

ICANN

**Moderator: Gisella Gruber-White
April 14, 2015
8:00 am CT**

Coordinator: Thank you, sir. The recordings are now started. Please go ahead.

Leon Sanchez: Thank you very much. Good morning, good evening everyone and welcome to our CCWG on Enhancing ICANN's Accountability Call Number 22 on the 14th of April of 2015.

I'll remind you to if you haven't done so if you'll in your statement of interest as usual, if you have any problems filling it out, you can always ask support from staff in order to access so we can - so you can fill it in your SOI probably.

I believe that there are still some members and participants that haven't done so. So we kindly urge you to please fill in your SOIs for those who haven't done so already.

As always, the roll call will be based on those present on the Adobe Connect room. But now I would like to call anyone that is in the phone bridge that is not connected to the Adobe Connect to state their name so we can of course add you to the roll call.

So if there's anyone in the phone bridge at this stage that is not connected to the Adobe Connect room could you please state your name at this stage?

Okay, so hearing no one on the phone bridge else than those connected to the Adobe Connect room then we will call it's done with those that are present through the Adobe Connect room.

On the next point of the agenda, we have our legal advice presentation and discussion by our friends from CPS and Adler & Colvin.

As you might be aware one of the essential points of discussion through our last meeting, although I wasn't present in many of them but have caught up with email as soon as I can have of course the need of the legal advice with regards to the many proposals or mechanisms that so forth have been put on the table for evaluation and of course assessments to build out proposal for public comment.

So we asked the lawyers to come with us today and make a presentation for us so we can better understand their document that they have sent.

As you might remember we received several documents we believe advice from our external lawyers, one of the most important one with the templates that have their recommendations from the lawyers highlighted in blue at the end of each template.

And if you were able to review that document, you will note that there are some mechanisms that are more viable or feasible from the legal point of view than others.

And our friends today will be able to set this more clear to all of us. Of course we will have time for questions and answers.

And we will also be hearing (during this) to which would be of the mechanism that would be most likely to be implemented from an easiness point of view and from SP point of view.

So I would like to focus on what is most easy to implement to the ECS to explain and of course understand and the one that is more likely to be implemented in time.

So I see two hands up. I see Holly Gregory which is to which I will hand the call for the presentation. But I don't know if you have any questions or comments before going to you Holly. Could you please state it at this point?

Holly Gregory: Good morning, (Leon). I just wanted to make sure that you had the slides that we sent last night.

Leon Sanchez: (Pat) do we have the slides for the legal presentation?

Josh Hofheimer: Yes, they've just been sent.

Leon Sanchez: Okay, could we please upload them...

((Crosstalk))

Josh Hofheimer: (Brenda) should have them.

Leon Sanchez: Excellent. (Brenda) could you please upload the presentation to the Adobe Connect so we can follow the presentation along with our friends from legal advice?

And meanwhile I'll go to Kavouss whose hand is up also. And Kavouss could you please comment on...

Kavouss Arasteh: Yes I ask you to add one point to the agenda, but someone's typing that is under AOV. But I don't think it is AOV. It is more than AOV. And the point I'm going to ask you to please kindly add one item to the agenda dealing with the complaint and objections made with respect to the number of the meetings and the documentations and all these things as inconvenient of the time. Please kindly at this issue. Thank you.

Leon Sanchez: Thank you very much Kavouss. I believe this will be addressed for our agenda point Number 3 which is the CWG work plan and timeline.

And of course we will take this into account. It's been added to the agenda of the section of any other business. But it will of course be addressed if it gets on agenda point Number 3.

So with this I'd like to hand the call to Holly Gregory for as the legal advice presentation and discussion.

I don't see the presentation uploaded to the Adobe connect room already so staff if you could please help us with our very short time and have many things to address. So it would be excellent if we could start as soon as possible. So with this I hand the call to Holly Gregory. Holly could you please take the floor?

Holly Gregory: Thank you very much, Leon. And we can begin while they get the slides up. Really greetings are all on behalf of the Adler Colvin firm. We want to thank you for this opportunity to discuss the legal framework that your - that you need to understand as you consider how to enhance ICANN accountability.

We're going to ask that you reserve questions until we've gone through the slides so that we can provide our recommendations in the most sufficient manner. But I assure you will have plenty of time for questions. And when the slides come up we can just jump to Slide 4.

Leon said at the outset that, you know, part of the considerations in our April 10 memo are around not only legal viability, but also clarity and ease. And I want you to keep that in mind as we go through this.

We've analyzed the mechanisms and powers that are under consideration. And we believe that under California corporate law together with contract law, you have powerful tools to improve ICANN's accountability through an empowered community that can determine the composition of the Board, replace individual directors and recall the entire Board, amend the bylaws, approved bylaws changes and review and approve certain Board decisions.

Now the devil is always in the details. So, to provide the ICANN multi-stakeholder community with these powers it's going to be important that we consider how that empowered community is organized, how that community is given what we call some form of legal recognition, and legal personhood if you will.

There are several paths that will work. But we believe that the clearest and most direct path from a legal perspective is to organize a membership body

for ICANN made up of the same groups that are currently have power now to select directors.

Now the other path would be a designator model which we will discuss a little bit so that you can understand why we think the membership model is a better path.

But we want to be clear that we think other either model. There are ways to do much of what you want. The membership model, however, provide you with greater ability especially when it comes to the ability to review and approve certain Board decisions.

So I want to underscore -- and I'm now on Slide 5 when the slides come up but under corporate law, you have powerful accountability rights that really center on several things, the fiduciary obligation of directors to uphold the purpose for which ICANN is formed.

And that purpose is stated in the articles and it is further defined in the bylaws and the communities if properly organized will have the power to hold the Board of Directors accountable to their corporate purpose.

There's also the power to determine Board composition through reflection removal of individual directors. That's a very powerful mechanism.

Also the power to recall the entire Board, which we think should be used in the same circumstances, because there's some difficulties around that. You can never have a moment in time when you don't have a Board.

So we will have to do some, you know, some, you know, legal efforts to make sure that there are mechanisms in place so that when you do if you ever do

recall the entire Board there's a means to automatically have another Board in place.

The power to amend the bylaws is also very powerful too. And we would suggest also the power to approve or reject any efforts by the Board to amend the bylaws.

And finally the power to give additional approval or rejection rights, you can call these veto rights. But I think of them as approval rights, approval and rejection rights can be reserved to members.

This is the chief distinction we believe between the membership path and the designator path.

We could go to Slide 5 and I see that...

((Crosstalk))

Thomas Rickert: This is Thomas Rickert speaking. Sorry for cutting across you. But it's only now that we have access to the slides.

So maybe you could give the group like one or two minutes to go through the first five slides so we make sure that everybody gets to..

((Crosstalk))

Holly Gregory: Let's get through them and I can - I'll talk through at a very high level. Please go to the next slide please. It's Slide Number 1.

Thomas Rickert: Everybody in the group has slide controller I guess.

Holly Gregory: Okay. So I'm not going to spend any time in the agenda slide. It's just talking what we're going to do. Let's go to the next slide which is qualifications Slide 3.

That slide just tells you that we've provided you a memo on April 10. It has much more detail than what we're going to cover in this slide presentation and gives you the usual caveats that these slides have not been reviewed by any third parties, including ICANN staff because we're using all of our efforts to be your independent counsel.

Next slide.

Woman: And I don't - I can't control the slides. I don't know who can.

Man: Well staff is taking control back of the slides which means they need to scroll them for us.

Holly Gregory: Okay. This is the introductory slide where I told you that you have some powerful tools but they depend on how you organize the community and our recommendations that we believe creating ICANN as a member organization is the most straightforward path will provide you with the ability to undertake the powers that you seek.

And you can go to the next slide. Again, this was the walk-through of what those powers are. Okay. You talked about corporate purpose. Okay, I think we're fine if you can just leave it here for a moment.

So I wanted to talk a minute about the corporate purpose that ICANN was created for a very specific purpose. And this is at the heart of the accountability mechanisms that we're trying to create here.

You want somebody that can hold the ICANN Board and staff accountable to the purpose for which ICANN was created.

And the poll star for all the activities of a corporate Board of the nonprofit is centered on that corporate purpose for which the state provides their - it's very special ability to be a not for profit.

One of the things that we know you're very interested in is the affirmation of commitments and how to make sure that elements of that can be preserved after the transition.

And we believe that there's the affirmation of commitments can be incorporated into your governance documents which is the articles of incorporation and the bylaws most likely who you put them into the bylaws.

Any changes to that purpose statement or to the articles of incorporation and bylaws we've structured to make sure that we require the approval of the members or if we take instead the designator pass the designator.

So we go to the next slide. Okay as you know the Board has the authority and the responsibility for managing and directing the chairs of ICANN.

And individual directors have very expressed duties that they owe to the corporation. The most important is this duty of obedience that carry out the purpose for which ICANN has been formed.

Each individual director also has further duties to act prudently. We call this the duty of care, prudently use information and with care and also in the best interests of ICANN.

Now the Board can delegate to others, but always retains the ultimate responsibility for decisions and for oversight.

We do believe that creating a membership body will strengthen accountability not only of the Board, but of individual directors.

As you know directors have to apply their own judgment about what's in the best interest of the corporation.

But individual directors may and really should consider, you know, what they know about the community body that appointed them and bring that into the Boardroom.

And we say accountable membership body helps to underscore that point as well that while directors have to act in the best interests of the organizations they are not expected to leave at the door their understanding of what particular elements of the community believe are important in ICANN's function.

Could we go to the next slide?

Leon Sanchez: Excuse me, before we the next slide maybe there is some question or you also want to go ahead?

Holly Gregory: We're going to leave questions until the end so that we can get through the slide and go back because you may find that your question is answered.

I can drill down at a much greater level of detail. So in order to go through a lot of information efficiently we would like to go through the slides first if that's okay with everyone.

We put up on the screen now a picture of your current Board of Directors. This is from ICANN's Web site. And we're putting this up because you will see us map out other pictures that are based on this that show you what we're thinking in terms of this member organization.

Again what I want to reiterate, though, is that what we're considering is member organizations where you have the entities or groups that currently have the ability to designate directors on this Board. It would not be a membership of thousands of people in other words.

I'm going to turn the discussion of the member structure that we're proposing to Rosemary Fei of the Adler Colvin firm. And she's going to go into more detail about our recommendation and also, you know, how we came to it, and what some of the things are that we considered, what we think of as possibly as a second-best solution. So with that Rosemary I turn it over to you.

Rosemary Fei: Okay, next slide please. Good morning everyone our evening whatever time it is where you are.

So our - Holly pretty much covered what's on this slide because we recommend that ICANN be reorganized in order to have members where the existing stakeholder groups which could be the existing SOs and ACs for example who already designate your directors would become ICANN's members.

And you preserve the fiduciary duties and obligations of the Board while giving the community much more well-defined robust powers key being the Board of Directors, control over that, control over the articles and bylaws, the governing documents and standing to enforce corporate purposes and other rights under the law.

And the community would not have fiduciary duties, the members, in other words but the Board would. And then we'll talk about those other mechanisms. Could I have the next slide please?

So we - I want to back up a little and talk more generically about member structures.

The primary role of members is to elect and remove directors. And we would envision not one huge membership even just consisting of the SOs and ACs for example. But that we would classify the membership which means that I would expect each entity that would need to appoint a director would be created as its own class of member which means that the members aren't voting together to put people on the Board or remove them.

Each class chooses internally who it wants to put on the Board. Each - the classes of members have the right - their right to elect directors is heavily protected. There are detailed statutory rights and protections for membership in the corporate law.

While this gives a certain lack of flexibility and protections come with some costs of protected members can sometimes maybe be more disruptive.

They have the right to sue. So there are some downsides.

But I think in this case, we felt that the importance of these rights to you would make it worth it to have them in a form that is statutorily recognized and protected.

While members may be natural persons or legal entities, we are recommending that in this situation they would be legal entities. You can't have a non-defined amorphous internal organizational unit be a member.

And so what that would require is that we would take each of the existing SOs or ACs or any other component that you decide should have this status of membership and we would form it as an unincorporated association.

That is a relatively low threshold especially in light of the degree of organization that you already have in ICANN's governing documents and elsewhere that describes the internal workings of these various bodies that already exist internally.

Really what the articles of the association would do would say that for purposes of holding certain contract rights and membership rights that this previously internal organization unit thing is now going to become a separate legal person.

It would not as we envision it now there would be no right in this under the articles of association for this entity to have any assets so that at least in the short run, we would avoid having to worry about exactly its tax status or having financial statements or anything like that because it would have basically no financial existence at all, just a legal existence for holding contract rights and membership rights.

The statute provides for reserved powers. And pretty much the bylaws can say what powers are reserved to the members.

So you've listed various things you want. We think that one way or another, you can have them.

It is true that there is some balance to be struck between excessive powers reserved to the members that can result in an overly disempowered Board. But we think you can get what you want.

Members as noted earlier have no fiduciary duties, no liability for corporate actions.

I mentioned that there is some additional complexity from having a membership. Its - I think it's also important to point out that this is a little bit of a one way street.

It would be difficult to eliminate members. If you put them in and maybe that's what you want. And it would be difficult to change the membership unless all the members agree to change again.

Next slide, please.

So we then took that diagram that you saw for the current ICANN structure and indicated in that purple a pinkish color, who under the existing terms, the members would be.

Note that the Nominating Committee down at the bottom there, the blue box, one of the blue circles sorry, is a question mark because it's nature is that it's representative.

And if you wanted given the membership structure we could make the Nominating Committee a member or we could essentially eliminate it and parcel its rights out to new entities to be determined if you wanted to do it that way.

I mentioned that members would need to be unincorporated associations.

It is one of the things that's somewhat that the membership form is not ideal for is for one class of members to be able to vote on another class of members, directors, or to remove them.

So we would use contractual arrangements to allow the groups of members, the classes of members collectively to be able to vote to recall the Board and then contractually have each classes' members removed. Next slide please.

So the accountability mechanisms, again are that classes can remove and replace their directors, that a contract would be used for the full recall. Some details still have to be worked out there.

Members can unilaterally amend the bylaws even without the Board's consent.

The Board can also amend bylaws of a membership corporation, but only if it does not affect member rights as to voting. And if you want that right could even be taken away so that the Board wouldn't even be able to amend ICANN's bylaws.

Members certainly can veto Board's attempts to amend articles and bylaws. We can have these reserved powers that would essentially either take an

action away completely from the Board, require a Board action to be approved or unilaterally go ahead. So and the membership could actually act on its own.

And members have the right to sue for failures that either involve director's breach of duty or a misuse of a corporation's charitable assets, meaning that they were not used for the purposes tying back to the purpose discussion that Holly gave you earlier for which the corporation is organized.

Next slide, so that is an overview of the membership structure. Obviously, there are still details to be worked out. As Holly said the devil can be in those details. But on balance, we think that's our - the best route forward at this point.

We did however look very closely at a couple of other options mainly at this designator option.

I know you all got a copy of a memo that was done for another group about the designator structure that's currently in place in ICANN and how it can be strengthened.

We basically agree with what's in that memo. But we would also envision changing it somewhat to give the additional powers that you want the community to have.

So the primary role in governance of designators is also like members to appoint and remove directors.

Unlike members there is virtually no statutory framework or protected rights beyond that. And even some limit to be able to create one under the corporate law rules.

Natural persons can be designators or legal entities. We would recommend strongly that we use legal entities here.

The statute does a law for the articles and bylaws to require the designator's content consent to the Board's ability to amend those documents.

There's a really no basis for designators to review Board decisions. Maybe something could be constructed contractually but it would be a lot more complicated I think.

The designators are not given statutory standing to sue on behalf of the corporation. Designators have no fiduciary duties like members. They have no liability for corporate actions. Next slide please.

And so again we took your existing structure and we mapped the designator structure onto it. And you'll see no, that was the right slide, the diagram please.

Now instead of the sort of pinky purple color that you got for members you have a greenish color for designators. But other than that at this level, the two slides look very much alike. Even some of the comments at the bottom look very much alike.

So can we move to the next slide where again from my overview of designator rights I think you already know that there are some differences.

Designators, the accountability mechanisms in a designator structure are the designator's power to remove and replace their own directors. So if we turn

each SO and each AC, for example or some of the ACs into designators then they could remove and replace their directors.

We would use a contract among the designators to be able to recall the full Board. Designators could veto attempts by the Board to amend articles or bylaws and would be able to sue on these contracts.

Next slide, so that was we thought designator might work equally well or even better at one point. But then we sat down and compared it we concluded that the membership approach would work a little better for you.

This is an effort to compare members and designators.

If you focus on the rows where there is a different answer in the member column from the designator column, you'll see there's - it's slightly easier to recall the full Board among the - on the designator side.

But we don't think it's going to be a problem for members, either. So that's why they're both the same color. Even though the answer's slightly different.

But key is the ability to amend the bylaws if you need to which is one of the ways to hold the organization accountable over the Board's objections even, the power to approve or veto specified Board actions. You have that with members, not with designators.

And then down at the bottom the standing to sue is much better established as a statutory matter as opposed to just on the contract.

So next slide, I think that leaves you with a pretty clear picture of why we ended up recommending the membership structure.

But we also think the designator structure would be viable as Holly mentioned. We looked at 1/3 mechanism which is having a very large community Board within it a small executive Board.

Now let me lay out what we have in mind here.

The executive Board would essentially be what you now think of as the Board of ICANN, those 16 slots, for example. But what we would be doing would be inserting a much larger community Board of which the executive Board would be a subset.

This is not - I emphasize not, the supervisory Board that's available in some European jurisdictions. This is what we could do under California law that allows something like a two-tiered Board structure. But it's just not quite the same so I want to emphasize that.

So on this slide the left-hand column describes the community Board. The right-hand column describes the executive Board. Directors would be elected and removed by the community whether that's in the form of members or designators -- doesn't really matter.

The larger Board would allow you to have a very different mix of constituencies represented on this larger body that would then elect the executive Board of directors.

This body would be responsible for ultimate oversight of the executive Board. There are fiduciary duties here.

However, the larger Board would be able to rely on the executive Board to the extent it delegated decisions to the executive Board and then didn't revisit them or try and take the decision back or away from the executive Board.

It has enormous power though to interfere with or overrule the executive Board more than certainly in any of the other models. And it does have these fiduciary duties, which we know was of some concern even though that would be mitigated by the ability to rely on the executive Board.

The executive Board would be selected and removed by the community Board or it actually could be selected and removed by the community directly. The members or designators could also select the executive Board.

It would have this full delegation of authority. It would have the functions of the current ICANN Board. The bylaws could specify that only - certain actions could not be taken by the executive Board, only by the full Board.

All of its decisions would be subject to review. And again executive Board members would be directors just like community Board members and the executive Board members would have fiduciary duties for everything since they'd be making, they'd be participating in all decisions.

Next slide please, so you'll see when the next slide comes up that it looks a little different from the prior two because we're inserting this ring, this black ring of heads, which would be the community Board.

Everything inside that black ring is the Board of directors not just the black ring but also the executive Board that has some colors in the partial ring.

Next slide, I think we're on to (Mike) for talking a little bit now that we've talked about the structure that we're recommending and two other structures that we considered how you, what it would actually take to convert ICANN.

Mike Clark: Thank you Rosemary and I'll try and do it quickly here so we have time to get through the rest of the slides and questions. Creating the current stakeholder groups as un-incorporated associations does not seem to us to be a very involved process.

There are procedures under California law where you can inform the state that you wish to qualify as a non-profit un-incorporated association, which has certain benefits in terms of getting the benefit of limited liability that California law provides for such groups.

Then we would contemplate that most of the documents that are already in place for the stakeholder groups are already there and we would simply need to have a simple one to two page document of articles of association kind of referencing all of those documents in one place.

So that's it's clear that you intended to form incorporated associations with that legal person who comes along with that. We would have to tinker with the bylaws to provide member voting rights for the various groups that we're classifying as members and any weighting of voting that would be desired whether perhaps some groups elect more directors than others.

We would put into the bylaws procedures to give the community rights to control amendments to the bylaws and the articles, limitations on some of the Board powers with respect to amendments to the bylaws.

And also very importantly adding most, adding the community provisions that are desired for greater accountability for the community including some reserve powers with things like the independent review process and so on.

We wouldn't actually have to go back to the IRS even though this is a somewhat significant structural change. We would continue with the existing ICANN tax status and in addition we would need to draft some outside of the bylaw provisions among the members to agree to supplement the withdraw right, the removal rights for the Board of directors.

So there would need to be a little more drafting done there as well but we do think that it's a procedure, which could be accomplished effectively without a undue amount of restructuring of the existing organization. So that you still would be left with many familiar bodies that people have become accustomed to.

So I think (Josh) is going to take the next slides if we could move onto the next one.

Josh Hofheimer: Thank you (Mike). Yes so in the next set of slides what we've done to help people consider these issues, we've gone through some way of desired powers that was communicated through WP1.

It was the comment document that was circulated previously, which talked about some of the powers that would be the community is interested in either preserving or reserving for their benefit as a means of accountability over ICANN.

And we're going to go through this and we'll talk briefly about them but show you which ones work for members versus designators to help you all consider how you might prioritize these powers.

So the first two that you see here on slide 20 are the same in either scenario. Either members or designators can remove individual directors and the right can be reserved to both members and designators giving them approval over changes to the bylaws or the articles.

It could be done sort of on a global basis or it could be done with respect to a subset of bylaws that we would, you know, people have commonly referred to as fundamental bylaws or golden bylaws but they mean basically the same.

Next slide please. Another power that was raised or a question was raised is whether or not there should be reserved to the community the ability to block Board actions that conflict with the bylaws or with the articles.

And to answer that question members do have that power and they can exercise that power. For designators however it is much more challenging. As Rosemary mentioned previously designators do not have the same statutory standing to sue in the same way, in the way that members do.

Members can sue a block Board action that's taken without their approval especially, you know, if the articles or bylaws would require their approval before that action can be taken. And they also have the standing to bring an action in the name of the corporation for breaches of fiduciary duty by the Board or for other (arms).

So the power to if you will call the Board to task for taking actions that exceed its powers under the bylaws or conflict with bylaws or articles use a stronger power reserved to members than it would be to designators.

Next slide please. This is an issue that came up and we mentioned it on some of the calls previously in the working group but it's an issue that's come out of and will be communicated I think at the end of the day from CWG as a sort of condition of their proposed stewardship plan.

That there be some periodic review and recommendations to the Board and one instance - and what does that mean? And so we point to the CWG work as one example of that.

They are going to be providing for a periodic review of the IANA functions and the performance of the IANA functions. And it may be that some sort of committee that is created by the Board of ICANN is empowered to make recommendations to the Board.

It could be through the IANA function review, it could be through some other committee review like a community council or permanency that we, permanent CCWG or the like.

But the issue becomes whether or not those recommendations can be subject to member approval if they are rejected by the Board or (unintelligible) member review if they are rejected by the Board.

And the answer to that question is that yes if those powers are specifically reserved in the bylaws then they could be exercised by members but it is not clear for the same reasons we've discussed above whether those powers could be exercised by designators.

So this would become another instance in which the powers of a member organized ICANN. The powers reserved to the community under a member organized ICANN are more extensive than the powers reserved to designators.

You know, for both the advantages and disadvantages that that could ensue from those reservation of powers.

So the next slide please, 23. Here again we've got two more, one more example on a specific power that could be reserved. Whether or not the members would or should have the ability to block the strategic plan or budget.

The members would have this power for designators. However, again it's problematic or not likely. This may be something that exists as a legal matter but we would want to caution that getting into this level of granularity in member review of the operations of ICANN and the performance of the Board could be difficult to administer and practice and could create some concerns about through (Hoover) meddling.

We also talked about there was discussion, the powers discussion about accountability contracts. And this will in some ways this is outside of member and designator arguments this is going to rely mostly on principles of contract law.

But to the extent that there are some approval rights regarding the accountability contracts or the performance based contracts. If desired that would be something more easily referred to members.

Okay the final slide please. On this final slide we talked about the community veto power on certain Board decisions and this was again one of the things that came up in WP1.

From what I understand there has been some potential confusion or amongst the parties or some different intended meetings of what the community veto power means.

To the extent that it applies to specific Board decisions I think you would look to the above analysis to determine whether or not members or designators could exercise those powers.

To the extent we're treating it something like the GAC advice that could be, that is from time to time provided to ICANN. Then there may be some - that's really something that's outside the powers discussion or the accountability discussion but could be something that is established through some bylaw amendment that you create a community council.

And, you know, he can provide some advice which the ICANN Board has to actually consider and take action on and affirm its decision to accept or reject depending on its view of the advice.

In either instance with respect to a service community council input or the GAC advice. I think everyone is cognizant that that the Board still needs to be mindful of its fiduciary duties and acting for the corporate purpose and acting for the corporate purpose that it is empowered with under the corporate purpose statements as Holly mentioned previously.

So this brings to close our presentation on where we have arrived at our recommendation, you know, both outside counsel firms of Sidley and Adler & Colvin.

We recognized that, you know, different stakeholders or constituents may have different views and in large part it depends upon the priorities that they apply to, you know, the power they want to reserve or not reserve to the community.

And how they, there may be other questions as well but on balance to your outside counsel this, we believe this could be as was discussed earlier the clearest path towards establishing accountability, you know, well understood sort of legal construct that would require the least amount of sort of complexity or machinations around it.

And would also respect as many of the powers as ultimately our desired to be reserved to the community, which may be different from what, you know, what has been presented to us thus far.

So with that said I'll pause and I know there have been a number of questions in the chat room so far that have some through and some of them have been answered but I will hand it back to (Leon) if you want to control the hand raising.

Leon Sanchez: Thank you very much to our friends on both sides of the law firms to Sidley and Adler & Colvin. And while I think this has been a very useful presentation it brings us a lot of clarity in some aspects that we had unclear and of course it brings us some more questions.

And I see that we already have some hands up and I'd like to turn to Chris Disspain so Chris could you please take the floor.

Chris Disspain: Thank you very much (Leon) and thank you very much to both of the law firms for the extraordinary amount of work that's been done here. I'm going to - I had one specific question but I need to give you a bit of background.

So I'm the CEO of a membership based organization and I understand how they work and I am basically in favor of them otherwise I wouldn't run the one that I do but I have a couple of concerns.

I've already typed into the chat room the question about whether or not creating legal entities of the ccNSO slash the GNSO et cetera could open them up for legal action.

And what I mean by that is if you take the GNSO as an example if it's a legal entity and it were to for example make policy recommendations to ICANN which were then put in place.

My sort of sub question is whether or not it would be possible to sue the GNSO for making those policy recommendations but that's not the bigger question.

The bigger question is this, when we set up the ccNSO we spent a huge amount of time discussing commitments and what it was that the individual ccTLD managers were committing to by becoming members of the ccNSO.

And there was considerable disquiet about the ccTLD, individual ccTLD managers becoming a member to becoming a member of any sort of

association or organization and whether that would in fact in some way downgrade their powers as individual ccTLD managers.

Now I'm not suggesting that that's true but I am suggesting that it was indeed an issue when we did it and it might still be an issue now. And so based on that I have another question and that is this, when we looked at jurisdiction we agreed that what we would be doing is to ask ourselves the question can we get everything we want without changing jurisdiction?

And so my other question is can we get what we want without having to go through all of this restructuring. In other words is it really impossible to give the community and it's SOs and ACs the right by powers within the bylaws using their current structure to veto the budget, veto bylaw changes and spill the Board because if it isn't necessary to change the structure then my question would be why would we want to change the structure?

If it is necessary to change the structure in order to achieve that then I have some serious concerns about what certainly the ccTLD community would make of the requirement for it to become even if it's simply an unincorporated association.

And that's something I think we're going to have to sell fairly significantly in order to bring the ccTLD community on Board, thank you.

Holly Gregory: So may I respond (Leon) this is Holly Gregory.

Leon Sanchez: Yes of course Holly please go.

Holly Gregory: Very, very good point and I think you got it just exactly right. The tradeoff for you folks to think about between the member structure and a designator structure is how much power you can have.

And we think that in both structures you can have all of the power except for the veto power over certain Board decisions. We think it's difficult to create in a designator body.

And that is why when we look at sort of the template powers that were under discussion we come up with the membership body being able to give you more of those.

Now there are, you know, there are questions about whether veto powers over Board decisions are really what's needed. If you have other powers that are very strong the powers to recall the Board, get rid of individual directors, the power to control the bylaws and then the bylaws and the - so all along we are sending, you know, that's a consideration certainly that the group could have.

And we do think in the designator model to a related question that (Robin) has been raised, you could have a mechanism to require some kind of opportunity to have a community meeting with the Board to express concerns about a pathway that the Board is taking much like it is expressed in the (Erin) memo that was provided by the other law firm, another law firm.

So all a long way of saying these are exactly the kinds of choices and considerations to bear in mind if you think about which of these two paths is better for the purposes we want to fulfill.

Chris Disspain: So Holly we haven't answered my actual question, which is can we achieve those things without being members?

Rosemary Fei: Could I speak...

Holly Gregory: I believe you can achieve the ability to control the bylaws, the ability to control composition, get rid of the Board without being members absolutely. What we're concerned that you may not be able to do is have that veto power over certain specific Board decisions.

Leon Sanchez: I believe Rosemary wants to have something to comment. Rosemary would you want to expand on the comment.

Rosemary Fei: Thank you, it's about this concept of legal liability and I'm seeing some things in the chat about it as well. When we right now for example in the ICANN bylaws it provides that various different groups have the right to name people to the Board of directors.

And that has worked for you and it has worked for you for years but when a lawyer is asked what is legally viable maybe we're not answering quite the question you think we're answering because I think what we want to know is that's all well and good when things are going fine and everyone is doing what they're supposed to do.

But our job is to make sure when someone doesn't do what they're supposed to do in one way or another that they can be, that there are mechanisms to force them to do what they're supposed to do.

Obviously no mechanism is perfect you can sue someone and they can, you know, be judgment proof or they can be outside your jurisdiction or, you know, whatever.

But the point is that when you all talk about legal liability and you want a mechanism in the bylaws we can put in literally under the California corporate law any provision for the management of the corporations affairs unless it is contrary to law.

And there are a couple of things you want that are contrary to law, which is when we turn to contract but many, many things you want especially if it's just a reconsideration process we can certainly put in the bylaws.

The point is if people chose not to follow it if the Board thumbed their nose at it and ignored the advice for example the question is whether there would be any way to enforce it.

And I think for the lawyers versus the non-lawyers there may be some disjunction between what you mean when you ask is it legally viable if what you mean is can we put this provision in our bylaws.

There would be more yes', would it have any teeth if it, if things went south if things went badly, no. And so we're answering no to some questions that maybe you think we should answer yes to because we're focusing on some mechanism for enforceability.

Chris Disspain: Okay so I'm conscious that we've got a long queue and I don't want to hold the time. Just let me say two things. One, I am (unintelligible) and I am a lawyer so I get it.

And I have envisaged that as long as the Boards fill mechanism was available to us as our ultimate sanction then all things are possible because that's your final sanction.

And my one hanging question which I haven't had an answer and I'm happy to wait to get that is whether as an un-incorporated association we are actually suable for things that we do.

I'm not suggesting it would be a winnable suit but I am saying that we can be forced in other words can we as an un-incorporated association be forced into defending a legal action?

Leon Sanchez: Thank you very much.

Rosemary Fei: So un-incorporated - do you want me to answer?

Leon Sanchez: Yes please.

Rosemary Fei: Un-incorporated associations are legal persons they have the rights of legal persons they can sue and they can be sued. We envision these having no assets, which should eliminate one incentive to sue them.

They would literally have no assets. And if they were sued I saw something in the chat about gee wouldn't they be not recognized under other bodies of law and the answer there is no.

Un-incorporated associations are recognized in I think in most if not all of the U.S. 50 states. I'm not sure how they'd be treated outside the U.S. but since usually you look to the jurisdiction of formation to decide whether something is a person.

If it's decided to be a person under California law it should be cognizable both for both the purposes of suing and the purposes of being sued. So I don't think the individual people inside the AC or the SO would have any greater likelihood of being sued than they have now.

Right now if someone wanted to sue an SO for what it did I guess you would sue ICANN as a whole and this would give you another target that's true.

Leon Sanchez: Thank you for this, next in the queue is (Mathieu Pyle) and I would like to call for shortness, briefness and of course keep focused on your questions. Please Mathieu take the floor.

Mathieu Weill: Yes (Leon), thanks for all the (leniency) for providing such a detailed answer and I'm pleased to see there are many options that are really open in front of us now and we are basically demonstrating a lot of visibility of what we are planning to also there was complexity.

There's two questions I haven't seen a clear answer to which are fundamental. Number one, is it feasible to have an independent standing panel make decisions that would be binding to the Board and that would not be a California court? That's our independent review panel. That's number one.

And number two is, is it feasible to have power to call the Board to action when they are not taking action? So that's the two big bits of our proposals but I don't see, I did not see addressed in the current proposal, which I think it would be valuable to have an answer on, thank you.

Leon Sanchez: Thanks Mathieu. Does Holly want to jump in?

Holly Gregory: Yes this is Holly Gregory speaking. So I think under the membership model you have a lot of flexibility in how you create and give sort of veto rights. I can envision in that independent review some potential, you know, subset of a membership body being organized as an independent review panel and being

given the ability to, you know, have approval like or recommend approval like for larger membership bodies.

There are a lot of things that can be done. We'll need in many of these instances to dig in in a much greater level of detail but we do think that there's flexibility in the membership model to do much of what you have talked about.

Now again as we've said the devil is in the details and sometimes, you know, it takes putting pen to paper and trying to actually draft the bylaws and putting more detail on it to be able to fully understand all of what's possible.

Rosemary Fei: May I respond?

Leon Sanchez: Sure please do.

Rosemary Fei: The concept of being able to force the Board to do something well first of all whether you have a member structure or a designator structure if the Board is not doing what you want one option will be to either remove the director, you know, your particular constituency director or if it's really bad to remove the entire Board and that's the ultimate accountability mechanism.

But when you're talking about not going that far and wanting simply to force the Board to do something that's where the member structure is much stronger than the designator structure.

Pretty much the designators have the power to veto amendments to the articles and bylaws and name directors and remove directors. Whereas the members statutorily can say there are certain decisions we want to make and that the Board cannot make or that if the Board makes we want the right to approve.

And then also ultimately the members can amend the bylaws at will, which the designators cannot be given the power to do. So the members could go in and say you didn't do what we asked, we're now passing a bylaw that makes it a rule for the corporation.

So that now if you're not following the bylaws we would have some recourse against the directors who refused to follow the bylaws. If it's a serious enough issue that involves not using the assets the way they were intended to be used you'd have a charitable trust suit available, you know, as well as breach of fiduciary duties.

So the ability to force the Board to do something that the Board doesn't want to do either through amending the bylaws or simply by saying, gee the Board didn't adopt this thing whatever it is we want adopted so the members are just going to do it.

That's much more possible in a member corporation than it is in a designator structure. But the ultimate power to remove the Board would be basically the same in both.

Leon Sanchez: Thanks for all your answers. I see next in the queue is Avri Doria, would you please Avri take the floor?

Avri Doria: Thank you very much, Avri speaking. I want to go back to slide 11. I'm a little slower at catching onto all of this perhaps than some of the lawyers among us.

I think I felt a lot of appeal in the member structure. So if I'm understanding and please if I'm understanding it correctly each of these colored members appoints a number of Board of director's members.

And the point was that the nominating committee not existing as one of those to become legal entity type things because it's much more a flow through and its picks are usually the last years NomCom picks not this year's NomCom.

So that it couldn't appoint directors. Now first of all I think eliminating the rule of NomCom appointment Board of directors or voting Board of directors is not something that's really in the scope of this accountability group, perhaps it is and I'm wrong.

But assuming that we still need a NomCom that appoints full voting Boards of directors is there any way it can do that without being a member? Now you indicated something about perhaps appointing some of the seats of the other members but I may have understood that incorrectly.

So I'm really not understanding how that particular question mark can be fixed and retain the centrality of the NomCom mechanism, thanks.

Rosemary Fei: Can I ask a question? Why do you not want the nominating - if you want to retain the nominating committee with its authorities and its current structure to appoint eight of the directors why would you, is there an objection to constituting it as a member because that is the obvious solution.

The nominating committee could be a member just like all the other existing internal bodies or members and then it could have the same powers that it has now.

Avri Doria: Well I guess it's not that I don't want to it's that I was understanding that it couldn't be because it...

Rosemary Fei: Yes it could, yes.

Avri Doria: ...makes sure it was somehow different.

Rosemary Fei: No.

Avri Doria: Okay that's what I, what the question mark of it yes.

Rosemary Fei: Its nature is different because it's a representative body in the way that the others sort of are a single constituency each and then the nominating committee is made out of people representing a bunch of different stakeholders.

But if you want the nominating committee to be a member just like it is now appointment 8 of those 16 you can do it.

Avri Doria: Thank you.

Rosemary Fei: And people could serve on both, something, one of the other members and also the nominating committee. In other words the entity people, like I belong to five or six different organizations right.

I can be a member of - as a natural person I can be a member of multiple entities. So someone could be a member, you know, could work on the nominating committee.

I shouldn't use the word member because it's a different thing but they could be part of the nominating committee and also part of the ASO.

Avri Doria: Thank you.

Leon Sanchez: All right so thanks for this answer. I see next in queue is Alan Greenberg, Alan could you please take the floor?

Alan Greenberg: Yes thank you very much. Two parts, the first is a follow on to Avri. I understood what you had said about nominating committee appointment people but I think I also hear you said it would be problematic for the other members to remove nominating committee members from the Board.

Rosemary Fei: No what - I think I know what I said that you could have interpreted it that way because it is, it's complicated. Each of the looking at the slide we're on now the GNSO, the ASO, the ccNSO, the nominating committee and the at large.

Let's assume for the moment that each of those is an un-incorporated association and each of them appoints a certain number of directors alone without consulting the other entities.

They would each be a class of membership, a class that has one member in it. The way the corporate law works what would be difficult is if you wanted to get rid of the nominating committee or if you wanted to get rid of the GNSO as a member that member would have to agree to be gotten rid of.

Alan Greenberg: Okay.

Rosemary Fei: That's what's hard.

Alan Greenberg: Okay. To answer the specific question, if the nominating committee named Board directors, there could be a mechanism by which the other members could remove those Board members.

Rosemary Fei: No. That's exactly - that's another feature of the classes. The only way that members - that one class of members could remove the directors appointed by another class of members -- so in other words, the ASO could remove nominating committee -- would be through some contractual arrangement that we would anticipate would only be available if there had been some sort of high threshold vote to recall the entire Board.

So the only people who would control the nominating committee's eight appointees would be the nominating committee. The only people who would control the GNSO's two would be the GNSO. Only if you're in that recall the entire Board mode would we resort to a contract where everyone would agree essentially that if this high threshold vote were to occur, we'd have a mechanism that the entire Board would be removed.

Alan Greenberg: Okay, I think that's going to be problematic. I obviously can't speak on behalf of the whole group, because certainly what we were talking about in a later phase of this is that yes, each ACSO could recall their own directors, and the ACSOs working in the union could recall the nominees and one or more of the nominating committee members - Board members. Okay. I don't want to belabor that point, but that's something which may well become - come up as being important.

The original question I was going to ask is you are talking about the ACs and SOs becoming legal entities -- unincorporated associations -- that are separate from ICANN. Now, these organizations currently exist as entities defined within the ICANN bylaws and the ICANN bylaws essentially give them

certain rules about what they can and cannot do. By making them separate legal entities, do we lose the ability of the ICANN bylaws to -- to a large extent -- control the ACs and SOs and say what their scope is and specify some of the rules?

For instance, in some cases the ICANN Board has approval over rules made by these bodies. Or has to approve actions of them. Are we losing that by making them unincorporated, separate bodies?

Rosemary Fei: Would you like me to respond?

Alan Greenberg: Yes, please.

Rosemary Fei: As Holly has said a couple of times, the devil is in the details. It's not as though we have figured out exactly in detail how everything would be implemented. However, our current vision for this -- if we - if you chose this route -- is that the unincorporated associations would each have a document -- probably quite brief - a few pages -- called Articles of Association. And that document would evidence the intent to be a separate legal person so that you could hold contract rights and sue and be sued.

And you would cross reference out of that Articles of Association where these entities internal workings and rights and responsibilities - we would just be referring into existing ICANN documents. We would not try and - at this point we don't think we would try and construct complete governing documents for each of them, because we think you already have that. And those would remain in place.

Alan Greenberg: Okay, so these new entities can remain - can remain with their current ICANN personas at the same time as being unincorporated associations which can select Board members?

Rosemary Fei: Right.

Alan Greenberg: Thank you. That's all I was looking for.

Leon Sanchez: Thank you very much. Next in queue is Robin Gross. Could you please take the floor, Robin?

Robin Gross: Thank you. Can you hear me okay? This is Robin.

Leon Sanchez: We can hear you.

Robin Gross: Okay. So I've got a few comments and I will try to keep them brief. But first is on this veto right or - what is actually a reconsideration right. I'm a little bit frustrated because on - when I look at the slides it says its no - they say no, you can't do it. But then as we actually talk in the discussions it turns out, oh, yes, it is doable, but there's concern that it's not legally enforceable.

And so, you know, we find - so how do - how could these rights be enforced? Well, couldn't we create something in the bylaws to trigger - or to provide for an - for inter-judiciary panel, the same type of proceeding that was proposed under the membership model so that we don't have to escalate to a lawsuit in order to get what our rights are?

So I'm really hoping we can actually spend a little bit of time thinking about this. And trying to come up with mechanisms that don't require us to have to file a lawsuit against ICANN every time we need to get rights enforced. So if

somebody could sort of stop me when I get to the part of this where this - where the proposition is wrong, I'd really appreciate it. So we've got - okay, go ahead. Yes.

Rosemary Fei: So Robin -- I'm not going to say that the proposition is wrong -- I just want to try to add some clarity. First of all, I think we need to be careful about what a veto or approval and veto rights are versus what reconsideration rights are. Veto and approval mean that there's some entity that has sort of a greater right to say yes or no than what the Board has. Reconsideration is a very different issue, which is saying, "Gee Board, we've got powers over you - over your composition. And we want you to think about this again or we're going to use that recall ability; the ability to get rid of the Board."

So I want to make sure that we think of those as two separate and distinct things from a legal perspective. So...

Robin Gross: Yeah, I think you're right. And I created some of the confusion by calling it a veto. And so I apologize for that.

Rosemary Fei: So what we're saying - what we're saying is designators cannot have that approval veto right over certain kinds of Board decisions like budget, strategy. We think that would be very difficult; questionable to do.

Now, as to your other point about legal enforceability, we agree with you. What we want is a model -- a governance structure -- where everybody believes that - understands with clarity what their roles and responsibilities and rights are and functions under those, without running to court. The running to court is like the ultimate - you know, when things really go wrong. And as (Rosemary) said at the outset, as lawyers, we are always thinking worst case. That's what - we want to create things that help parties work well

together and carry out their roles and responsibilities. And we would like it to be such that in most times you never have to seek legal recourse. But there's no point in talking about rights if there isn't ultimately legal recourse when things go wrong.

So I agree with you, Robin, we want to think about how do we create this in a manner that people -- the various important parties -- feel like their rights are appropriate to what they want to accomplish so that it all functions well, but if there was an occasion where something didn't function well, there would be an ability first to try to press for better action within the organization. And if that didn't work, ultimately to have the ability to go to a legal enforcement mechanism.

Now, I do think that there are ways to create some sort of potential arbitration-like mechanisms. Again, this is one of those details that we would need to work out. But, you know, it's a long way of saying, Robin, that I think - I hear you, I agree with you, but when we talk about legal process down the road when things go wrong, we're hoping it never, ever gets used. But we need to know that it's there because otherwise to talk about rights is meaningless.

Robin Gross: Okay, so it sounds - it sounds like we could create this mechanism to enforce the rights under either model -- a designator model or a membership model -- by creating some sort of an inter-ICANN judiciary type of process. So we don't have to go to a lawsuit in order to get our rights enforced. So it sounds like we could do that either way.

Woman: I think we would be talking about some kind of arbitration mechanism that people agreed to. And I don't know - you know, we would need to work all of that out. But, you know, there's a lot of work to be done to try to think through those issues.

Robin Gross: So if those rights could be enforced...

Woman: But at the end of the day I think (unintelligible)...

Robin Gross: Through one of those mechanisms, then what is the - why does the designator model fall out for being unenforceable?

Woman: Because ultimately you need to be able to know that you could go to a court if everything else failed to enforce the rights. And even in arbitration, you have to have legally cognizable rights. So we can't give to (unintelligible) rights, laws...

Robin Gross: And we couldn't create by contract the right to go to a court under certain circumstances to obtain - to enforce rights that were created via bylaws or a contract?

Woman: There are some rights that we can create via contract. I'd ask (Rosemary) potentially to weigh in, but we've looked at this issue and we have concerns about the ability to give all of the rights that you would like through a designator model. (Rosemary), do you want to address that?

Rosemary Fei: Sure. And I think you've put your finger on an important point, Robin. You can put almost -- not quite -- but almost anything in the bylaws. As long as it isn't contrary to corporate law, as I said earlier. So you can - anything we can draft for review mechanisms and so on is fine. We couldn't in the bylaws as a matter of corporate law -- because it would violate corporate law -- give designators the right to revisit Board decisions other than if they amend the bylaws we could give the designators the right to veto an amendment.

Robin Gross: Well, this particular review...

Rosemary Fei: Let me finish.

Robin Gross: Would only be a reconsideration of...

Rosemary Fei: Right so - what I was going to say is you can put the reconsideration in the bylaws; if the Board chooses to ignore it, you're done. If you don't put it in the bylaws...

Robin Gross: We can't create this...

Rosemary Fei: Because - please let me finish. If you don't put it in the bylaws -- because it's illegal under corporate law to put it in the bylaws -- you could instead turn to contract law and structure a contract. And you can sue on the contract just like you could sue on the bylaws. Nobody - we don't want people suing. But it's - when you want to give something some real, you know, meaning in the sense that there are consequences for violating it other than that, you know, everyone frowns at you, that's what we're talking about.

So yes we can do things with contract, but at some point the contracts are going to be quite complicated and you're going to be governed by contract law rather than a corporate structure where the corporate law gives the members rights by statute. So I think there's a difference between...

Robin Gross: But we're only talking about two or three rights here. So I mean, you know, we're not talking about this endless list of rights we need to sort through. We've only got two it sounds like that couldn't be automatically created to a designator. And it sounds like we can create that via bylaws and contract and

we can also create in an enforcement mechanism through some kind of inter-ICANN judiciary and contract rights create enforcement mechanisms.

So I guess I'm just still really struggling to see what the problem is with an empowered designator model, what we get - where the (unintelligible)...

Woman: So...

Robin Gross: Advantage is.

Woman: Robin, if I may. So we started this discussion out saying that we think that there are two pathways. We think one is preferable to another. But as we said, we think the designator model can be made to work. One of the reasons why we chose member as -- from a legal perspective -- a better path -- if you will -- was because of the clarity around roles, the fact that we don't need to rely on a lot of contractual mechanisms. So it goes to that - it's simpler. People understand what members are and what kinds of rights they have because it's well defined in corporate law.

So that being said, I mean, yes, we can go down a designator path. We can try to create contractual mechanisms. It's just more complicated. And we were asked to make a recommendation.

Robin Gross: No, I appreciate that. I really do.

Woman: So - I mean, we're kind of like engineers, right? We're looking for the simpler, clearer path where roles and responsibilities are more well understood.

Robin Gross: That's true. But at the same time we have to remember that some people are only going to look at the slide and they're going to see it says no, it can't be

done. And they're not going to hear any of this explanation how you just told us it can be done, but it's complicated.

Woman: Well, then they need to read - then -- excuse me, Robin -- they need to read (unintelligible)...

Robin Gross: No, that's not correct.

Woman: That we've been providing you and we need to read the caveats that says there's a lot of detail here. We cannot put everything in the slides. They'd be 300 pages. But I get your point.

Robin Gross: Thank you.

Rosemary Fei: Also - you know, I've - we're now looking at the slide that compares the two, which has the offensive no. And amend bylaws on own initiative - there's just no way to do that.

Woman: That's - no, no, no. That's not the slide. That's not - that's never been in a - never been a proposition here.

Rosemary Fei: So - and the power to approve or veto specified Board actions - we can't give that...

Robin Gross: Again, veto is the wrong word. This is a forced reconsideration process by which - and the Board retains the ultimate vote. We're just asking them to think a little bit harder.

Rosemary Fei: That's not how they're - it's not just your use of the word veto. I've looked at those templates and (unintelligible) more than reconsideration again and again

and again. There's all this discussion of overturning Board decisions, of how to make the Board do things. Not just ask the Board to reconsider but make the Board do things.

Robin Gross: I don't know what template you're referring to that makes the Board do anything, but the propositions that are actually on the table would require a reconsideration on three very narrow issues. And the Board still retains the ultimate vote on the matter.

Man: That doesn't seem to be how it was presented, Robin. I mean, that's fine. It's...

Robin Gross: Well, then maybe we should have a sort of a separate call -- I think it'd be really helpful -- where we could just go through and clear up a lot of the misconceptions.

Josh Hofheimer: Can I ask you a question, though, Robin. So - I mean, I hear a clear discomfort with the notion of having members versus designators.

Robin Gross: No, I'm actually not - I am trying to get equal information about both propositions so I can make an informed decision. I haven't come to any decision yet.

Josh Hofheimer: Oh, okay.

Man: Thanks. I think this needs to be discussed in our legal sub-teams call. This will be a long discussion, of course. And we'll now go - now the line is - the queue is closed. Alan, you raised your hand after the queue was closed, so I'm really sorry, you will have to -- thank you very much -- lower your hand. And I am aware that all that (unintelligible) disconnected, so I think she was before

(unintelligible) comes up. So (unintelligible), could you please take the floor at this point?

Olga Cavalli: Thank you. Can you hear me?

Man: Yes we can.

Olga Cavalli: Hello? Can you - yes, thank you so much. And my apologies. I don't know what happens with my Adobe Connect that goes back and forth. So I get always at the end of the queue. My apologies for that. I don't know what happened. So my question is - we would need some time to review all this document which is I think very detailed and interesting. But it came -- at least to me -- at the time of this call.

So taking that in consideration, I would like to ask how - government (unintelligible) or a government fits into this structure, considering that the members will be considered ICANN members. How can a government really act as individuals representing governments? So in general, we have - would we express in meetings in the GAC if the - what a government thinks or - after some consultations at the governmental level. So how does this fit into this structure? And if we could have some more details about this (unintelligible) structure that was selected the members. Thank you.

Leon Sanchez: Thanks, Olga. Who wants to respond to this?

Rosemary Fei: Well, I - the current diagram we're looking at -- I'm not quite sure I understood the question -- but governments currently have the GAC and the GAC currently selects non-voting observers to the Board. And that could be retained. And so you still have a Board and you still have observers to the Board. And the governments still could have input that way.

If you wanted to, you certainly could change, you know, as part of this having to restructure in order to create the accountability because of the contract with the U.S. government going away, you could decide that more groups should have a seat on the Board or seats on the Board -- or less -- and you can retain the nominating committee exactly the way it is if you want to. So I'm not quite sure I understood the question.

Olga Cavalli: Can I comment?

Man: Yes, (unintelligible).

Olga Cavalli: Yes, today the only participant in the Board is the chair of the GAC, who is a non-voting member as far as I know. And the non-com - the GAC has for the moment one observer or non-voting seat but it has not been used. But that's an internal thing from the GAC. So my point is if governmental representatives could be considered an ICANN member in this structure or the GAC is always having this advisory role and only having an observing role. So again, I didn't have time to review all the document in detail, so maybe I'm asking something that's written there, but I didn't see.

Josh Hofheimer: I can respond to that. This is (Josh) from Sidley. Olga, you are correct. The way that we have - the way that we envision the going forward -- the future -- whether we're under a member or designator model, we did not envision the government advisory committee having a voting member. So that part did not change.

It's really a political issue in some ways whether or not the GAC would want or the governments would want to be part of a member and some sort of unincorporated association as a result. So we left it as it was currently

structured, which was that the GACs and everybody inside of the dotted line on slide eight would remain as non-voting members. I mean -- sorry -- non-voting members of the Board of directors.

As for the nominating committee -- on a going forward basis -- it is something that -- without getting into the details of how we would accomplish it -- it is something that could be preserved so that there could still be a nominating committee that would function to provide, you know, some diversity or whatever is desired for the Board of directors.

Leon Sanchez: Thanks for your reply. Next in queue I see Jonathan Zuck. So please, Jonathan take the floor.

Jonathan Zuck: Yes, thank you. I guess I just wanted to drill a little quickly into your answer to (Mettie)'s question about spurring Board action. Is it - you said something about changing the bylaws, etcetera. One of the issues that's come up lately is the notion of Board inaction. And so that there isn't a decision to review through an IRP, etcetera. And is there a way to construct a real mechanism to spur the Board to action or to spur them to vote on something that they hadn't previously considered? And that's something that I think is very important for these - for the community to be able to do.

Holly Gregory: So this is Holly. I think -- again -- you have that coercive power in the power to appoint - to select directors, to remove directors that you've selected and ultimately then recall the Board to press for that kind of issue. So if the community were to -- whether organized as members or designators -- were to say to the Board, "We have an issue that we need you to look at; we want you to take action on, we want you to consider. And unless you do that, we have to think about whether you are the right directors for us." That seems to me like a pretty strong power. You know, there's...

Jonathan Zuck: Well, I guess I'm a little concerned that -- I'm sorry, I don't mean to interrupt you -- I'm just trying to be quick. I mean, it seems like we fall back on this notion of spilling the Board, etcetera very quickly. And so it sounds like what you're describing is a very informal mechanism to spur action, which is getting together a petition or something like that as opposed to something that would be part of our structural reform. Is that what you're saying?

Holly Gregory: Well, we could formalize it. We could formalize a notion that either through a designator model or through a member model there be a means to call for a meeting between certain community representatives and the Board to express concerns. And - but to force the Board to take action, I mean, in a membership model, we could reserve things to the members and members could take action on certain things. Members could veto certain actions by the Board.

Forcing the Board to take action is - sort of a more problematic construct because the Board is meant to be fiduciary. And fiduciaries need the ability to say, you know, "Here is our judgment and here's how we're going to act." So that ability over Board composition is really the most powerful tool that there is.

Jonathan Zuck: And I guess -- again -- it comes down to semantics a little bit. I don't mean forcing the Board to take a particular action, but in fact to take any action. In other words, you've chosen not to consider this. It's a force to consider, I guess is the (unintelligible). To make a decision one way or the other, because that would then subject the Board to the review mechanisms that are already in place, which they wouldn't be subject absent some kind of decision. That's what I was getting at.

Holly Gregory: Yeah.

Leon Sanchez: Thank you very much, (Luke). Next in queue is Kavouss. Kavouss, could you please take the floor?

Kavouss Arasteh: Yes, thank you very much. (Unintelligible). I think the issue now discussing - it becomes too complex. Very, very complex. Complex in implementation, complex in time implementation, complex in cost optimization, and details. Now, the question is that we have been work about two and a half or three months doing many things but now we believe -- at least I believe -- that many of the things that we have done is both in party one is not implementable because of what we have heard today.

We cannot remove the Board, we cannot recall the whole Board, we cannot change the decision of the Board, we cannot change the decision on the budget, on the strategic plan, and many other things. So all of those provisions that we have put -- for instance, one SO and one AC together could take initiation to recall of the whole Board -- doesn't work, according to what we have heard. Unless we go to the membership approach model or to the designator to some extent. But even designators have some difficulties and so on.

So my question is that would it - what action among those five actions; removal of individual Board -- action one -- recall of the whole Board -- action two -- disapproval of the budget -- action three -- disapproval of the strategic plan and so on support -- action four -- and disapproval of the change of the bylaw by the Board. Which one of these five we can do with the existing structure of SO and AC, with a little bit of more injections of something like --as you mentioned -- to remove the Board.

Not going to the complex issue of the membership and complex issue of designator. What - which of these five we can do under the current Californian law which governs the situation in future? Is it possible to answer this question, please?

Josh Hofheimer: This is (Josh). Can I respond to that question? Because it goes to the power slides.

Man: Yes, please do.

Josh Hofheimer: (Unintelligible), if you look at what we said starting on slide 20...

Leon Sanchez: Can you bring slide 20, please.

Josh Hofheimer: Well, you - I think everybody has individual control over their slides now.

Man: (Unintelligible).

Josh Hofheimer: If you look at slide 20, you know, your current structure today is -- although it's not complete -- it most closely - it more closely resembles a designator model today. So as you said, we would make some changes, we would make some rights clear that they are designators rights and the SOs and ACs are designators under corporate law and you would have some cleanup to do. But your current structure most closely resembles that of a designator model.

So then you look at the decide powers and you look and see what designators can control. And to answer your question - so your comment that you can't do anything is not -- the SOs or ACs can't do anything -- is not entirely accurate. The SOs and ACs -- if they are considered designators under today's model -- can remove directors. They can have approval rights over changes to certain

bylaws or articles. And they can - and they can recall the whole Board under certain extreme circumstances. Those are the fundamental rights of the designators.

Everything else that people want to get into and that Robin is suggesting about, you know, forcing reconsideration and those things could be something that you would try to write into the bylaws. But there isn't the ability to block Board action today. Today what you're...

Kavouss Arasteh: (Unintelligible) what we cannot do. What we cannot do with existing (unintelligible).

Josh Hofheimer: Well, look at the things that we say are problematic. So you can't - the designators can't block the budget. They can't block the adoption of the budget. They can't block the adoption of the strategic plan. Those are two examples of things designators cannot do. If the CWG wants a review mechanism, if the CWG wants a review mechanism to have somebody review and reject a Board decision with respect to the IANA functions, currently the designators wouldn't be able to do that.

Kavouss Arasteh: Yes, but we told you - your document -- on page three of your document -- that with the current situation which is some sort of designator approach or model, with some additional things such as through the contractual arrangement we could do this. Is it right or not? Adding something to the existing structure which is - resembles today the designator model, we could change the budget -- not change -- disapprove the budget or disapprove the strategic plan. These are the only two things we cannot do?

Josh Hofheimer: You can't do those things. It's hard to think of things in the negative. If you want to ask us things that you want to be able to do, then you should ask us

things that you want to be able to do. But to Robin's point about empowering the designators to approve the budget, you can't empower the designators to approve the budget.

I mean, you'd have to go through - to do so -- and the question whether it would be enforceable -- and that's what we say - you'd have to go through a complicated mechanism to create an independent tribunal for a private court and try to create contractual powers. And you'd have to have standing for the designators to say that they could challenge and they'd have to have some fair consideration.

So from our perspective, you're trying to get to a place if having control over the budget is of paramount importance -- if the member community - if the community at large says, "We must have control over the budget" and you want to make sure you have that control and that that's an unchallengeable legal right, then you need members. You need members. And if you don't want members, then you have to decide what powers the community is going to cede.

Kavouss Arasteh: The same thing applies for the strategic plan?

Josh Hofheimer: Yes.

Kavouss Arasteh: Okay. These are the two things that we cannot do with existing structure.
Thank you.

Josh Hofheimer: Well, there may be others. But those are two that were put to us.

Kavouss Arasteh: Thank you very much.

Man: Okay, thanks.

Chris Disspain: Shall I go ahead, (Leon)?

Leon Sanchez: Yes, please. I'm sorry, I was on mute. Please (unintelligible) take the floor.

Chris Disspain: So it's appropriate because that was one of the points that I want to address. I've got three very quick points. Firstly just for clarity and to make sure that the slides are correct for the next time we look at them, the TLG no longer appoints members to the ICANN Board and they should be taken out of the blue amoeba shaped thingy on the right hand side of the slides.

Secondly, to go to the point that we've just been discussing, the - I - factually what (Josh) just said is correct. But the nuances I think are slightly different. The way that I would say it is this. You can put a bylaw in place that says that the community -- using whatever mechanism it decides to use -- can veto the budget -- just to use the budget as example can veto the budget.

What I believe our legal advice is, is that is a required - that cannot be enforced. In other words, if the community goes through its processes and vetos the budget, the Board could ignore that veto. My point is, yes, if that is true, I accept that.

And the next step in the mechanism would be if the Board ignores that veto then you can move up to the next stage of our escalation mechanisms which are enforceable. And at the top of that tree is to spill the Board.

And so therefore the decision for us is whether we're prepared to rely on the threat of spilling the Board and the ultimate doingness of spilling the Board to ensure that the Board follows the bylaw that says that we can veto the budget

or we're not. If we're not, then we need to restructure ICANN. If we are, then we are fine because we rely on the threat of the spill and/or the spill in itself.

And my final point is that I've heard the lawyers quite justifiably saying that the membership structure and the secondary -- the designator structure -- is a way of us getting what we want and is a, you know, is a way of doing that.

My concern is that I don't think all of the gaps have been filled. And I have two very specific ones I want to raise for us to think about over the next few days.

One is the nominating committee situation has not been answered. It would be impossible, in my view, for the nominating committee to become a member. And let's be clear, they appoint half of the Board.

And secondly -- and perhaps much more importantly -- our current structure, which is a very delicate political balance, allows for the GAC to provide us with Advice -- capital "A" advice -- which ends up having a weight -- not binding, but a weight -- on the Board that has a whole series of processes that need to be gone through if that advice is to be ignored.

And I can see a real problem with having a membership-based organization that votes for something to happen on the one hand but on the other hand having GAC advice that is in conflict with that member vote.

And trying to find a way through that would -- in my view -- be extremely difficult, whereas right now because it's flexible we can find ways through it. That's it. Thanks.

Alan Greenberg: Thanks, Chris. Anyone wants to respond to that?

Josh Hofheimer: This is (Josh). I can respond. Chris, I think on your first point about escalation, I mean, you're right. The difference is that, you know, with members that there could be action taken short of actually spilling the Board or recalling Board members.

So that may be something that for some people it may be preferable, and for others it may not be. But with designators the threat is if you don't listen we're - we may replace you. And that may be enough of a threat or not.

As far as the GAC situation, on some levels I think that's probably more of a political issue than it is of a legal issue. And - but with that said I don't think that we would envision changing the mechanisms for GAC to provide input and for the Board of directors to consider that input and, you know, thresholds for them rejecting or, you know, procedural hurdles that they go through as - in whether they reject that input.

And I don't - we weren't envisioning giving the member community or the members any approval rights or any ability to review that interchange between - or that exchange between the directors and GAC.

So you know, their powers would come just in general - again in general decisions about who they elect to the Board or not and how responsive those individuals are to GAC or not.

The final point that you made about the nominating committee, like I said, it's a detail, as I mentioned before. But we do - we have considered this.

And we put it in question marks when we talked about the change in structure because we weren't sure if the member community would change slightly or

somewhat and whether some additional seats that are currently controlled -- if you will -- by the nominating committee would go to the member community.

But we do - we did imagine - and you can still have a nominating committee exist even in a member structure. So it may be the case that you would still have, you know, half of the members being appointed by the Board of director - I mean by the member - half of the directors being appointed by the members, one director being the ex officio president and CEO, and then a bundle of directors that are appointed by the nominating committee.

It most likely would be the case that the nominating committee would be a designator body for this purpose. So - and since it is reflective of the other existing members it wouldn't need to have any rights reserved to it as member - as a member.

Man: Yes.

Josh Hofheimer: All of the necessary rights would be reserved to the other members.

Chris Disspain: (Josh), I completely get it. I understand. I'm not going to - I know other people want to speak. I'm not - I completely get it. My point is simply I go back to the fundamental premise.

If we can get what we want with as little change as possible, then in the timeframe we've got making what I consider to be substantial and major changes to the structure of ICANN are not desirable if we can achieve what we want in another way.

And that's - I'll leave it at that. Thanks.

Josh Hofheimer: Understood. Understood.

Leon Sanchez: Well thank you, everyone. Well what would take away from business that we still need to (unintelligible) discuss many things, one of them being Working Party 2 issues. And this will most likely be included in our legal sub-team call agenda for tomorrow.

So I think reviewing the IRP and how we can fit this into the proposal would be of the essence for the legal sub-team to take a look at and of course review with detail this presentation and the many questions that have been raised through the chat and of course through the Adobe Connect discussion.

And while I think of - we have been working on requirements. And now that we have assurance that the requirements can be fulfilled, then we have a better direction on which way we can steer this proposal.

So of course everyone is invited to our legal sub-team call tomorrow. I will circulate the agenda later today. And I would ask Thomas and Mathieu, do you have anything to add to this final point? And so we can move forward with the next part of the agenda.

Thomas Rickert: Thank you very much, (Leon). This is Thomas Rickert speaking. Hello everybody. I guess this is a nice way for us to segue into the remaining part of the discussion. You will have seen on the agenda that we had this - that we had planned to discuss stress tests with you.

We're going to defer that to the next call because we thought that it would be - that it is important for us to let the valuable discussion go on. I think that one of the takeaways that I would have from the discussion that we had is that we were defining requirements -- as you will remember.

So we have agreed in Frankfurt that we would establish requirements. And if those requirements that we think are needed to empower the community and to provide for a robust accountability infrastructure are fulfilled then we would all be happy.

What I see from the discussion and from the presentation that was kindly provided is that yes, we can have other requirements that we have implemented.

The question for the group will be whether we chose an option that might be more cumbersome in terms of change but get all the tools at our fingertips, or whether we want to make a tradeoff and compromise on some of the requirements for the benefit of having a solution that might be easier to implement.

I guess that's - the good news is that we have been on the right track with the requirements. So we did not build on any unrealistic expectations. The implementation is something for us to continue working on. And certainly the legal sub-team will continue to work with the lawyers.

But I think the whole group will also see more information on that in writing. And I think it might not be a bad option to even take this question to the whole community.

And that leads me to the question of work plan and timetables. There have been some concerns raised - and -- on the mailing lists as well as in previous calls -- that we might be moving too fast and that we are working towards deadlines that are unrealistic.

The co-chairs together with the rapporteurs have looked at everything very thoroughly. And we think we must not lose momentum now. One observation maybe that I'd like to share with you is that we think that some in this team are looking at their respective subgroup or they're looking at what's been shared on the main list.

And it's the co-chair's responsibility to keep an overview of all the actions that are going on in parallel. And we think that actually we've achieved far more so far than some of you might believe.

So if you look at - if you look at the report structure that we had suggested using in one of our earlier calls - and if you go through the chapters I think, you know, there are a lot of tics that we can make. So the intro part and the scope and definitions part, that's a document that we have almost finalized.

So that's - that needs some finishing touches maybe or some final review. We have the inventory of existing accountability mechanisms ready. We have the list of contingencies ready. Nothing has been added to that list. We have added a stress test. But the list of contingencies remains the same. So that's also ready.

When looking at Work Party 1 and Work Party 2, the work that they've done so far was pretty much dependent on getting assurance from the legal advisors in terms of feasibility. So we just got confirmation that this is feasibility but we have to choose an implementation model.

But both Jordan as well as (Becky) have confirmed to us that they would be in a position to provide us with updated drafts with the interim results by the end of this Thursday. So we have the community powers fully spelled out according to the templates that we're using.

We have the mission core values, the fundamental bylaws. There's a lot of work that has been done on the IRP and the reconsideration part of it. And if you take all that and if we - I'm just being corrected that it's Friday. But if we take that then I think we have quite a bit.

Finally the stress test document as well as many of the other documents have been presented to the groups in earlier versions. So you are - you don't have to be afraid that this is all brand new to you. So I think that - or we think that we have achieved extremely much in the relatively short span of time.

We just have to make sure that we put the loose ends together and transform this into the - into a cohesive overall proposal. And as we've suggested in Istanbul we should move from general to more detail.

So you know, even if we can't agree on all the niceties of an independent review process, you know, we don't have to do any work (unintelligible).

But if we capture that we need independent panelists, that the decisions need to be binding, that the procedure needs to be assessable - accessible and that decisions are being made not only on the basis of process but also on the basis of substance, I think that that would be quite something to put in front of the community and ask the community for their feedback on.

I think it would be important for us to try to get something out for public comment as early as we can, particularly because we need to make sure that we get the buy-in of the whole community in our - on our recommendations.

And in parallel we can keep working on details. But it would be a very frustrating experience if we actually find out that the community wishes

completely otherwise than we do only when we've gone down the road and worked further on a final proposal.

So having said that, we think that we can provide the group with a summary of the recommendations in a document that doesn't exceed 20 to 25 pages. So again, we're not looking for consensus on that in the next couple of day. But we need to - we think we need to go out and try to solicit input from the wider community.

And that sort of led us to the preparation of a revisited work plan. And I'd like to hand over to Mathieu at this stage to (throw) you through a very short presentation.

Mathieu Weill: Thanks, Thomas. I saw Eberhard's hand up. And then I know he had to go. Eberhard, are you still here? Because if that's the case, please take the floor now.

Eberhard Lisse: I do not agree that we had notice on such a short notice. With so few minutes time to spare the call is finished. I have patients to see exactly in one minute. I do not agree with this. We need more time to discuss this. Thank you. I'm leaving now.

Mathieu Weill: So I'm going to have to record that in the notes. And unfortunately, I think we had to let that discussion on the legal advice. It was very valuable. So it ran a little bit overtime. But I think it was valuable. And we'll certainly circulate the discussion's outcome on the work plan to the rest.

And as you'll see, there is certainly going to be opportunity to discuss the challenge and the risks as was done the last time. So also it's - and I'm trying to be quick on the short-term work plan. I think you all can scroll.

But just a couple reminders. Thomas said that we were chartered in the context of this transition. And we have - I think a number of stakeholders expect us to deliver in a timeframe that's consistent with the CWG because we - some of our proposals are supporting the CWG proposals.

Currently our goal is to have confirmation of some options -- or at least directions, guidance -- by ICANN 53 because that's necessary for the CWG proposals to be considered by (SOSCs) and forwarded quickly to the ICG by Buenos Aires.

And we had agreed in Istanbul to target April 21st. And that's obviously a big, big challenge right now. We know we want all members to make informed decisions on the proposals. At the same time, it is proposals for public comment. It's not final proposals.

We would ask for consideration. We need assurance on legal feasibility to be secured at least at an initial level. We made progress on that today. There are still areas to investigate. And I think that's going to be the urgent matters for the legal group to consider.

And finally, we need to ensure our timeline does fit with the IANA stewardship transition. So what's the way forward we propose? And then I open to question. We propose to first of all try and keep our scope as focused as possible.

There was a mention on the list to focus on CWG inputs. We haven't a full list of these inputs yet but can expect some more clarity in the next couple of days as the CWG finishes its two-day intense period - work period. And then we

would suggest to adjust the approach for our timeline like this, with a three-step approach.

This week we focus on work parties so that they can finalize their proposals by the end of the week. Then we will try and do all efforts to turn that around into the 20, 25 page draft report that Thomas was mentioning and set a freeze period of at least three working days during which members can review this full report and get an overall view of everything that is being considered for Work Stream 1 proposals.

And then we would go in to organize a two-day intense work period based on the CWG model at the end of next week, 27 - 24th of April around an agenda based on the various items that would need discussion in these proposals.

And obviously there would be an attempt to finalize. And if we found out that -- either for legal feasibility reasons or for lack of consensus reasons -- we could not, then we would have to extend our timeline basically. But there would be an attempt -- which I think we owe to the community to try.

And what would that look like in terms of agenda? I'm just keeping the different slides. But just to remind that we would really look at the proposals that are focused on requirements, general recommendations, and then details when we can.

And we are perfectly open to providing - to leaving some questions open for the community input into this public comment when necessary. And so finally, what would that say in terms of call schedule? That's the last slide.

These proposals we mean - we canceled the two CCWG full meetings scheduled for Thursday and Friday. This week sets the Friday as the target date for the draft report to be circulated.

Cancel the meetings planned for Monday, Tuesday - except the regular meeting on Tuesday 19:00 UTC where we could set the agenda, consider CWG input and maybe follow up on the legal advice discussions and then organize an intensive 23rd/24th of April meeting. And the slots that are currently on the slide are basically inspired by the way the CWG organized its two-day meeting.

And I'm sorry. I tried to be very quick on this. And I think that's the point where we should certainly get your feedback on this proposed approach. And I see Kavouss' hand is up.

Kavouss Arasteh: Yes, Mathieu. Could you kindly confirm that whatever goes to public for comments would have the label that is preliminarily out - pulled off the CCWG? It should be quite clear.

Second, it would have all elements on the CWG. It would have no pending items on CWG which does not address or is not addressed in the first. If there is any you have to put it quite clearly that title and things to be developed or to be addressed later.

So we should have something complete for the public to know that what issue is remaining to be addressed. Is it a good understanding? Or I have misunderstood you? Thank you.

Mathieu Weill: This is - these are very good points Kavouss. And I can confirm that it would primary in the recommendations that we would aim at obviously covering 100% of the expectations from the CWG as a top priority.

Next in line is Alan.

Alan Greenberg: Thank you. Two things. There has been talk about a face-to-face meeting in May. Is that still on? Or is that something that's now being cancelled?

Mathieu Weill: Last time we discussed we were not - no longer considering a face-to-face meeting in May, but rather a -- and that's being planned -- a meeting on the Friday just before ICANN 53 in Buenos Aires.

Alan Greenberg: Okay. Thank you.

Mathieu Weill: So you...

Alan Greenberg: (Unintelligible).

Mathieu Weill: ...can consider this meeting not on our timeline anymore.

Alan Greenberg: Okay. Thank you. That's good to know. I hadn't heard that. With regard to the intensive meeting, these things are brutal. And I really have a problem with the fact that the timing for the - the timing you're proposing similar to the CWG essentially says people in Europe only work during normal waking hours and the rest of us have to work through the night.

I'm not sure that spreads the pain equally. Thank you.

Mathieu Weill: Okay. So that - your comment is more on the way the timeslots are spread across time, right?

Alan Greenberg: Well it's combined. Six hours of meetings a day for two days is brutal. Six hours of teleconferences. Having to do half of them through the night makes it worse.

And if we're going to do that, we need to at least spread the pain around and not have certain privileged people. Thank you. In my mind, in this case.

Mathieu Weill: Okay. Point taken.

Man: Mathieu, sorry.

Mathieu Weill: (Unintelligible).

Man: You said that one day before the ICANN meeting you have face-to-face CCWG. We have ICG meeting before ICANN, face-to-face ICG meeting. Do you want to have the same time, ICG and CCWG?

Could you...

Mathieu Weill: Thank you. (Unintelligible)...

Man: ...check with (Patrick) and...

Mathieu Weill: Yes. We have initiated an exchange with (Patrick) and - on that topic and are planning to synchronize ourselves so that we can adjust. And those (leagues) that are on both groups can adjust their timings.

We were very much aware of this and took the initiative to apologize in advance for the ICG. And we are starting to exchange on this. So it's taken into account.

I see Jordan, your hand is raised?

Jordan Carter: Thank you. I hope you can hear me. I do support the shifting of some calls out of the next sort of six or seven days. And though it sort of pains me to say it, I do support the kind of intense (unintelligible).

I am left a little unclear from today's presentation -- the discussion around it -- whether we're going to be able to get the consensus in Working Party 1 by Friday. That's the mechanism. (Unintelligible) we have lots of input to sort of (unintelligible) on time. I think if not, almost. So in general I support the approach.

And I support the point that Alan made about the distribution of time. I think if you just spread them out a little bit more. And if it means that, you know, each person has one appalling slot and - as opposed to two. Thanks.

Mathieu Weill: Thanks, Jordan. I think the spreading of the hours is well taken. And that's perfectly fair. With regards to the outcome of Work Party 1, I think it's worth stressing that we are fully aware that some options might still be - I mean, we can still accept outcomes from Work Party 1. Essentially we'd present options.

And that would be perfectly understandable. And that's also the role of public comments to provide input from the community and guidance on what the preferred options are.

So I think as long as we are able to explain how we see the benefits and drawbacks of these options, then it's perfectly understandable that not everything is consensus-based at this point and that some options remain open.

That's the key challenge obviously because of the need for further investigations into legal advice on some of the options outlined by (Robin), Chris and others as well as the additional work that's needed on some of the Work Party 2 items from the legal advisors. That's going to be in the next legal subgroup.

Are there any other comments on that proposed timeline? Okay. Just checking because if Olaf is still here - because he was one of the people who initiated some concerns and I'm not seeing him either.

So what I would suggest - and I'll turn back to Thomas for chairing this. But maybe we can try and first of all go for the cancellation part of this proposed modified schedule.

So cancelling the next meetings -- the meetings for this week -- and taking like a little last call kind of email so that we ensure we don't get - as we have more traction for this model of work plan than we got for the last one.

We don't want to get into another round of objections -- as many as we got in the first time. Thomas, before we move to conclude what do you think of this approach?

Thomas Rickert: I do agree. I think that with both (Cheryl) as well as Jordan have - helping us (unintelligible) we have people in different time zones. So I think we can come up with a proposal.

Mathieu Weill: Thanks. Kavouss?

Kavouss Arasteh: Yes. The remaining part of the agenda today will be shifted to the next meeting. In particular I am interested in the stress test number 18 that I have asked many of my GAC colleagues to attend this meeting but they will not have time to discuss that.

And when you discuss all these stress tests, in particular number 18. Thank you.

Mathieu Weill: Yes. That will be unfortunately shifted to our next meeting.

Kavouss Arasteh: Oh. Okay. Okay, thanks.

Mathieu Weill: Otherwise I think we don't have the - I mean it would not provide the adequate conditions for everyone to participate to the discussion. And I would fear (unintelligible).

Kavouss Arasteh: Okay.

Mathieu Weill: Thomas, would you like to recap this one?

Thomas Rickert: No, no. It's okay. Thank you very much. Next meeting a stress test will be checked - will be examined. Thank you very much for that.

Man: And thanks for everybody's patience. We are 16 minutes overtime. So I'd like to keep this very brief. So we will definitely talk about stress test number 18 during the next call. What we take away from this last bit is that the proposed updated work plan does get some traction.

We will provide the group with a summary report or with a report that is not too extensive in terms of words so that people can easily understand where we are. And we're going to plan for the intense two work days next week. And I think I should leave it there and thank everybody for their patience.

And we will provide updates on the various items on the list. Thank you so much. And bye-bye for today.

Man: Thanks everyone.

END