, you know, it's like okay, let's go somewhere in Santiago, Chile.

Phil Corwin: To add on that, they specifically said in the briefing on the weekend that they envisioned fewer people at these four-day meetings, which makes it possible to have it in venues where they couldn't hold a meeting for six or seven days, because the facilities, meeting and hotel, wouldn't support that big a meeting.

Whether that actually pans out in practice - we may have to envision a lot less business deals being done in the corridors at that mid-year meeting with fewer people there.

Man: Nick Tomasso told me this morning that countries like Ecuador and Bolivia are really anxious to hold a meeting, but until they get these little, smaller meetings, they don't have the facilities to hold them.

Marilyn Cade: That's (unintelligible), I guess.

Phil Corwin: All right, so turning to the public Council meeting tomorrow, why don't we just run through the topics. And some of them we can dispose of in about 30 seconds, and others we may ask for some guidance.

There's a very substantive issue's going to be the discussion of the CWG on the IANA stewardship. I think we have a good - we know what the BC position is. We all learned a lot more about the complexity of internal and

external and all that, and we'll just participate in the discussion. Anybody have anything to say on that?

And then the next item up is discussing the CCWG on accountability. I think we've been through that at length today.

The next one is progress toward launching the pending PDP on the purpose of gTLD registration data, which I guess - that's related to Whois and...

Susan Kawaguchi: Yeah, that's EWG, which I...

((Crosstalk))

Susan Kawaguchi: Present to the GNSO Council on Saturday, and then I also did that to the community. So I'm assuming most of you heard. The only concern I have - well one of my major concerns, let's put it that way, with this moving forward is that we've developed - the sort of Board-GNSO Council subteam has developed a pretty good strategy for pushing this forward. It's one PDP with (unintelligible) and lots of staff support.

But if the Board - because this is a Board-initiated PDP. If the Board decides, once we get through the preliminary report comment period and a final report, to just say okay, GNSO Council, we don't care what you do, here it is, and drops it in the lap of GNSO, I think we're going to get a different outcome than the Board saying we initiated this PDP. This is the first one ever, and we strongly support this, and want to provide as much support to move this forward.

So I think - you know, I think we're going to get something closer to oh, here GNSO. And the Board (unintelligible) checked off their box. So that's something. I'm not sure how we combat that, but that's one of my concerns with it.

Phil Corwin: Okay, the next one. Remember, I think - when was the last meeting?

((Crosstalk))

Phil Corwin: Suzanne Radell asked for a summary of all of the different work that's being undertaken on Whois, because there is so much going on. And I don't think that that's been done. And it'd be really helpful if the GNSO also reinforced that because, you know, there have been so many debates around Whois, I was on a Whois task force -- my God, I don't know -- 15 years ago.

And we really just need to get our arms around all of the different debates around Whois, and what we're being asked to do in each one of those, and how it's going to impact the overall system.

Susan Kawaguchi: There was a session helping Whois yesterday. And so we went through, you know, five major areas, I would say, you know, and this was one of them. Let me see if there's a document that staff will share, because I know that they are providing that to the GAC, because Mason Cole is the GAC rep from the GNSO. And so let's see if they will also share that with us.

Phil Corwin: Okay. Next item which I want to talk about for a minute, because I'm kind of in the middle of it, is the GNSO/GAC consultation group and related work. I think we're all aware of the fact that the GAC has not been well integrated into the policy development work of the GNSO. They tend to be very reactive, trying to redo things when they're about at the point of completion.

And the Council has, you know, set up some understandings. They've appointed Mason Cole to represent - to be a liaison from the (unintelligible) to the GAC. The GAC has not yet reciprocated with their own liaison to the Council, and may not be able to, because they have this problem of not being able to designate a particular member to represent the GAC.

But what I wanted - I'm in the middle of this. I'm co-chairing a working group on the curative right process for international intergovernmental organizations. And we were charged last year with a specific charter to look at whether these IGOs have the ability to protect their names and acronyms against abuse through UDRP and URS, or whether they need their own brand new policy.

And we've had a very good working group. Petter Rindforth from IPC is co-chair. We made a great deal of progress. After six straight days of working here, we're going to have a seventh straight on Friday where we have an all-day face-to-face facilitated meeting of the working group, of our working group, and expect to wrap up on the standing issue and get into the final issue, which is the claim of sovereign immunity by IGOs.

But what's happened, our working group was basically created to deal with an impasse where the Council said this and the GAC said the opposite. And as we began our work at the end of the LA meeting, the GAC issued a communiqué -- which of course goes to the Board and not to us -- saying oh, this working group, we don't want it to even look at amending the UDRP and URS, which our charter from the GNSO says we have to look at that.

And they said they should create something that's either free or nominal cost to IGOs, and we have no capability to create - you know, whether it's UDRP or some new CRP, arbitrators have to be paid. You know, there's costs involved with this.

And so we asked the GAC, you know, some questions. We said we know that you wrote to the Board. And, you know, we asked them a specific questions. We asked them whether they considered UDRP and URS to be nominal now with the fees there.

And all we got back was on the last day of the deadline for comments they - Olof Nordling on behalf of the GAC sent us a one-sentence email saying the

GAC would have nothing to say on this until after the Singapore meeting, which means we have no feedback from the GAC until after our all-day, face-to-face meeting. So whatever happens with it can only be better than the present situation.

But our work - and during the discussion of this at the Council on whatever day we discussed it -- Saturday, Sunday -- Chris Disspain, who has been handling this issue for the Board, suggested that maybe our working group should just suspend its work for a few months until things got sorted out.

And our response was no. We're working well, and if we stop now we're going to lose all the momentum. People are going to drop away, and we'll never get finished. We're going to deliver a credible, well-reasoned report by Buenos Aires, whether the GAC wants to engage or not. But so we're going to discuss this tomorrow, but the current situation can only be improved.

Man: I would reach out to Mason and see if - I mean this role was new. Let's make it what we want it to be. Phil, reach out to him and say - let's give a report to the GAC of where you are now or something. I mean you can make it whatever you want to be.

It's an untested, undefined role. And I think you should take advantage of that to at least let them know, and maybe you'll get some affirmation -- maybe not formally, but informally.

Phil Corwin: Yeah, we've been working very close with Mason. Mason's trying very hard, but frankly his job is kind of like pushing on a strength.

Man: Okay.

Phil Corwin: Next item -- I think this is a good one to get some initial feedback -- is potential CWG for use of auction proceeds from new gTLDs. Last time I checked, the auction proceeds exceeded - this is a final, last resort...

Man: (Unintelligible).

Phil Corwin: Yeah, that \$35 million could easily exceed \$50, \$60 million by the end of the process. And so I guess the open question is, you know, ICANN has waited. They have not yet decided how they will use these funds, and I guess some open questions are, should they just be able to put that toward general revenues?

And if not, if it's going to be a separate fund, what's it going to be used for and who's going to decide what it's used for? Is it going to be the Board? Or is it going to be some separate foundation?

Man: There's a proposal for a cross-meeting work group.

Phil Corwin: Right, right.

Susan Kawaguchi: Yeah, so we are agreed that it should be one, then.

((Crosstalk))

Woman: And just a little bit of a time check. We only have about four minutes left or so. No, until we move onto our final topic.

Marilyn Cade: Okay, I have one, and I have a comment, okay? Marilyn Cade speaking. I'm not so sure, at this point, that this is a good time to be taking up the disposition of those funds, and I'll just say so quickly why.

I think this is a very sensitive time for ICANN. It looks like they have a lot of money. This money is totally segregated. The procedures for how it's going to be allocated have to be thought about very carefully. This could look like ICANN is generating a pot of money and then is going to spend it in a way

that's going to buy favors or preferred treatment or attitudes by different people.

I'm a little cautious about launching this at this time as well, because of the burden of work on the community on accountability and transparency, as well as on the new gTLDs. And I feel like it would be a lot of self - it could be a short list of self-interested parties who come together to populate that working group.

Phil Corwin: So is it the sense of the BC that we want to defer creation of a CWG on this for a while?

Man: There's not a motion noticed yet, so you won't have a vote on it.

Phil Corwin: Right.

Man: And so don't play the deferral.

Phil Corwin: The issue before the Council would be whether and if how to move forward with an initiative to convene a CWG on this issue.

Man: I think the question as to whether...

((Crosstalk))

Man: How to develop a community working group that would come up with a recommendation on how to use the funds, right? So to Marilyn's point about - I think let's stick with the principle that it ought to be the community that decides. And we might add that there's a lot on our plate right now, and we want to wait for the rest of the options to finish, I think. J. Scott?



J. Scott Evans: I would be very interested to know -- maybe I can ask somebody at work -- what an obligation of them being a non-profit organization has with them holding this money? I'm not - I mean I just inform ourselves.

Man: It's not a foundation, so it's not profit about...

J. Scott Evans: Okay.

Man: Money. If you're a foundation, your obligation.

Rick Lane: ...against my policy. This is the...

((Crosstalk))

Man: Okay. Thank you Rick.

((Crosstalk))

David Fares: So the sense I'm getting is that we probably...

Man: I'd say it's your mediators you're looking for.

Susan Kawaguchi Yes it is.

David Fares: Yes. We - so the sense I'm getting is that the BC probably wants to defer a decision on creating a CWG right now, but we do want the funds just frozen...

Man: Frozen. Yes.

David Fares: ...until CWG is convened and decides what to do.

Susan Kawaguchi We can manage that.

David Fares: I'll just in the interest - the last two issues are - do you have a comment on...?

Marilyn Cade: No I just have one issue that's not on that list.

David Fares: Okay. Well the last two official issues are the - we're going to get the first report from the independent examiner on the GNSO review, which should just be an initial discussion.

The other one is an update on the ccNSO so that's the Council agenda for tomorrow.

Steve DelBianco: With respect to the GNSO review in yesterday's BC meeting we discussed this notion of maybe there could be a vision for restructuring. And we have a volunteer group that's going to do a little bit of a visioning exercise to help us understand if we wanted to push harder for reform/restructuring, what would it look like and that's J. Scott, (Kat), Stephane Van Gelder, Laura Covington and Marilyn. You all volunteered yesterday on a visioning exercise. Do you remember this?

Marilyn Cade: I barely remember it.

Susan Kawaguchi I remember it. I'm not on it.

Marilyn Cade: You need to forget.

Steve DelBianco: You were hoping I'd forget. All right. Good. Okay.

Marilyn Cade: Okay so the only other issue that came up and it's not an official issue but there was - in discussion of the EWG and the whole pushing that out to a PDP, several of the Councilors thought that we should put the next AoC WHOIS Review Team on hold and not seat anybody on that until we have a clearer picture of what WHOIS is going to look like which - while the - how many years has this been going on?

So I argued at least for 15 or 20 and so I argued strenuously against that perception. And one of the things I'm really worried about is that, "Oh well, so do we put the WHOIS Review Team on hold? Do - what's the next AoC that's supposed to be seated?" You know - oh...

Man: The new gTLD program review.

Marilyn Cade: Yes and so is the community so overwhelmed we can't - we're going to give up on the AoC? I'm assuming no.

Man: No.

Marilyn Cade: So want to make sure...

Man: We'll keep ahead on the affirmation review on the new gTLD program.

Marilyn Cade: Okay.

Man: Bring up a good point. Should we or shouldn't we start the planning process for the next WHOIS review?

Marilyn Cade: I think we should because the EWG is not going to change anything for five years.

Man: Yes.

Marilyn Cade: So there's a lot of WHOIS issues. And Lars just provided the link to the document that was provided to the GAC, so I forwarded that to the BC private.

Man: (Bill), Susan, thank you very much. We'll be in the audience tomorrow to help if we can. I think Aparna and I will try to be - certainly for the morning session on CWG and CCWG.

David Fares: We have one more topic before we move to the next one and that is Marilyn you wanted a little space here to talk about the CWG IG, and then (David) if you wanted to add anything as our CSG Rep and then we'll wrap for the next session.

((Crosstalk))

Marilyn Cade: So very quickly -- Marilyn Cade speaking -- I sent a short summary to the list but I'm just going to recap it so everybody is fresh there. We - the CCWG IG is sort of what -- fell into a hiatus when many of the participants became involved in the other two...

David Fares: Yes.

Marilyn Cade: ...Working Groups, the one on Transition and the one on Accountability.

((Crosstalk))

Marilyn Cade: Didn't go away. We just weren't taking as much focus. We met again during 51 in the last meeting, and one of the topics that emerged is the issue of whether or not ICANN Staff and Board are listening to the output of the CCWG IG.

This group just as a reminder actually was formed because of the strong concerns of the community about the NETmundial just emerging.

Man: Tell me what that acronym stands for just to start out.

David Fares: I know.

Marilyn Cade: Cross Community Working Group on Internet Governance. So we did issue a sense of the CCWG on IG. That is - it was not a consensus document and it wasn't endorsed by the constituencies on NETmundial.

We agreed in the meeting in L.A. that we needed to figure out whether the - we're going to be listened to or not. We also agreed that instead of having the Staff plan the Internet Governance session that this Cross Community Working Group take those on.

So on Thursday - we met yesterday. We have high - we have senior turnout. We have (Tara) coming. We have Sally coming. We have really significant interest in attendance from the Staff.

We have - we had about 65 people including some of you all in the room yesterday. One of the things that has to happen is our charter somehow when it got approved by the various SOs changed the composition of the membership.

We had four representatives on the group and we ended up with only one, because the GNSO Council agreed to no more than six. So the way we're addressing that is to take the model that exist in the CCWG Accountability, which basically says that participants have equal standing with members unless there's a vote and we don't envision there being a vote.

So that means it's open and people who've come in recently who are interested - I know (Cheryl) has indicated interest and I think (Carolyn) has, so there can be an expansion of participation.

The session on Thursday, which is at 11:15, will have two segments. One will be almost like an open consultation on the community's views about the NETmundial initiative, and the other will be an update on three key activities in the Internet Governance landscape, one being WSIS+10, the other being

the UNESCO meeting that is occurring in March, which is focused on WSIS follow up, and the final being the renewal of the Internet Governance Forum.

So those three topics will be covered and then hopefully for any of you who are interested you'd be able then to sign up for the participant list and be able to follow the discussions, and participants can post as well so you can actually actively participate.

Elisa Cooper: Thank you Marilyn.

David Fares: Anything new?

Elisa Cooper: Anything? (David) - update from the CSG.

David Fares: Just very brief in the interest of time. I mean, the bulk of the work has been focused on preparations for this meeting. Thanks to Elisa and Marilyn for the work on that and in particular for your guidance to me as I step up, so thank you very much and that's what I think.

Elisa Cooper: Okay.

Man: When we talk about the Internet Governance Cross Working Group...

David Fares: Mic.

Man: ...make sure what is best. When I went in there...

Man: I'm sorry. And all the other stuff so that - I don't know if we can make sure that it's more clear so people don't think it's something else, that this is a place where we're going to talk about human rights, everything else.

Marilyn Cade: It's Marilyn speaking. I'm not going to tell you we're not going to talk about human rights because we seem to be talking about human rights everywhere.

But this question of - sorry, this question came up and one of the big topics that could have happened on Thursday but it's going to have to be postponed is what is the relationship between that community and our input and the activities and actions of the Staff, the CEO, et cetera?

It's very much a topic of, you know, can we get on the same page and give guidance that is accepted as opposed to learning about things later. One of the things you have is the report that ICANN presented, and the feedback from the Cross Community Working Group was that's after the fact.

We'd like to have input coming earlier so more from us about what kind of guidance we do want to provide.

Man: And this gets back to the account rippling - this gets back to the accountability issue that we talked at the very beginning, which is if they're going the wrong direction having Keith make sure it doesn't create something that's outside the scope.

David Fares: Yes regarding the CCWG on Internet Governance I think we spent a lot of time talking about the different initiatives and not focused our work on giving guidance to ICANN.

And maybe we need to send a letter to ICANN outlining a few key points, cease and desist on the creation of new organizations, you know, a few other things so that they know the community, where the community is and say, you know, "You need to consult with us before you take on any new activities."

Maybe that as the BC members of the CCWG on IG - that's what we need to recommend that should be the next...

Man: Yes.

David Fares: ...piece of work.

Marilyn Cade: Yes. Yes.

Elisa Cooper: And just to let folks know when I met with the Board - when the leaders were invited to meet with the Board that was the very first thing that I told them was that they really need to cease any new top down initiatives, and anything that they want to move forward with needs to come from within the community. So that was a message that they heard and they understood and they did...

Man: So they were told.

Elisa Cooper: They were told. They seemed to understand it. They asked - well if they did have an idea - I said, "Look, the idea can come from anywhere but you need to bring it to the community, and then the community needs to have consensus before we move forward again with any kind of initiative.

Man: And I said that exactly to Fadi. You know, a top - a bottom up initiative doesn't mean you're, you know, forcing it down someone's throat.

Elisa Cooper: Right. Right. So thank you Marilyn and so I feel - it seems I'm always doing this to Jimson and so hopefully folks you can - we can spend an extra five minutes past the half hour, because I do want to give Jimson an opportunity to talk a little bit about outreach and then criteria for outreach. Jimson?

Jimson Olufuye: Thank you very much Elisa. I have something on the screen there. Just want again to appreciate the BC, the support given to - in the second - I think there's a meeting - Cairo.

And that support enable us to bring in two executives. I believe you have received the newsletter so we have some report right there in the newsletter. Again thank you.



Following up to that we were able to get some high quality fields to support what we're already doing. In Cairo we had (Asosho) with us and one business leader from Nigeria, and also using the (Ledaxi) program or that (Vishal Dashi) program support scheme so we are with those here.

The Secretary General of the (Ishal Ushernig) ICT Industry Organization - that's (David Child). We have (David Child), the Secretary General of (Asosho).

(David Child): Thank you.

Jimson Olufuye: And also the Vice President of (Jubaman) is - the (Jubaman) is the - like this online job company in Sub-Saharan Africa outside South Africa and he's also the Chair of (Whogohoods), a new member, (Opayemi Oyayemi).

So first let me note that he was to hearken to (Steve)'s call and he wants to join...

((Crosstalk))

Jimson Olufuye: ...and we support...

Man: On the WHOIS reports?

Jimson Olufuye: Yes so just remember his name, right? Okay so - well we are most welcome. Now I - when we discussed yesterday I got a feeling that the old House - we are full consensus concerning the outreach and it is very, very good.

And so we have this outreach criteria - a typical criteria which has been put together and it is sent to the list so I believe many of you seen it. The only comment - there's a comment I saw that subjecting to a point right there.

I think that could be a focus of our discussion. In the criteria we have four categories. The first category - using CROPP. If you look at this idea - I don't need to go to it because of time.

So on that CROPP we talked about who should benefit and we mentioned a issue of members/members. Members/members is for example a fixed price a member.

For Africa to have members (etnu) AIM - easy to do. They are members. They also have members so all their board like on the Board of our (fixa) we have CEOs or directors of companies that are there.

So the point is that - and they also have with outreach a diverse - personally of course you know the limitation of flesh and blood so maybe we need to do more.

So that's in addition to using a CROPP to get that done. It's really in the Africa. Actually focus is Africa for us understanding that and I believe he is - the people will be in Latin America.

And perhaps (Asosho) might be Asia down the line. Even in (Asosho) there are CEOs that are a member of the board as well so I think we could discuss this and we go ahead.

Do they know about this? They have to know. They need to have the materials. In fact I think it was discussed and decided we need to have a one-page material.

I know that if we have that then that could easily feed what we - the strategy we're trying to put in place to put in outreach - to outreach so that is a key point there that we need to look at there.

And lastly, there are some members of - there are some applicants that applied. Some people applied to be member of BC but they could not - they are disqualified because they could not pay the required fee.

Some asked for 80% or some with a waiver and the - (Esther) said, "No, got to give 50%." Thanks to BC yesterday we said 75% - of the 75% so maybe with that we contact, you know, those candidate.

But the point is that there are some that applied and who were rejected. So (Esther) recommended can we still keep in contact with them one way or the other - not actually in our list?

But like ICANN 53 is coming. This is coming up and we have some maybe newsletter - send them newsletter to look at these because somebody that doesn't quality today - they might quality tomorrow. So can we also look at that?

Elisa Cooper: Yes.

Jimson Olufuye: So those two key points.

Elisa Cooper: So I'm the one who said we shouldn't provide the CROPP funds to members/members, and it mostly has to do with whether or not they have a very - well a thorough enough understanding of the BC or ICANN.

And if they do have a good enough understanding of the BC or the - or ICANN I don't have an issue. I just want to make sure that they understand enough to - for the outreach.

David Fares: This is (David). I wonder how do we assess whether they do or not?

Elisa Cooper: Whether they know? Yes.

David Fares: I mean, also a lot of conversations take place on the list. A lot of, you know, the dynamics of the BC you understand from engagement with the BC, and I guess that's my challenge about members/members.

And trust me I worked for an association and so I very well understand that sometimes there are members who may be very knowledgeable. But to be honest it was the members who attended who were the most knowledgeable and engaged.

And so they were the members who - members of my - who - when I - was association that were also members of the BC were the one who were most actively engaged.

We did have some members that provided a substantive input but they would not have been able to provide great clarity about how the BC functions, and if they get a question about how the BC functions they would be challenged.

Elisa Cooper: (Kat).

(Kat): To the point that one of the directors made this morning at the meeting, you know, and that if our goal or - it should be our goal to recruit new members. And one of the ways we may be able to do that to help them navigate this new landscape, and I know personally it's a challenge for me, is to offer some sort of mentorship or to put together some sort of, you know, resources.

So whether we bring someone in through the CROPP program or we bring someone in through reduced dues we have resources available, so from the get-go they're given information about who we are and some background about what the issues are.

And then when they come in they're sort of led maybe with a little bit more handholding and maybe some volunteers so that the folks here can look on...

Man: A great idea.

(Kat): ...doing that. I know like for instance that would be really helpful to me. And I - and for the - for those of you who have reached out to me to help with that I'm very grateful and I'm happy to pay that forward.

Marilyn Cade: I just want to follow up on what (David) said and use a specific example of (Witza) who was a member and I hope will rejoin if there's a fee reduction. The Staff person, Anders Halvorsen, was very familiar but so was Waudo Siganga and eventually so were you.

And maybe in the criteria we want to add the assumption - the criteria that it - a members/member but it has to be someone who has been actively engaged.

Some of our associations have multiple people on the list and needs to be someone who's actively knowledgeable about ICANN and about the Business Constituency in order to qualify, because I take your point (David).

You know, some members are able - being on the association board actually brings with it the responsibility if you're the Chair of representing the association, so it's not just the Staff who also is - represent the association. Maybe we could just put a footnote in that adds that criteria.

David Fares: It was a little different though Marilyn. I think it is that it's impossible to understand how the BC works unless you're a part of the BC conversation. You can say, "This is ICANN. This is why ICANN is important to business.

Marilyn Cade: I totally agree with you. That's what I was doing.

David Fares: Oh.

Marilyn Cade: I was using the fact that Waudo - even though Anders Halvorsen was the Staff for (Witza) Waudo was on the list and attended, right.

David Fares: Oh okay.

Elisa Cooper: Yes.

Marilyn Cade: And he attended the meetings.

Elisa Cooper: Yes I think it has to be somebody who's actively engaged and they can be. The thing is I don't actually know of any members/members who are actively engaged right now.

David Fares: Because they're not members.

Jimson Olufuye: Well maybe I could just quickly comment on that. We have a newsletter, you know, and we pass those member to newsletter and every time - but if you go to the Web site now it's all on ICANN news. You know, at least anyone could go on that so this is there.

So awareness and being to - being able to know what is going on may not be quite cumbersome to do it physically. And also they're on the list, you know, like apart from myself too so it's one pool.

In Africa there are two/three more people underneath and also one is the total there. I think there is another lady that's underneath and so on and so forth. So we are quite - it has to be somebody that knows quite - have considerable know-how about us.

Elisa Cooper: So there's a few - yes a few comments. (Steve), Rick, J. Scott.

Steve DelBianco: Just - and if ICANN provided funding under the CROPP program for one of my members/members, are they then - they're being paid for - to go attend an event - an outreach event.

And the questions that they would field - the pitch they would make is largely to get their audience to be interested in ICANN and to channel their interest into the BC as a place for them to receive them in ICANN.

To do that they need to talk about why ICANN's important to business, but they don't need to know very much about the internal workings of the BC. They're trying to convince someone that, "Yes you want to pay attention to ICANN.

It matters to your business and when you go to ICANN there's a place ready for you at the BC." I don't know why (David) they need to know anything more than that because they don't have to describe the inner workings of the BC.

Elisa Cooper: Rick and then J. Scott.

Rick Lane: Sure. Sometimes I think I - this reminds me of The Matrix. Like do you give them the red pill or the blue pill because this can be such a rabbit hole once you do it?

I do think we have to make sure that we're realistic of how many people. I always like to hear new blood/new blood but sometimes, you know, there's no new blood because there's just not interest.

And you have the same people doing it and so I - sometimes I think it's great to do the outreach and we need to continue to figure that out. We also - not have expectations being so high that we are going to have a lot of new people.

It takes a lot of work. Anybody who's been part of an association to get new members...

David Fares: Oh yes.

Rick Lane: ...you know, the chamber, you know, I could give a million reasons why it was a great organization to join and, you know, they say no.

David Fares: It's not in my budget.

Rick Lane: ACT, U.S., you know, UCB - all of us have had that. I also wanted to share when you do talk to them that they're realistic about what the time commitment's going to be, because it becomes so overwhelming.

It's sort of like when you got your syllabus, the beginning of, you know, when you're in college and you see all those books. "Like there's no way I'm going to be able to get through all that," because it's just so overwhelming.

I think we have to have expectations and talk to them. If they're interested maybe just have a one-on-one call and the mentor idea, which I absolutely love, you know, just get people comfortable with it and going forward and try to do it, you know, one at a time.

Having the papers, the information, having the mentoring system so they feel that there's a process to get them through the rabbit hole of ICANN I think is just something that we can build a structure and get people to come in, but I just don't want to have expectations being too high.

Elisa Cooper: Thanks Rick. I guess one thing I will say - we're not using our CROPP funds now. Now I don't think we should be just giving them away to people to use that don't know about ICANN, because the funds are to be used for somebody to conduct outreach within their region.



And so if that's what they're to be used for then it needs to be somebody that's knowledgeable enough to talk about why a company should join the BC, and I think a little bit about how we work and what we do. That said like we're not using them so J. Scott.

J. Scott Evans: Is there no way we, I mean, it just seems to me like having a prohibition/not having a prohibition is silly. Why don't we just have the Credentials Committee?

You have to file an application and you're going to do the outreach, and you do a little application and they have to decide whether they've done it.

Elisa Cooper: Well we do have that to some extent. So there's an Outreach Committee now and...

J. Scott Evans: Okay.

Elisa Cooper: ...so they should approve...

J. Scott Evans: And they should approve...

Elisa Cooper: Yes.

J. Scott Evans: ...who all those people are and if we find that they're approving the wrong type of people then we can fix that process but we should allow that process. Just let people volunteer and we have to vet them.

We have to make sure we're comfortable with them and if we are we assign the funds and we do the outreach. And if we have a problem, the wrong people are getting selected, then we fix that process I think.

Elisa Cooper: Well I think part of the reason we're having the discussion is because Jimson prepared essentially some...

J. Scott Evans: Criteria.

Elisa Cooper: ...criteria. And so the criteria says that it can be a members/member, and so I have issues with it being a members/member and so that's why we're having the conversation.

David Fares: Can I make a proposal that we find a happy medium in this that a members/member who's knowledgeable of ICANN and the BC and there's some sort of approval process of the members/member?

((Crosstalk))

David Fares: Why don't we just find that happy compromise and just go that way?

Elisa Cooper: Yes.

David Fares: Can you just add something in that - in the - in a new document and circulate it around to make sure everyone's comfortable with that kind of caveat?

Elisa Cooper: Yes, yes. And I think that totally makes sense. Yes so the recommendation for the Finance Committee to continue to engage with past applicants - I think that totally makes sense.

All right. Well thank you everyone for staying past the allotted time. I appreciate everyone's help. Yes I do too. So thank you everyone. Our schedule for one final meeting tomorrow at 12:30 to 2:00 - we - really take that long but we will be up front for the public forum and in terms of what we want to say. So again thank you so much and I'll see you all soon.

END