

Dear Steve, Dear Members of the ICANN Board,

On behalf of the new gTLD Auction Proceeds CCWG, we would like to thank you for your letter of 3 March 2017 (see <https://community.icann.org/x/V7XRaW>). The CCWG appreciates your input as well as the confirmation of the Board liaisons to this effort. In relation to the specific points raised in your letter:

- The CCWG is fully aware of the legal and fiduciary constraints and appreciate the ongoing participation of Samantha Eisner and Xavier Calvez to help guide the CCWG in these matters.
- In relation to the cost of operation, the CCWG is aware that no specific budget has been allocated to this effort, apart from the staff support that is being provided, although the CCWG may identify future needs as a result of the development of its work plan and/or its deliberations. If/when that happens and such needs are supported by the CCWG's Chartering Organizations, the CCWG commits to managing any such additional support in a transparent and efficient manner.
- Concerning the suggested nominal goal for the overhead is no more than 5% by the ICANN Board, the CCWG will definitely consider this input when it considers the relevant charter questions as well as the elements the Board has suggested the proposed mechanism and/or process should include.
- The CCWG supports the Board's recommendation that a wide net should be cast and is happy to report that in addition to the members appointed by the CCWG Chartering Organizations, 45 participants and over 20 observers have signed up for this effort, many of which have no direct affiliation with ICANN SO/ACs.
- With regards to the concern expressed in relation to conflict of interest, the CCWG would appreciate some further specificity with regards to what the Board has in mind. The CCWG notes that a Declaration of Intention is already required to participate in the CCWG so that the intentions of all members and participants is clear. Furthermore, the question 'What conflict of interest provisions and procedures need to be put in place as part of this framework for fund allocations?' will be part of the CCWG deliberations. Especially the suggestion that there should be a clear separation of those deciding general direction and those receiving funds may require further clarification as the CCWG is currently operating on the basis that as long as CCWG members / participants declare their intention to (potentially) apply for the new gTLD Auction Proceeds once the proposed mechanism has been approved by the ICANN Board, this provides for sufficient transparency and accountability in this stage of the process.

Again, we appreciate your input and support for this effort and remain available should you have any further input, comments and/or questions.

On behalf of the new gTLD Auction Proceeds CCWG,

Erika Mann (co-chair) and Ching Chiao (co-chair)