

ICANN

**Moderator: Brenda Brewer
August 18, 2016
8:00 am CT**

Coordinator: ...have started. You may begin.

Yuko Green: Thank you. This is CWG IANA Meeting Number 88 on 18 August 2016 at 6:00 am UTC. I will hand it over to Jonathan.

Jonathan Robinson: ...very much. Good morning from Europe everyone. And let's hope we can enjoy a productive call. I know it's very late for some of you. But that's our plan to rotate the calls. We have modified (the staff) date of this call and some previous ones in order to try and accommodate people in various time zones.

We've got a lot to get through on this call. And I thought it's worth just making a couple of remarks as to where we've got to over the past week. It's been a busy week. And you'll hear more about that in the implementation update.

And I know that even over the last few hours there have been a number of emails and quite substantial (matters) coming in. So I realize there's a volume of work. It's hard to keep up with some of it. We'll try and be respectful of that

in managing working at a reasonable pace but also recognizing that people need time to review and digest the materials.

So since the last call, the - very shortly thereafter - it happened the same day we submitted our comment letter on the (DTI) bylaws and I'm sure those are being integrated as part of the public comment process.

You will have seen that the NTIA received the implementation report from ICANN staff and in fact responded. And hopefully you've had a chance to look at that.

The IANA IPR agreements have been posted for public comment. So they are up and available for public comment notwithstanding the fact that we had seen various iterations of them as they were developed. They're still - they're up there for public comment.

And most recently the Client Committee also asked Sidley to look into the community agreement signatory. This is a key point where it was not clear although we provisionally put some wording in place into the document that went out for public comment having ICANN as the community signatory on behalf of the names community.

But there are some issues that we need to look into and there's a document that's been sent to you recently prepared by Sidley. So there's a lot of material and we've got to ensure that the CWG is well informed and that we focus our attention on the areas where it's necessary for us to provide input remembering for the most part that the job is ICANN staff's to implement our proposal.

And our job is to ensure that it's implemented in a way that is consistent with the letter and spirit of the proposal. And to that extent (unintelligible) where relevant.

The key areas in my mind are looking at and dealing with any input on the naming functions agreement and the issues that derive from that including the substantial email and calls since Paul Kane came to the group earlier - a few days ago looking at this signatory to the IANA IPR community agreement and looking at any initial input on the services agreement.

You'll be aware that between ICANN and PTI there are two agreements (we) further down the road with the naming functions agreement, which I referred to a moment ago. And we now have to do the initial input on the services agreement and should be able to at least get an update on that if not provide some input.

So those are in my mind the key issues. And I think - I'll just pause for a moment to see if anyone has any questions before we move on to hearing from staff with the - with regard to the update over the past week.

All right. Seeing no hands, I suggest we get straight on with it then and hear from Trang and by ICANN staff and (unintelligible) too on the implementation update. Over to you Trang.

Trang Nguyen: Thank you Jonathan. Hello everyone. Could we move to a couple slides down please? Thank you very much. Let's stay on this slide.

So as you are aware, last Friday we delivered to NTIA our implementation plan and report in which we reported that all of the items or the tasks that NTIA required us to complete in their June 9 letter has been completed and

the remaining item will have already been completed as well or will be completed in advance of September 30 in order for the IANA functions contract to expire.

And essentially our implementation plan and report that we submitted to NTIA reflects the status that you see here on this slide whereby the items with the checkmark are the items that we reported as completing the necessary work with the community although some of them may still require signature such as the domain team agreement and/or final Board adoption such as the PTI governance documents for example.

So as you can see, a lot of progress has been made. The remaining items that we are working towards completing are the PTI bylaw, the PTI and ICANN naming function agreement and the PTI ICANN services agreement. Those are the three items - those are the three key items of PTI that are remaining to be worked on.

And then the IANA operation escalation processes just by nature of these being part of the naming function agreement, which is currently out for public comment and are tied to that naming function agreement, we had to extend out the completion date for that until mid-September when the naming function agreement concludes.

And essentially that is to account for any public comment or general comment with regards to how we incorporated those processes into the naming function agreement.

And then as you can see there, IANA intellectual property rights or the IANA IPR is ongoing work with the community and they expect a complete date there is at the end of September.

So those are the remaining works in Track 2, which is all of the recommendations that are in the ICG proposal. In Track 3, which is all of the work relating to the CCWG proposal. The remaining items there as you can see is the ongoing work with the CCWG subgroup IOT with regards to the independent review process and the supplemental procedures to the IRP that is being discussed within that group.

So I won't go into too much more detail because a lot of - all of the outstanding items in Track 2 are part of the agenda in Number 3 when I will go into a lot more detail. So I'll stop there and see if there are any questions.

Just the one thing that I will mention also is that as you all may have seen from the various communications that we've circulated, NTIA did review our implementation plan and the report and yesterday issued a letter to us stating that barring any significant impediments, they expect to allow the IANA functions contract to expire on September 30.

So that is good news. And that's based on the progress that we reported to them in our implementation plan and status report. So that's where we are with regards to the update that we provided to NTIA as well as their assessment. Jonathan, seeing that there are no hands or questions, I'll hand it back to you.

Jonathan Robinson: Trang for that efficient update. And I think the points you highlighted are essentially similar to those highlighted at the outset by myself. And so it's clear, we'll pick up on some of the detail there in Item 3. But it is encouraging that the point you make about the NTIA letter of yesterday and barring material changes, we should be on track.

So under Item 3 we have a number of key issues to cover as flagged for you in the agenda there on the right hand side of your screen, the first of which is to I guess get an update on the PTI bylaws and the processing for public comments by staff. So actually Trang, I suspect I'll call on you or Sam to give us an update there as to how that's going and what's happening there. So let's go straight onto that one next please. Sam, your hand is up. Please go ahead.

Sam Eisner: Thanks Jonathan. This is Sam Eisner from ICANN legal. We have - the PTI bylaws there were four comments received on the bylaws, one of them being the CWG's comprehensive comments that were also accompanied by our (unintelligible) to the bylaws.

And so we've done the initial (traunch) of review over those comments. We've assessed that they're - the only changes that are need to the bylaws are the changes that are requested and reflected in the CWG comment because to the extent that other commenters had substance of comments, the issues raised are actually already addressed within the CWG comments.

And so I confirmed today earlier with Sidley that ICANN was prepared to produce - to propose that the bylaws would be posted in final version accepting the language that was proposed by the CWG.

We have a separate issue that I flagged for (Sharon) this afternoon. As you may recall, one of the last items that came up was making sure that we had the flexibility and the authorization to have the appointment of the two directors that have been selected through the CWG to server in those NomCom roles until the NomCom's able to make appointment. And we had to restructure the Board terms in order to allow for that to happen.

One of the things that happened as a result of that is that - and Jonathan and (Lee), not to personalize this but you're the two that have been nominated to serve in those roles as we understand. And so you will be serving for a one-year term until 2017 when the NomCom can actually complete those appointments.

There is a term limit written into the bylaws right now that limits those NomCom appointed directors to two seats. And so (Sharon) and I were discussing earlier.

And she's indicated that she thinks that it could be an appropriate addition that we would actually exclude that one-year term that both you and (Lee) could be serving as initial directors from computation of term limits in the event that either or both of you were returned by the NomCom because that one-year term doesn't seem to get to the level of three years.

That also matches with the concept that anyone who's put into a term to fill a vacancy, they're filling of that vacancy isn't counted for the purpose of counting term limits.

So we thought that that was a reasonable change to make to make the whole bylaw scheme work well in that. So if you have any other concerns about that, let us know. But I think we had some pretty easy language that we had identified that we think is appropriate. And then with that, the PTI bylaws would be complete. If anyone has questions, let me know.

Jonathan Robinson: (Unintelligible). Yes. I clearly won't comment on that particular point but I'll invite any other comments if anyone does want to comment or make...

Seun Ojedeji: Yes. This is Seun. I have a question please.

Jonathan Robinson: Seun, go ahead.

Seun Ojedeji: Yes. Sorry. I just wanted to - this is Seun for the record. Thank you. I want to get some clarification on what's just said now. So you're basically saying that you modifying to ensure that the one-year time that (gentlemen) originally serving would not necessarily be (unintelligible) coming to the Board of the NomCom. Is that what you're saying?

Sam Eisner: Seun, yes. I think that that matches up. So the...

Seun Ojedeji: Okay. (Fine).

Sam Eisner: ...one-year term wouldn't count against for the purposes of computation of any further term limits, right. So there's a two-year...

Seun Ojedeji: Okay. Thank you.

Sam Eisner: ...there's a two-term limit and that one-year term wouldn't be equal to one of those three-year terms.

Seun Ojedeji: Okay. That's fine.

Sam Eisner: And I've dropped into the chat the language that we've looked at. The addition actually is the - in the first sentence it's the last clause that says and serve as an initial director shall not count as a term for the purpose of this section.

So rest of that language in that paragraph has been - is already existing language. So this is - oh sorry. I tried to cut and paste the right part but I just

re-pasted the whole thing. But it's just that one addition. We just thought it made the whole scheme make a little bit more sense.

Jonathan Robinson: (Sam), so in principle either of the interim directors or both could be re-appointed or re-nominated by the Nominating Committee to use probably the correct terminology for potentially two additional terms after the one year initial term.

Sam Eisner: So two consecutive terms - up to two consecutive terms past that first one-year term.

Jonathan Robinson: Yes. Okay. Thanks. Chuck, you have a question.

Chuck Gomes: Yes. Thanks Jonathan and thanks Sam. On the last sentence on what you posted there, does that mean that whoever serves as president they're only serving as a director while they're president; no longer than that? I was a little troubled maybe because it's late as it's probably late for you - it's late for you too. On that - what does that sentence mean there?

Sam Eisner: Yes. Chuck, that's right. And it is a little bit earlier here for me, so. That the - that line basically states that the president serves (ex officio). The president is serving just by virtue of the fact that they've been identified as president. And so if they are no longer the present whoever takes their place would then serve on the Board.

Chuck Gomes: Got it.

Sam Eisner: If they're still with ICANN or PTI, it doesn't preclude the fact that they could be nominated by ICANN into one of those other seats. But they wouldn't hold the seat that's reserved to the president.

Chuck Gomes: Thanks.

Jonathan Robinson: Thanks. And (Paul) offered some answer to Kavous' earlier question in the chat. Kavouss, I mean the key points - well one, first of all, there was a practical point that at the time it was identified and confirmed that there would be a requirement for two independent directors or at least directors independent of ICANN staff and Board to serve on the PTI Board.

It was recognized and I think the key confirmation was that the Nominating Committee would be the mechanism because our proposal states the Nominating Committee or equivalent mechanism.

And at some point the CWG settled on the Nominating Committee. And at that point it was recognized that the - it was too late in the Nominating Committee's cycle to introduce further work for the Nominating Committee that is to say the appointment of these directors.

The Nominating Committee's course had been set for the past year. And therefore it was recognized that we needed to have interim directors by another mechanism. And it was proposed to the CWG -- I don't frankly recall who proposed it -- that (Lisa) and I as co-Chairs of the CWG would make potentially suitable interim directors.

It was discussed and then it was recognized that subject to any dealing with any concerns over potential conflict of interest or other issues arising it was agreed that we would be suitable for that interim appointment. And that's the process.

So hopefully that's helpful to you Kavouss and others that that's a memory jog. And hopefully my memory is sufficiently accurate but it describes the position there. Any more questions for Sam or others; comments on this particular point? Thanks Avri for your confirmation - chat on the route to the interim directors.

All right. Let's move on then to dealing with the naming functions agreement. Now here I'll just remind you that as per our instructions, ICANN's worked directly with Sidley - in fact Sidley's worked directly with ICANN since - as I recall it, ICANN produced the first draft of the naming functions agreement.

Prepared a series of comments on that. And there are really two issues that play now. And how has Sidley's - how has Sidley's comments been incorporated into the current draft of the naming functions agreement and how do we weave in a deal with ICANN's response to the note circulated by Paul Kane earlier in the past few days, which had significant input from Becky Burr and Stephen Deerhake as I understand it.

So I think it would be useful to hear from staff on both of those; this being incorporating of Sidley's comments and respective responses to the Paul Kane notes.

And I'll just remind you all or highlight to you that ICANN did provide a written response to - as to how they began to - or how the propose to incorporate or deal with those comments listed by Paul Kane earlier.

But I understand these were relatively recently posted to the list at least within the last 12 hours or so. So you may not have had time to see them. It certainly came in overnight for me.

So if we could hear from ICANN staff then about the incorporation of Sidley comments and any (adjectives) to the description of the response to the Paul Kane email.

Trang Nguyen: Thank you Jonathan. This is Trang. And I guess I'll start and then Sam, please chime in if there's anything that - anything important that I leave out.

So you're right Jonathan. There are a couple of items as it relates to the naming functions agreement. One is the version that we posted for public (comment) last week and how we incorporated some of the red lines that Sidley had sent, you know, on the previous version.

And for that we just sent out today basically a footnoted document that explained how each of Sidley's red lined or comment was taken into consideration in the second version that was posted for public comment last week.

There are several of them and I'm not sure that it makes practical sense to walk through every single one of them on the call today. I would assume that, you know, several of them, you know, I just for the (prior call) changes that we made and/or some of them that we took on that we vetted (early) and then on some where we did not take on the (edit); we provided an explanation as to why it - we did not take on the (edit).

What I - this document has also been shared with Sidley. And I would suggest that perhaps as next step that Sidley review the footnotes that we have provided and perhaps then give us additional feedback if there are any questions or concerns.

And then any remaining items that concerns can then be floated up to the CWG for discussion. So that's sort of my take on potential path forward in terms of how we incorporated Sidley's comments.

And then the second item on the naming function agreement obviously is the list that Paul Kane so kindly sent after a thorough review of the document. And for those items we also just sent out a few hours ago responses.

A lot of the items seems pretty straightforward and can certainly be accommodated. And then for some other items we'd like to be able to accommodate the request but just need a little bit more clarification on what was on the point being raised. And then there are some items where we just have some concerns.

So I know these were just shared just a few minutes ago and I don't know Jonathan if you want to take the time on this call for us to walk through this document with those that are attending today's call or if you'd like to just do this via the mail list and give folks a little bit more time to read the document and digest it.

Jonathan Robinson: Thanks Trang. I think there's probably two points here. First of all on the previous one the Sidley input - it might be useful to hear from Sidley as to the satisfaction with the incorporation of their comments and think about what next steps might be there.

And then second, as you point out in this particular item, it's very recent but if there are any initial responses from call or anyone else in the CWG as to - if they had the opportunity to look at ICANN's responses, then feel free to give even some initial comments.

But given that the recent nature of the input it's probably a good idea to deal with it through the mailing list and of course ideally put it to bed at the next meeting or so if possible. Okay. I see a hand up from Josh. Why don't you come in at this stage Josh?

Josh Hofheimer: Thank you Jonathan. Josh Hofheimer. And Trang is right. We had sent one round of comments previously. And ICANN staff posted their revised draft. It didn't come back to us previously. It just was posted for public comment.

We have been digesting that and had prepared - (our issues) was that we were going to share with CWG before this call but when we saw the second email that came in from Sam this afternoon with the additional annotations and also the responses on Paul Kane's, we thought - we feel it might be better for us to sort of step back so we don't have competing documents kind of flooding people's inboxes.

To step back and digest these additional comments. And if appropriate, we might turn another draft into - on an interim basis to ICANN if there's things that we feel we can help work out, integrate some of the responses that we've seen or some of the comments we've seen and maybe address some of our concerns. And from that before the next call, we'll circulate and issues list of the things that appear to us to remain outstanding.

That said, I don't want to in any way imply that we're going to sort of take control of the document in the exchange with Paul. There was the response to Paul Kane's questions and then others like Becky Burr had weighed in on as well.

So I certainly invite the community to continue to address those issues as they see appropriate and we'll try to help support that or monitor that in the background with the work that we're doing with ICANN too.

Jonathan Robinson: (Josh), but that does point to another - understanding your final point, that does point to a helpful way forward of trying to make coherence the various inputs. And I think it would be very helpful to us in the CWG if we could work with you. And so to pleased to work first of all with ICANN and then to produce what you believe to be an outstanding issues list.

So from the point of view of the note taker, I'd like to, you know, make sure that that's clear that there is an action and essentially a proposed instruction from the Client Committee I suppose to ask you to prepare that issues list subject to further discussion with ICANN and of course the input from Paul Kane and others, as you said on this point.

And just for the point of view of the CWG as a roadmap where this will go, we'll end up with an issues list and that will either be satisfactorily resolved through the course of our meetings or I guess it's and/or we will then need to put in a public comment on the namings functions - the naming functions agreement depending on whether or not and the extent to which matters remain outstanding. And so I see - that's the way I see it going forward from a process point of view. Paul Kane. Why don't you come in now Paul?

Paul Kane: So thank you very much and thank you to ICANN staff for the comments submitted to the list, which I have not read in detail. And I will once again circulate that amongst the cc community who are following this closely, and seek their feedback. It's good to see that a number of it have already been - or are willing to be adopted by ICANN.

But just coming to the two core issues, and that is historically within the CC community, the -- and I'll just do the headline one -- the policies, I fully agree that policies happen for CCs within their local community, facilitated by the registry operator, and should not be part of the naming agreement.

The registry operator of CCs, unlike with gTLDs, is the party responsible for making changes. I want to say that again: the party responsible for making changes, and does not need, should not need the approval of ICANN, has never historically needed the approval of ICANN.

So Section 5.3, which says unless specifically authorized by ICANN in writing, (unintelligible) shall not be modifications, additions, or deletions to the root send file or associated information, that really does change the status quo, which is something we should not be trying to do.

Remember in the CC world, the CC registry effectively is the authority for that CC. If there's a dispute with the incumbent registry, that dispute is handled in the jurisdiction in which the registry is based and IANA, ICANN is informed by the registry of the changes that are necessary, unless a registry has explicitly agreed to be bound by decisions of ICANN.

So the reality is today the registry, the CC registry is responsible and in charge and we do not wish to change that status quo unless the registry explicitly agrees to follow and be bound by ICANN (unintelligible). The other one is the confidentiality clause, and I did see the comment made in the response, for which again I'm very grateful.

Yes I agree that there are sensitive issues, but it is also equally important that documents, that all documents that are available relating to a particular TLD are disclosed certainly to the parties involved in the dispute, not necessarily

wide - made publicly available in a wide forum but historically -- and I'm going back more than a decade -- unfortunately there have been some activities by ICANN, I appreciate many of the staff that are at ICANN today were not around in sort of 2002, 2003, when ICANN was, the then ICANN staff was coercing and trying to formulate who they would like as particular registry managers.

So I just think it's important that there should be as much transparency as possible in the way in which ICANN manages its documentation relating to ccTLDs. And we don't want to, as CCs, we're not handing authority over to ICANN; authority remains vested with the registry managers. In many instances, CC registries are administered by government agencies, and government agencies are not wanting obviously to be subject to ICANN, a private sector company.

So there's a couple of highlights, but again my headline is I'm very grateful for the comments submitted. I will read them. I will circulate them within the group and come back to you as soon as I can. Thanks.

Jonathan Robinson: Thanks, (Paul). That sounds like progress with some remaining open items. I note Mary's plus one to your comment in the chat. Are there any other points that anyone would like to make in and around the naming functions agreement, the integration of Sidley's work and this ongoing discussion in and around (Paul)'s e-mail. Sam? Sam Eisner? Go ahead, Sam.

Sam Eisner: Thanks, Jonathan. This is Sam Eisner again. We think that we've addressed some of the concerns that were raised by (Paul) in the document that was circulated. Clearly we're interested in hearing more feedback on what's proposed in there. It might also be helpful for the next CWG call to get some further information from (Elise) or her team about their typical practice for

maintaining different CC-related information and delegation-related information and what the status quo is about that. I think that that's one of those operational points that might be useful to understand at a broader level.

And I do want to flag one other thing. (Paul), you might have seen in here, and if you can flag for the CC operators that I'll be forwarding this to, we would like some more information on the one - the section 1.3 limitation on the GAC principles, so if you can help facilitate getting us that and then we'll be able to complete our review of that part of the comment. That'll be very helpful. Thanks, Jonathan.

Jonathan Robinson: I'm sure (Paul) will note that. And I see (Elise) is on the call and input's always welcome. And that input would be great. I mean because one of the things I understand, not to speak for (Paul), but I'm hearing a concern about the change in operational practice. So I think your point is well made, Sam, that we can hear that what is being proposed is consistent with past practice and would be helpful and gives confidence that unless there is good reason, the status quo doesn't change.

(Elise), your hand is now raised, so please come in with any comments you may have. We do not hear you yet. We'll give you one more minute, (Elise), to switch on your audio in case you can access, and if not, we can wait - you can come back at a later state once it is engaged.

All right, please raise your hand again if you are able to come in the audio. In the meantime I think we have a clear path forward then, and that is ICANN to continue to work with Sidley to incorporate outstanding issues and furthermore lead to compile. And I think for the notes, I think it's (Nathalie). (Nathalie), it's really for you to prepare an outstanding issues list. We don't want a comprehensive issues list, it's really an outstanding issues list once

further work has been undertaken on the naming functions agreement. That's really what we want to be seeing is any unresolved or outstanding issues. And I took that as read from Josh's earlier input.

Okay good. Well I think that gives us the opportunity to move on beyond the naming functions agreement for now and to touch briefly on the services agreement. Now here this is, to the best of my knowledge, ICANN is working directly with Sidley in the background on this. We have - the CWG has seen a first draft of the services agreement just under a week ago and ICANN is now working directly with Sidley, and I think it is pending further input from Sidley. So it'll be useful to confirm where we are in that process and of course to invite any initial comment from the CWG, if indeed anyone has any comment on that services agreement.

So I see a hand up from Sam, and I'll go to Sam first and then we can go to Josh thereafter.

Sam Eisner: Thanks, Jonathan. This is Sam Eisner. I wanted to confirm that we received this issues list that was submitted to the CWG this evening Los Angeles time, we also received it at that point. So we will begin working through this, and at the CWG's direction, coordinate with Sidley on these issues to see if we can get some of these closed before we have to take them back to the CWG.

Jonathan Robinson: Thanks, Sam, that would be helpful. I must admit my heart did sink a little bit when I saw this issues list and the fact that there was such a substantial amount outstanding. Of course the CWG can provide input if necessary, but to the extent that these can be readily resolved between ICANN and Sidley and put to bed, that would be helpful. That doesn't preclude anyone from the CWG who has seen this list now in the last few hours from providing any input on list of course. Josh, let me hand over to you.

Josh Hofheimer: Yes thank you, Jonathan. This is Josh. Yes this - we just did get, you know, earlier in the week the - I think it was the first full draft of the services agreement, so you're right, this looks like a robust issues list but we hadn't had the opportunity to send any markup back yet to ICANN. So this is our first review of it. And now that we've got sort of clear mandate to engage directly on this, we'll do so. And I suspect Sam and her team can hopefully try to incorporate some of these changes into another version or we can get on a call or something directly and talk through some of the issues.

And yes I do welcome - of course we always welcome some input from CWG members if they want to, and we added a column to make it easier for you to provide some input about some of the issues that we have flagged and anything else that people observed that they want to provide some response or some insight on.

Jonathan Robinson: Josh, that sounds good. So to the extent that it's possible, you can work your way through and try to resolve these, but as we both said, if anyone does want to pick up on this over the next few days and provide input on that third column, CWG input column and feed that into the process, there's no reason not to do that. Josh, your hand seems to be re-raised, so come back in.

Josh Hofheimer: Just was going to - so Sharon brought this up in the chat. We would like to encourage the DTO so both services agreement (unintelligible) provide some input and response on that, that particular schedule, if maybe that could be recorded as an action.

Jonathan Robinson: Thanks, Josh. If you could just repeat that because your audio cut out so for a couple of us during that -- or maybe all of us. So if you could just repeat that point please.

Josh Hofheimer: Sorry. I was just emphasizing or bringing up Sharon's comment that she made in the chat that we would like to ask DTO from CWG to review the schedule A to the services agreement that does provide a list of the services that are being provided by ICANN for the benefit of PTI, if they could review that document specifically -- and anyone else -- it would be appreciated and weigh in on that, we would appreciate it.

Jonathan Robinson: Chuck questions whether or not -- in the chat -- whether or not it is - DTO is the right group to review this. What is the schedule A? That's not familiar to me. Sharon, your hand's up so why don't you come in and give us a little bit more detail there?

Sharon Flanagan: Thanks, Jonathan. Schedule A is just a list of services being provided by ICANN to PTI. It may not be DTO, it may be another design team. The reason I had thought maybe it was DTO is because in some respects it might sync up with budget because these are the kinds of things that are going to be budgeted for and, you know, paid for by PTI.

So things like what's expected in terms of overhead support, you know, facilities, accounting, audit, all of those things, all of the different services beyond just, well, I think even including technical services that'll be provided by the employees of ICANN. And so we think someone at the CWG who's closet to the operation should be looking at the list to make sure it's complete.

Jonathan Robinson: Okay. It sounds like many of those may be financially related services but not all. So I - that's a good question. I wonder if anyone's got any suggestions. I'm thinking of, you know, in many ways of course we could highlight that schedule to the whole CWG but perhaps focus the attention of the group that was the team lead for the different drafting teams because each of them may

be relatively familiar with the requirements and to - so maybe that sort of implement oversight task force group may be best equipped rather than solely DTO.

I don't know if anyone's got any other suggestions or comments as to how we do this, but really - that sounds like it needs a careful review by those who are as well informed as possible as to the expectations of PTI and the services to be rendered by ICANN, just to sanity check there. You know, Chuck I see your point that you can see some DTO role but it's not in - it seems clear that it's not entirely a DTO function. So I'm wondering how we review this as a group.

It strikes me that it would be good to put it to a limited group to at least get some guaranteed attention even if the whole CWG - it's visible to the whole CWG. Absent another suggestion, I think we should circulate it to the group that was the IATF, circulate it directly to that group.

So if we could capture an action to circulate to both the CWG and directly to the former IATF group to ensure that this gets - the schedule A gets the attention it needs and seek comment and input on that. Now I guess technically for the note-taking for (Natalie), it's former IATF groups since we technically disbanded that group, but it's the former IATF group. Thanks.

Yes Matthew, thank you. Matthew Shears essentially suggests the same as me I think that we include that IATF group. And just to be crystal clear, it's not that we will not circulate it to the CWG as well I want to make sure it gets the attention of those who were very familiar with the detailed work that was done in the different design teams to ensure that the services being provided are indeed matched with what was expected since that's really a key part of our role at this stage in implementation oversight.

All right I think that deals with what we can on the services agreement at this point. And I'm hopeful that the further work that ICANN will do with Sidley will reduce that table of issues down. We'll look at the schedule A as discussed. And that leaves us now the opportunity to move on in the agenda to the IANA IPR, something which I said for some seems like a relatively small issue but it seems to have occupied a lot of time and energy and attention.

And the IPR documents are now out for public comment. And as you'll recall from our previous CWG call when we discussed these agreements in some detail and an issue that's remained list as a key point is who should be - one of the three documents is the community agreement that is the agreement between the names, numbers, and protocols communities as to how they jointly deal with the IANA IPR, which will be held by - held within the IATF trust and we need to be able to sign the community agreement as a names community.

And we have sent a request to Sidley, and formally I'd like to acknowledge that request. That request was made on behalf of the client committee between meetings, and I sent that request but it seems that it was a necessary piece of advice based on Kavouss and other input that we really needed some essentially legal input as to the issues around a potential signatory.

So if you'll recall, the client committee should act on the basis of agreed instructions from the CWG. So I'd like you to note that although it was an implicit instruction, I don't think we explicitly agreed to instruct Sidley to do this work, but it seems necessary. So this is the result of that work that Sidley put together relatively speedily, and thank you for doing so. So here is the document in front of you, which looks at some of the issues, the pros and cons of the potential signatories.

So, Kavouss, I think that attempted to take into account your earlier input, but I see your hand is raised. I'd like to invite Sidley to talk to this document, but let me defer to you first if there's any point you would make, and then we'll go to Sharon to talk us through this document. Go ahead, Kavouss.

Kavouss Arasteh: Thank you, Jonathan. Thank you for your patience. Jonathan, you know that I have been working in ICD for about 20 months and I am quite familiar how ICD as an entity communicates with other entities. We need to apply totally all procedures, whether you call them formality or procedures, that is that. So any request from CWG must be a formal letter from you two once agreed in implicit or explicit manner by the entire CWG first in the call and then on the mail for a period of time of a week or ten days and subject to comment or no comment, then you can send that letter to ICANN.

And ICANN, either the chairman of the board or any other entity who have that authority, will reply to that with the condition that they could accept - agree with that. And then when we want to delegate this authority, we have to mention the delegation of our authority, not only signing the agreement. As I mentioned in my (unintelligible), agreement then have an implementation of that up to going to the (unintelligible) the entity. So we need to clearly mention all of these things but not at this stage now, but we have to work it out and we should properly apply the procedures. Thank you.

Jonathan Robinson: Thank you, Kavouss. I think we will seek to be diligent and properly align the procedures wherever appropriate. So let's hear now from Sharon, her input and Sidley's input on the issues around a potential signatory, bearing in mind that this is - there is a time constraint here also in that we need - we will need to identify a signatory in relatively short order and highlight the issues

associated with that particular signatory. Go ahead, Sharon. Let me hand the mic to you.

Sharon Flanagan: Thanks, Jonathan. So I'll just cover the chart that we circulated earlier today and that's posted here in the Adobe room. We went through the alternatives and tried to highlight the key advantages and disadvantages of each entity as the counterparty to the community agreement on behalf of the names community.

So the first one is CWG itself. That came up on last week's call towards the end as could CWG be the counterparty. Right now CWG is not a legal entity so couldn't sign, but CWG could be converted into a legal entity in the most basic form, which is - which would be the unincorporated association. That is the same form of entity that the empowered community will take, and it is a very streamlined type of organization.

So the advantages that we saw of CWG as being the signatory as an unincorporated association is first that it's representative of the names community. You could have basically the same five chartering organizations that you have under the CWG charter.

The organization itself is very simple to form. We wouldn't need to do any filing. We could do a simple filing with the state of California but wouldn't need to do anything as a legal matter. All that it requires is that at least two of the five chartering organizations indicate an intent to associate and join. So it's really quite simple.

The advantage is CWG also already has processes in place to act by consensus; you already have a framework there. There would be minimal cost to structuring this as an unincorporated association. The fee of \$25 a year is

pretty basic. There's no liability for any of the members of an unincorporated association.

And then one of the key functions of whichever body is the signatory to this community agreement it to appoint the three representatives from the names community to this community coordination group under the community agreement. And so CWG could appoint those three representatives from among its members. You could just, you know, kind of take the same approach you take in your current charter as to how the chairs were appointed. You could use that same concept and just say similarly the three representatives would be selected from among the members by consensus. So those would be the advantages.

The disadvantages is the entity doesn't exist yet. It's not - you're not a legal entity yet. That also means that CWG's got to stay in place for so long as the community agreement is in place, so that could be indefinitely. We'd also need I think the five chartering organizations to act to determine whether they would want to do this and want to join. So that creates a timing issue. We would need to create some kind of governing document.

It could be simple and we could use your current charter as the basis and simply make revisions that we would need in order to adapt it for this purpose. And there would be, although minimal, there would be some administrative cost associated with having this entity continue on. You'd need some amount of support from ICANN. If you're going to have calls periodically to appoint these three representatives, you'd need some support there.

And then lastly, and this may be the most significant drawback of having CWG be the party, is that one of the things that the three communities under the community agreement can do is they can enforce the agreement against

the IATF if it's not acting in accordance with the agreement and, you know, that would involve litigation costs and CWG wouldn't have funding, at least right now, have funding to do that. So ICANN would need to support or there would be some other way it would need to be created to support funding any litigation should it come to that.

So those are the advantages and disadvantages of CWG being the counterparty. Any questions on that before I move on to ICANN? Kavouss, is that a new hand?

Kavouss Arasteh: Sharon, excuse me, did you read my comment? I proposed two options, with one of the options is the one that you said this is not advantageous to have that one unincorporated association, but the second one is ICANN that you also, if I understood correctly firstly, that is a possible example. I am not opposing that. The only thing that all procedures must be clear.

We should write a formal letter signed by the co-chair, approved by the CWG totally but not in the call and then providing conditions and terms under which that ICANN could accept those responsibility in signing the agreement and in future be part of the agreement in order to implement the terms of the agreement of any events that happen. It's not only signing one day agreement with the course for years and there might be some changes up to the case they're going to escalate it and so on and so forth.

These conditions must be at least established if not now later, but the letter should be signed by the co-chair formally sent to ICANN and the reply comes back from the ICANN chairman of the board or say or formally and mentioning that yes we take responsibility under the condition that's yet to be established or under the condition that you have established. So these are the

formalities of procedures that must be followed. I totally agree with you that ICANN would be a good solution to do that. Thank you.

Sharon Flanagan: Thank you, Kavouss. And I think what I would envision is that whatever outcome CWG decides on, that would be in a comment letter back to, you know, back to I guess it's going to IATF and others as to one of your requirements. So I think that would be the place where the co-chairs would be sending a comment letter on behalf of CWG, whichever outcome you choose. And I can discuss the next potential signatories at ICANN. In that one I can talk about some of the points you raised, which is how do you deal with the ongoing management of ICANN on a go-forward basis.

Okay, so that - so let me move then on if there are no questions about CWG in this capacity. I think probably I think the biggest - one of the biggest issues of CWG doing this is just the timing issue. But, you know, there is a way we could bridge that gap is you could, you know, you could put one of the other alternatives in place temporarily for some transition period and then work through forming CWG as an unincorporated association during some transition period and then, you know, move the agreement over to CWG at that point. So there is a way that we could, you know, kind of bridge that gap on the timing point.

Okay, number two is ICANN being the signatory, and we did cover this on the call last week, but just to recap, the advantage of ICANN is ICANN clearly has the expertise and infrastructure.

ICANN has been managing the IP for many years, knows the IP, understands the issues. ICANN that (notion) could be implemented really quickly. You know, we've got the legal structure in place. And ICANN has provided at

least the initial willingness to serve in that role, if that is what CWG is requesting.

There are some disadvantages to ICANN surveying. One is that ICANN is (also) the licensee under the license agreement. So in some ways, ICANN would be wearing two hats here. It would be the licensee and also the representative of the Names Community, overseeing IATF. I don't think that's insurmountable, but it is something to note.

And then if it's ICANN that's the counterparty, you know, I think the Community in CWG would still want to have input and determine — or help to determine — who the three individuals are who serve as the CCG representatives.

So if ICANN is the counterparty, we still need to create a mechanism whereby CWG would direct, or some other group would direct, that these are three individuals that we think need to be serving in that role. So there is still some process that would need to be added.

That's ICANN. And then I guess one other advantage of ICANN that's not here, but just for completeness, is that I mentioned in Number 1 that for CWG there's this funding issue that there's some minimal costs at maintaining. And there's also the costs that would be associated with any litigation, and if ICANN were the counterparty, ICANN would presumably have the resources to do that.

And Sam confirmed in the Chat that ICANN has indicated they are willing to serve as the counterparty if requested.

The third — let me pause there. Any questions or comments on ICANN as the counterparty?

Jonathan Robinson: It's Jonathan. I mean, you've touched on this, but just to mention Chuck's point from the email earlier. And I think it is something which reluctant to think about, because obviously it has another layer of complication, but it's a valid consideration, is this point of an interim solution.

And I think, in effect, if we talk about interim solution, that it's almost by definition ICANN is saying the logical option is to choose ICANN, but that may be a temporary solution rather than a permanent solution.

So it seems that we have a choice here between choosing what we believe to be the permanent solution — which may or may not be ICANN — and choosing an interim solution — which almost certainly would be ICANN — for the expediency of that, with further consideration to an alternative solution. Thanks.

Sharon Flanagan: That's right. And the transition solution, if we were to do that, it's not without complexity, because similarly, then you have to deal with both issues: dealing with creating ICANN as the counter party on a temporary basis, and who are the three representatives, and then also anticipating what the next body is.

But I think it's manageable. And on the first point, if it's ICANN in the transition role only, I think that CWG could indicate these are the three CCG representatives. Make that decision now and have those individuals in place for so long as the transition takes.

And as Sam makes the point in the Chat, it is a fair point, which is a mechanism to name the three representatives is true in all the solutions, and I agree with that.

I think the CWG approach seems slightly easier, in the sense that CWG already has in the Charter — I was sort of looking at the Charter and thinking how could this be repurposed for this (IPR) issue?

And I thought the Co-Chair selection could be one mechanism, which is right now you select your Co-Chairs through a consensus-based model. And so CWG could just adopt a very similar model and say we're going to pick three representatives from among our members. I think it's easier in that it's CWG making its decision kind of within the four walls of CWG.

With ICANN or any other party, CWG is standing outside of that entity and needs to influence. And it's just a little more indirect.

Okay. So on to the third alternative, the Empowered Community. I think this is probably one of the more challenging alternatives. So we'll spend a lot of time on it. But let me just recap.

That advantages of the Empowered Community is that it does represent the community interests. It's broad-based — maybe too broad-based for purposes of this more narrow function. And it's — but it will exist. It will be a legal body, and that's already part of the transition as contemplated.

The disadvantage is it clearly was never intended for this purpose. And again, we'd need this mechanism to create these three representatives. We would likely need to go back to CWG and vet this with them and then have an amendment to the ICANN by-laws, which I think could be challenging.

EC, the Empowered Community, might not have the right people or infrastructure to carry out the role. And it's really not designed to act kind of in this nimble way on a narrow issue. And so we're really trying to, a bit, you know, set a square peg into a round hole. So I think it's an alternative, but not the perfect solution.

PTI was another thing we considered. The advantage there is, you know, it's we've still got flexibility because PTI by-laws haven't yet been approved. You could put it under that, under those by-laws, but the disadvantage is probably a significant one, which is it's really – it really lacks the expertise to fulfill the role. PTI is meant to serve a technical function. And wouldn't necessarily have the right people in place to be weighing in on these IP issues.

And then, lastly, you could have some other combination of ACs or SOs. I don't really see Number 5 as being better than the CWG, forming as an unincorporated association, but that's another approach would be to take some of the ACs or OCs who are already legal entities and have them sign. I think the issue there is they're a more narrow subset of the Names Community, and so you don't necessarily have the full breadth that you have with CWG.

I'll pause there. Yes, and hope I'm not mispronouncing your name. Yoav, did you want to come in?

Yoav Keren: I was just trying to comment. As it always true that CWG is supposed to be actually out of functions on this time already. I mean, look at the Charter. I mean, we cannot contain this in going on. So that was actually on the discussion in the Chat room.

Sharon Flanagan: Thanks. And so just to acknowledge the point for the record is the concern that CWG was never meant to be a permanent body, and it was not meant to live on forever, and so is this taking it beyond the intended scope in a way that's problematic? Sam?

Samantha Eisner: Thanks. This is Sam Eisner from ICANN, and I know there's been some question about whether or not ICANN would be willing to serve as the signatory. That is something that we're prepared to do for (ACT). My question – my comment here is really agnostic to that issue. I'm not taking any position on where the signatory should or should not be.

But I just wanted to ask the question and raise the issue of, you know, if we look at things like the Empowered Community, which, you know, Sharon has agreed, you know, even if that were the place that might be a potential signatory, there would be multiple things that would have to happen in order to get to that point.

But also, if we look at the composition of the Empowered Community, it is, it's not just registry operators or the customers' (VIN), a function that it's of the naming function.

It's also the non-registry operator, parts of the GAC, and the ALAC, the ASO, and the GAC. It doesn't have the non-(PCNSO)-member ccTLD operators there. And so I was wondering if there are any principles about how we tether, or how this CWG is looking at tethering that.

The signatory relationship, or identification of the development of who could be the signatory to the groups that are actually suggested as being represented within those IPR agreements, because those are tethered directly to the INS

services. I just wanted to find that issue and make sure that that was on the radar as this signatory discussion was going on.

Sharon Flanagan: Jonathan, did you want to come in?

Jonathan Robinson: Yes, Sharon, I think it's important just to level-set here for a moment so we stay on track. I mean, clearly, we're discussing respective signatories. We have the CWG as an unincorporated association, or in fact, an unincorporated association. And that is the only basis on which there is a prospect of the CWG continuing in some form or another, post-transition.

And apart from the point that (Matthew) made, which is that it should last as long as necessary, in general, it seems like a strong feeling in the Chat that CWG needs to come to an appropriate end.

So I just think that that's important to make sure we're clear on that, and don't go — which is essentially consistent with the point that you just made in the Chat. And we'd quite like Sam to rearticulate her point about the tethering of the representatives to the signatory, and just to make sure that that question is understood, because I think that essentially runs across the different options.

And I'll stop there, Sharon. Thanks.

Samantha Eisner: Jonathan, did you want me to come back in on that?

Jonathan Robinson: It would be helpful, Sam. I think my understanding is on that point is that it essentially runs across all solutions. Then we should be bearing that in mind. So I think it would be useful to just reiterate that, or try and just make it as clear as possible to all of us what your concern there is, and then Sharon may have a response.

Samantha Eisner: Sure. Thank you, Jonathan. So for those of you who haven't focused intensively on the IPR agreement, there is —the community agreement is where the Names Community that is receiving that IANA function services is agreeing to — along with the protocol parameters and the Numbering Community to — they're agreeing about how they will coordinate with the IATF Trust on the oversight of the IANA functions IPR.

And so there are strong tethers in those agreements in that whole slate of agreements that the CWG looked at last week that go to the delivery of services and the propriety of termination of services, et cetera. And so those agreements actually call for the CCG or the community representatives to be part of those groups that receive the services.

And so my question earlier — or the issue that I was flagging — was when you're looking at who the signatory will be, has the CWG made any considerations about how strongly the signatory itself should be tethered to the people who are actually going to be receiving the services under the IANA functions contract.

So if you look at the entire community, for example — and the same could be said for the CWG — and looking at the group of chartering organizations for CWG, we're looking across the ICANN community and not just those areas that are specifically related to the receipt of naming function services.

So you know, like the ALAC and the ASO, they are not receiving naming functions services. Only parts of the GNSO receive naming functions services. The ccNSO receives naming functions services; however, they are not the be-all and end-all of ccTLD operator representation because they are non-ccNSO-member ccTLD operators, for example.

So my question, or the flag, was how much are you taking that — the representation — the Naming Community — into account when you're looking at who the signatory would be?

Jonathan Robinson: Thanks, Sam. Maybe you could hold that point, Sharon, and come back to it if you have any thoughts or input on that, although I realize it's a question not necessarily for you. Why don't we hear from Chuck, and then I'm going to hand back to you, Sharon, and if you want to make any other inputs, and then make some suggestion on.

Go ahead, Chuck.

Chuck Gomes: Thanks, Jonathan, and thanks for this good discussion. This is certainly not an area where I have much expertise, but I'm looking at Option 5. And the two SOs that obviously relate to the Naming Community are the ccNSO and the GNSO.

Is there any sense to considering those two SOs being the signatories and then maybe having two signatures; for example, the Chair of each of those organizations? And if so, would they need to be come unincorporated associations like with Number 1?

Sharon Flanagan: So I could come in and answer that question.

((Crosstalk))

Jonathan Robinson: Let me hand it to...

Sharon Flanagan: Yes, let me answer that question at the end there, Chuck. Yes, they would.

Whoever signs the contract has to be a legal entity. Some of the SOs and ACs are already unincorporated associations. I know that came up during the formation of the Empowered Community. I don't recall which ones were, and I don't know if any of the CCWG members on this call recall offhand.

But if not, they could easily form themselves into an unincorporated association. It is a very simple process. And I think, going back to Sam's point, I think what I'm hearing Sam say is, is possibly the CWG too broad, really, in terms of — are the stakeholders who are interested in the IP — because that's really what we're talking about.

We're talking about kind of very narrow issue, actually. It's become a big issue, but's a pretty narrow issue, which is the trademarks, the service marks and the domain names.

And so maybe is it some subset of CWG and not all five of the chartering organizations that are right for the interested parties who should be represented at CCG? The three individuals.

And so just to throw a strawman, if it's ICANN who is the counterparty, are the three representatives, is it, you know, one from ICANN, one from ccNSO, one from GNSO? You know, that would be one possibility.

Jonathan Robinson: Sharon, thank you for this input and for the summary, and to those for the discussion so far.

We clearly have to try and — given time constraints and circumstances — narrow this down. And I think what I am seeing is, practically, ICANN stands out with some concerns or issues that need to be resolved.

Practical alternative seems to have been the possibility of what Chuck just suggested. Something like GNSO and ccNSO — although I'm mindful that that might seem to exclude CCs outside of CCNSO as potential signatories. I think we need to be careful here to — as you said, Sharon — the magnitude of this issue and the significance of it.

I mean, when you — Kavouss talks in the Chat room of the Names Community establishing an unincorporated association, signing the agreement.

So I think it feels to me like we can potentially, with your support, narrow it down to at least those two: some form of unincorporated association or ICANN and, you know, any guidance or strength of feeling you have, or if you'd like to put in on that could be helpful. But I'd like to suggest we narrow it down to those two options at least.

And Olivier, make your point, and then we'll invite Sharon back in.

Olivier Crepin-LeBlond: Thanks very much, Jonathan. Oliver Crepin-LeBlond speaking.
And I agree with you. I think some of these, some of the options that are given here are a definite dead end, if you want.

I mean, when something says not intended for this purpose, then changing the purpose of something is going to be pretty hard. And certainly, as it was rightly said, the CWG is an unincorporated association. It was never meant to be doing something like this.

So I certainly would wish that (somebody) can come back with some resolution or some kind of mitigation of the challenges to ICANN if ICANN

was to sign this. To me that looks like the most probable route; and then to also look at the combination that you have spoken about about an AC unincorporated association. These are the two that look correct to me. Thank you.

Jonathan Robinson: Yes, and I'll note there's some Chat, including from Sam, who has said the Names Community, if ICANN would expect the Names Community to identify mechanisms for CTG representation and how ICANN is expected to take direction on contract for (unintelligible), which seemed like the two substantive issues under – in that context.

Sharon, would you like to come back in now?

Sharon Flanagan: Just to respond to Olivier's last point, which is on mitigation if ICANN were to serve as the counterparty. I think the primary mitigation would be in the selection of those three representatives.

Because those are the individuals who are actually going to be doing the, you know, providing the advice to IATF when the time comes. And, you know, doing the, I would say, day-to-day function. But it's not a day-to-day function. But the periodic functioning. So I think you can mitigate through the appointment of non-ICANN individuals among the three representatives.

I did want to just remind people; I think people are aware of this, but just to remind people that in the original CWG proposal, the issue of IP, we have the sample term sheet, Annex S, and in that sample term sheet, the IP was going to stay with ICANN.

Now I know that was a sample, and it was never intended to be binding. But it was only through the process of the Numbers Community indicating that it

was important to them that the (IP) moved out of ICANN, and that we ended up in this process of IATF holding the IP.

So to just remind people that the idea of ICANN being a counterparty is in some ways, you know, comes back to the original proposal from CWG — at least the sample term sheet. So it's not that far from where you all started.

Jonathan Robinson: Thanks, Sharon. So, come to you in one moment, Kavouss. In that context, it may make sense that we concentrate our thinking. I don't want to prematurely narrow this down, but it may make sense to concentrate our thinking on ICANN as a signatory and then how really our focus is (meeting) concerns that arise from that, including the point that Sam made, which is identifying mechanism for CTG representative selection and how ICANN takes direction.

So perhaps you could think about that and see whether as a group we could provisionally go down that route. As I am conscious, I don't want to prematurely come to that point. But there seems to my mind to be a certain logic in that for a variety of reasons that I won't describe now.

Kavouss, come in with your input.

Kavouss Arasteh: Yes. In return, in (ICG), we have distinctively (separated) the three communities: Numbers, Parameters and Names. Now we want to inject the Names responsibility authority into the ICANN. This is not legally valid.

The three parties should act as a legal entity. If Names does not have legal entity, we have to create the legal entity. If we give it to ICANN because we don't have that possibility, we should very clearly mention all the

responsibilities obligations not only for signature, but for the implementation of the agreement to our validities of agreement.

That would be a very complex legal document to (repeat that). But I am happy with any of the two, but not just somebody from ICANN saying that I will do that without specifying who that person is and so on, so forth.

And not signing any letters by you (and please). So we should apply the procedures correctly. My favor is I am comfortable with an unincorporated association for the Names Community, which I don't think that there is any problems. They will have to do it under the normal (CWG) ability for the Empowered Community. Thank you.

Jonathan Robinson: I think that's consistent with what I said a moment ago. In other words, if we went down the route of ICANN as signatory, we need to put appropriate constraints into that. And I guess the second point is that you in essence introduce or reintroduce or retain the prospect of an unincorporated association.

It would be very helpful to get input from others if they feel strongly about one route or another. But certainly, also useful to have your support that lead to narrow it down to private association representing, or ICANN, and if possible even try to narrow it down to one, and deal with the constraints on that one solution. Any comments or inputs in that regard?

((Crosstalk))

Jonathan Robinson: That's very helpful, Josh, your input in the Chat. Those — I've got an echo which is my open mic. But maybe your mic is open. Thanks.

So interesting point that Josh makes in the Chat. That, you know, we do need to make sure we don't go beyond the limits. You know, we need to understand that the community agreement has a limited responsibility in delivering the Empowered Community decision to the IATF.

At that, a separation of INS service provider is required, and then provide some advice, but not approval, of handling of IP in the more day-to-day scenarios. So there's a very limited function to this, and we should not overblow that role. We should have — it's a very specific and focused point, which isn't something we need to — we need to have it be appropriate size.

There were some, that was your previous hand, so I'm going to defer to Greg, who hasn't had the opportunity to speak, now. And if you would like to speak again, please re-raise your hand. Greg, go ahead.

Kavouss Arasteh: Sorry. Can you hear me? That was old hand, sorry.

Jonathan Robinson: Thanks, Kavouss, and Greg, please go ahead.

Greg Shatan: Okay, thank you. I think given the amount of time between now and September 30th, if we want to, you know, actually have a Names Community representative in place, ICANN seems the most straightforward one.

In the short run, at least, we can look at some of the other alternatives, such as a Names Community unincorporated association. But it seems to me that standing up an organization — although actually the other, the making of an unincorporated association is a simple process, as Sharon indicated, but kind of creating the...

Jonathan Robinson: Greg? Greg, sorry to interrupt you, but your mic has problems. Too low. I think we need you to turn up your microphone volume so we can hear you, please.

Greg Shatan: Is that better?

Jonathan Robinson: Yes, Greg, that's great.

Greg Shatan: Thanks, sorry. I'm using a device that I haven't used before, so. It will take a little getting used to.

In any case, we need to — I think in the press of time, on the interest of time, you know, working on the ICANN scenario makes the most sense. You know, it's — and as Josh points out, the relatively limited role of the CCG, you know.

There are, you know, a number of nuances that will be beyond what can be fit into a Chat, but basically, it's a limited oversight role with some even more limited approval roles and kind of transmittal of the Names Community's desires role as well. And we'll have to figure out how to, you know, what the wiring behind that is, regardless of the scenario we pick.

One last point. I don't think it's — if we do go the ICANN route, we don't need to create any other unincorporated associations just for the purpose of putting ICANN in its place as a signatory. And that would be a signatory really on behalf of the names community which I think may actually be the way that it's stated in the community agreement at this point. Thanks.

Jonathan Robinson: Thanks Greg for that. So it feels to me like there is some support for a potential unincorporated association but possibly a broader recognition that

ICANN with appropriate constraints and mechanisms for example for appointing the three representatives might be where we best practically focusing our attention now.

It's challenging because I clearly don't want to drive the CWG in that particular direction. But I'm also very mindful of time and in fact conscious of this paper in front of us and the inputs we've received. So I'm going to put it to you that we make a provisional conclusion that we go with ICANN. And I think what we need to understand if we do, do that is we need to be crystal clear what the work pieces are that go - that sit alongside that.

So just to capture that I'm proposing to you that we go with ICANN. We recognize that the alternative was the practical alternative was some form of unincorporated association but given time constraints and other factors including relatively at least relatively limited opposition and as far as I can see we go with the ICANN solution at this stage and we work between now and the next call. Sorry I've got a fire alarm in the background. I've have to just pause this for a moment.

Thank you. Apologies, that's been dealt with. Sorry for those of you for whom that's too late or too early. So Kavouss I'll come to in a moment. But just to capture that it seems that in the interim we would need to look at what the critical issues are. And we may need to try and capture that in a small table the key issues of work for the CWG in that event such as what the point that (Sam) raised earlier the three representatives and so on. Kavouss you would like to make a point, come in.

Kavouss Arasteh: Yes. I would like to make a point that the second option ICANN even if the CWG totally send a letter and ask if then would have some legal difficulty because CWG is not a legal entity. I think you need both. You need to have an

unincorporated association of the name community and under that that unincorporated association transfer or delegate its authority for signature and implementation of the agreement to ICANN.

If something happened that does not satisfy the situation that delegation of authority may be withdrawn and that unincorporated association can - protocols of naming system or naming committee could have alternative way. But I think in any way you need an unincorporated association either permanently doing the job or as soon as it is establish delegate its authority and responsibility to ICANN to do that with the terms and conditions and so on and so forth.

We need to really think of that. This is very, very important. I don't think that we can just simply give it to ICANN and so on so forth because CWG cannot deliver any responsibility. We are not an entity. We are a group but not entity. We are - don't have any legal status. Thank you.

Jonathan Robinson: Okay Kavouss. I won't comment specifically on that to say to recognize that, that is one issue we might need to consist - consider as we deal with this proposed solution which is ICANN as signatory. And then we need to know what the issues or questions and perhaps the best way to deal with that is to ask Sidley to narrow that down and present it to the group the key issues that we need in a simple digest the issues that the CWG needs to resolve such as that point that you just made Kavouss in dealing with managing ICANN as a signatory.

So that's my proposal to you as a group therefore that we provisionally essentially accept ICANN as signatory. That we then seek for Sidley to provide to us a set of the key issues that, that throws up for the CWG to resolve. And subject to satisfactory resolving those we would then can

proceed with that solution. So that seems to me to be a suggested route forward. And I propose to you we go ahead with that route in the week ahead in dealing with that.

I note some support from (Cheryl) for that. And I'll just pause to see - I didn't use the word provisionally. It's really my point was provisional that we - I don't want to absolutely exclude any alternatives but I think we have to provisionally choose one or at most two solutions to work with. And I suggest to you that we choose ICANN subject to being able to deal with the issues that, that throws up. We look at the issues in the table that Sidley will prepare for us and we work through those issues. So that's my suggestion yes. Thanks (Cheryl), thanks Avri for clarifying that.

All right I'm mindful of time. And I think that gives us a way forward here and we do need to have a look at the recent work on the IANA budget process. So if we could move on to that item next that would be helpful. And in dealing with that I think we take we've - have to look at - it's a brief review of the proposed process and see if there are any CWG comments or inputs.

I'm not sure that we're going to first from Chuck or Xavier on this as to the recent update. But let me offer that up to you to put up a hand if you are available to comment on the recent work that's been done on the budget process and so on. Chuck your hand is up so let me hand microphone over to you.

Chuck Gomes: My suggestion Jonathan is that we bring up the process of the three slides and the PDF for the process. And I'm glad to see that Xavier stayed up late and is on the call because I think he would be best qualified to go through this. He did a little bit of it last week. But it's really important to understand the process and then I can go over DTO's assessment in terms of meeting the

requirements of the CWG proposal. And we can bring that document up after we go over the process. So if Xavier is willing to do that I think that would be great.

Xavier Calvez: Hello everyone. Can you hear me?

Jonathan Robinson: Xavier we hear you.

Xavier Calvez: Thank you. Thank you Chuck. I will go over this slide fairly quickly. I think that the point of this slide was to offer to the DTO who's worked on this topic to put in context the requirement of the CWG proposal which language is indicated here. Also the classes that we're going to look at is not as of yet detailing the steps that will make up the community engagement on that specific process.

We had listed in the graph that we are going to look at for public comment for specifically dedicated to the IANA operating plan and budget. But that's - that is going to see the full extent of the community engagement that should appear on the PTI budget. So there is some refinements in more detailed steps that need to be added and developed on this process but the structure of the process overall is what we're going to look at. So if we can go to the next slide please.

So this is a graph that's specifically focuses on the PTI operating plan and budget. And we also have the next slide that will show how this specific PTI process synchronizes with the overall ICANN process which helps the understanding of the main steps. I will simply highlight two well three steps really out of this process.

You can see on this slide a vertical dashed bar red bar that is positioned between the end of the first quarter and the beginning of the second quarter. That basically represents nine months in advance of the next fiscal year that is being budgeted for. And that's the point in time that the CWG proposal requirement has set for a submission of a proposed budget.

And you can see that the fourth step from the top of this graph which is called the Developed Draft PTI and Operating Tandem Budget is happening prior to this due date of the ninth month prior to the end of the fiscal year. And the submission of a draft PTI which is operating plan and budget which is the fifth step from the top in bold and dark blue bold on the graph indicated with a little star that appears on the left of the dashed red vertical bar. This represents the submission of a comprehensive draft operating plan and budget to both the ICANN Board Finance Committee and to the PTI Board. So this is the formal submission of a comprehensive operating plan and budget to the PTI Board for consideration.

And then future submission to public comments which would appear during the second quarter of the fiscal year second quarter of the fiscal year is from October 1 through December 31 for our fiscal years. And subsequently to the public comment comments are taken to calendar responded to the budget is finalized. And we are suggesting a board approval of the operating plan and budget as revised following public comments in a timeframe that corresponds basically through the month of January of every year which is about five months in advance of the fiscal year.

The approval would be provided by both the PTI Board in the ICANN Board. And the last stat that I want to highlight is that in order to provide as much comfort in the planning of PTI budget we have also suggested that there is a preapproval of a continuation operating plan and budget by the ICANN Board

at the outset of the process very early on prior to the development actually of the detailed draft.

The preapproval of the funding of the PTI by the ICANN Board so that there is immediately even before the details are developed the comfort from both PTI of course but also the community that there is an uncontroversial commitment to funding the IANA operations costs of that into the PTI for - before the detailed development of the budget occurs. I will stop here and see if there's any questions or comments on what I just explained before I move on to the next slide to see how this synchronizes with ICANN's overall budget process. So far I see no questions or comments but please let me know.

Okay while you may think about questions I will make two comments before we move on to the next slide thank you. At this stage we are expecting that the level of detail that - of the information that would be provided as part of the operating plan and budget for PTI would be at the minimum equivalent to the information relative to PTI that was provided during - in the FY '17 document that was submitted for public comment for the FY '17 ICANN budget. There was a dedicated section of that document on PTI.

As a reminder the level of information was the portfolios carried out by - within the IANA functions department. The projects at the next level below with a breakdown of the projects by different categories of costs and even further down the projects in terms of granularity there were also 13 different activities that are carried out by the IANA functions operations bringing visibility on the types of activities that are carried out and also the breakdown of those activities between the three different client organization being name members and protocol parameters.

So this is the level of detail that exceeds the requirements from the CWG proposal that was published during FY '17 that is anticipated to be the level of regularity with which the PCI budget would be produced. And there would be obviously a certain amount of additional information included that would reflect the transcription into an operating plan and a budget of the service the intercompany service agreement between ICANN and PTI that would display the specific costs associated with each of the specific services provided by ICANN to PTI which are a component of the overall PTI budget.

Second comment that the - as I indicated earlier the interaction with the community on this operating plan and budget would include very early on consultation of course of the client groups, the CSC, the IETF, the RIRs early on in the process even prior to the development of the budget process in order to ensure that when the team would develop the operating plan and budget it does so informed with the comments, requirements, suggestions from the most directly involved groups with the IANA functions. And of course then after the draft is developed the entire community would have access to being able to comment on it. I will stop there and see if there's any questions on what I just laid out.

Seeing none I will move on to the next slide. So this next slide is giving you a summarized version of - at the top of this graph of the previous slide which is the PTI Specific Operating Plan and Budget process. Along with at the bottom of this slide the ICANN budget process in a very summarized fashion as well.

And simply what I would call out on this slide is that the adoption of the PTI budget by the PTI IANA ICANN Board which occurs again as you remember approximately in the month of January which is the first month of the third quarter of the fiscal year that adoption would proceed the finalization and

submission of the overall ICANN budget which would include the PTI budget for public comment.

So effectively the PTI budget would be a component of the - as approved by the PTI Board would be a component of the overall ICANN budget that - and would be more an assumption than a parameter from the perspective that the PTI component of this overall ICANN budget would have already been approved by the PTI Board, would have already been approved by the ICANN Board and is therefore not necessarily there to be rechallenged but there to indicate a certain amount of dedicated expenses of the ICANN budget and of course a certain amount of funding associated with that amount of expenses dedicated within the ICANN budget and leaving the rest of the ICANN budget then for public comments.

I will stop here and see if there's any questions? I also want of course to make sure that Chuck as well as any other member of the DTO present on the call can comment or add to anything that I have said or correct anything that I may not have provided with sufficient accuracy.

Chuck Gomes: This is Chuck. I think you covered it well Xavier.

Jonathan Robinson: Hey Xavier it's Jonathan speaking. I mean that seems thorough, comprehensive and I guess I'm not sure how much of it is because it is thorough and comprehensive or if it's late but we also know that you, and Chuck and others have done good work on integrating these calendars. So it seems like that the work is thoroughly done and is not prompting any questions or issues.

Chuck Gomes: So Jonathan this is...

Jonathan Robinson: Okay.

Chuck Gomes: ...Chuck. My suggestion is that we bring up the compliance matrix the with DTO assessments. And while that's coming up let me thank (Olivier), and (Cheryl) and (Mary) who have continued with the DTO team clear up to this point from the very beginning and have been great contributors so my thanks and appreciation for them.

Now as I briefly mentioned last week the color coding on this chart -- and it's okay that's good everybody has the scrolling capability -- you'll notice that there are five number one rows. They're all for requirement number one. They were just different sections of the CWG proposal. And the same thing occurs for the other proposals.

To give you a very short assessment from DTO we believe that the proposed process that Xavier just went over complies with the CWG proposal. The first items really have to do with transparency. The yellow ones have to do with transparency and detail. And you'll notice over in the DTO assessment that there's some red line it's actually blue changes that we made since the one I distributed before the last week's meeting. And because Xavier pointed out some concerns with having CSC perform a role like we had suggested on our first comments. And so you can take a look at those changes because of the late hour I won't read them for you.

But we believe and Xavier kind of made this point in his presentation of the process what's going on with the DT - excuse me the PTI budget development and approval process follows what happens with the overall ICANN operating plan and budget in the sense that there's a community, period, there's input from the directly impacted communities the operational communities and so

forth before the PTI budget is ever approved by the PTI Board and the ICANN Board.

And so that we will all have opportunity as stakeholders to provide input into that before it's finalized. And so if you scroll down then to the green items -- and I'll go quickly on this because of the lateness of the hour -- but the two green columns on the second or rows on the second page talk about the itemization of costs. And this is where we really get into probably the part that we were talking about with (Sharon) earlier where DTO will want to look at the list of services that PTI will be providing and the detail of that.

So again the response to Item 2 is the same as to Item 1 so I won't spend any time on that. If you scroll down to the blue rows and there are three of those this is where PTI has to have a yearly budget reviewed by the community. I think you could see from the process that Xavier just went over that it did allow for community input and it is done on an annual basis. And so DTO concluded that, that part of the process is compliant. The reddish purple color on the next three requirements -- again it's really one requirement just different portions of the CWG proposal -- you could see from what Xavier presented that there is a budget that's presented to the ICANN Finance Committee and the PTI Board nine months in advance of the fiscal year. So we concluded that was compliant.

Item – Requirement 5 then is that it - that the IANA budget as we called it back in the CWG proposal the PTI budget as we know it now should be approved by the ICANN Board much earlier than the time for than the overall ICANN budget. And Xavier pointed out that it would be approved in January. And even if that slipped a little bit there's enough time before the actual ICANN Operating Plan and Budget process kicks off which we've been

experiencing the last two years around March. So again we concluded that was compliant.

And the last of all the development of a process is Requirement Number 6. And of course that has happened. It was done by staff. DTO reviewed it. And we believe that this process is compliant with the CWG requirements. And I'll stop there and see if there was any questions or any disagreement with our assessment? I think we're benefiting from the lateness of the hour but certainly...

Jonathan Robinson: Thanks Chuck.

Chuck Gomes: ...if you have other questions put them on the list and I'm sure Xavier and I and other DTO members will be happy to respond. But thanks Xavier and your team and the DTO members for the good work on this.

Jonathan Robinson: Well thanks Chuck. I mean I think it's evident that not only is it late in certainly in parts in the US and parts of the world where you are it's also the works comprehensive. So, you know, it's pretty clear that you've been working on this for some time. You've been thorough as have the staff that's been working with you on this so that's helpful. Thank you.

Given where we are and the timing of the call I'm going to bring it to a rather rapid conclusion now. I think there are no new issues other than what we've covered in the course of the meeting already on the client committee and so I will just give one minute or a moments pause to see if there's any other business that anyone wants to raise and then we can move on with the rest of our days or nights as the case may be.

Okay thank you. I'll encourage you to pay close attention to the notes and actions arising in the issues. I think it's been a very productive meeting. We've got through a lot and it has been productive and effective. So thank you very much and we'll look forward to working with you during the week and at the next meeting in a weeks' time. Thanks to staff for their support in making the call run. All right, talk with you all soon. Thanks again.

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