

YESIM NAZLAR:

[inaudible] please start the recording first.

Good morning, good afternoon, and good evening to everyone. Welcome to the EURALO Bylaws Taskforce call taking place on Wednesday, 10th of May, 2017 at 16:00 UTC.

On the call today we have Olivier Crépin-Leblond, Wolf Ludwig, Oksana Prykhodko, Jean-Jacques Subrenat, Florian Hule, Matthieu Camus, and Erich Schweighofer.

We haven't received any apologies for today's call.

From Staff we have Silvia Vivanco and myself, Yesim Nazlar.

And as always, finally I would like to remind everyone to state their names for the transcription purposes. Now I would like to leave the floor to Olivier Crépin-Leblond. Over to you, Olivier. Thank you very much.

OLIVIER CRÉPIN-LEBLOND:

Thank you very much, Yesim. On today's call, we're going to have an update from Florian Hule on the EURALO Bylaws Taskforce. We will be dealing with three discussions: one on quorum, one on funding and dispute resolution, and the third one, the one about required elements by ICANN in the Bylaws.

So, we only have one hour on this and we're all under time constraints, and therefore let's go straight to the report on the status by Florian

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Hule. Goodness, I'm having trouble with names today. Florian, you have the floor. Thank you.

FLORIAN HULE:

Thank you very much. I've revised the former edition, corrected minor mistakes. It's more or less the same as last time. We now have the requirement [inaudible]. So, from the [inaudible] legal perspective, we are good to start and good to go. So, except for one thing, we have to state the required quorum for decision making in the different [inaudible] and different reports of the association.

And I know [inaudible] the ICANN requirement, mainly those regarding the associated members or the admission of members. So, those we will have to put into the Bylaws. The rest of the requirements we can offer [inaudible] after reviewing them today. I think we can do that without putting them into the Bylaws by simply [inaudible] with ICANN.

So, from the simple legal perspective, we are mainly good so except for the quorum part. The funding, it's not really a problem. I know [inaudible] regardless whichever option –

OLIVIER CRÉPIN-LEBLOND:

Florian, I'm sorry, but your sound is coming in and out, and whilst you started quite well, things are a bit muffled right now so quite a few people are asking if you could either speak closer to the mic or whether you require a dial-out perhaps. Adobe Connect sometimes [inaudible]

FLORIAN HULE: Can you hear me now more clearly?

OLIVIER CRÉPIN-LEBLOND: A lot better now, yes. Go ahead. I'm sorry for interrupting you.

FLORIAN HULE: Okay. Perfect. Not a problem. So, from the simple legal perspective, we are more or less good to go. Last thing we really require for Swiss law to accept our statute of the association is the decision on quorums.

After that, we probably should – it's not required, but it's highly advisable to do some form of dispute resolution. And if [inaudible] ICANN Ombudsman, that would be sufficient because Swiss courts and Swiss civil procedure laws – are really expensive, and I don't think we want in the unfortunate case of litigation, I don't think we want to do that in Switzerland, or not necessarily as a first step.

So, that's more or less about dispute resolution. As soon as we have the quorum and have incorporated some of the requirements for ICANN into the statute, we are good to go. The other elements which are required by ICANN, those which are not concerning membership admission, the role of members, etc., those we can put into the Memorandum of Understanding later. That's more or less the report.

OLIVIER CRÉPIN-LEBLOND: That's great. Thank you very much, Florian. What I would suggest then, since you've provided us a good summary of everything here, is to then look at each point in turn, according to our agenda. So, the first point

was, well, I think the two really important ones that you mentioned and that we probably have an answer to.

First, let's start from behind. The dispute resolution, you said it's probably better to keep it out of the Swiss courts, and I think that we're all pretty much in agreement. I have no idea how expensive Swiss courts are, but I'm sure – and whenever someone mentions a court, it's very expensive. I was going to suggest that a natural course of events, of escalation, would be – the first step would be with the EURALO Board, which doesn't cost anything, which is great. Then the next step is if a dispute is not resolved or if it involves the EURALO Board, that then goes to the ICANN Ombudsman, which is the reason why the Ombudsman is really there. The Ombudsman is there to resolve problems within the ICANN community, not just only At-Large but in all of ICANN. And the Ombudsman is an independent judicator on these matters.

Florian, you have the floor.

FLORIAN HULE:

Thank you very much. In addition, I think the two-step system is a really good idea to start with the [inaudible] the Ombudsman. I'd also advise to in addition put a bit of a time limit, I'd say like three, four months after the dispute arises, you have to send your complaint to the Board or the Ombudsman. [inaudible] very long timeframes for filing.

OLIVIER CRÉPIN-LEBLOND: Thanks for this, Florian. That's a good point, timeframes. I'm reading the chat at the same time, so there is support from Jean-Jacques Subrenat for the escalation to EURALO Board and then ICANN Ombudsman. I've seen a green tick from Wolf Ludwig for the process.

There's a question from Oksana: "Does the EURALO Board decision or the ICANN Ombudsman have obligatory mandates?"

So, I gather, Oksana, your question you're asking whether – if the EURALO Board makes a decision based on the elements it has, is this decision mandatory? Is this an obligation? I don't know. I don't know if any decision by the Ombudsman or by the EURALO Board are obligatory, as long as there's no contract per se, so nothing is an obligation as a contract, but it has an answer in this way.

Florian, you probably know more than I do on this. Perhaps Oksana can explain her question. Oksana Prykhodka, you have the floor.

OKSANA PRYKHODKO: Thank you very much. [inaudible] Do you hear me?

OLIVIER CRÉPIN-LEBLOND: Yes, we can hear you very well.

OKSANA PRYKHODKO: I would like to explain my question. [inaudible] had in our [historic] decision of Ombudsman, it was not implemented, unfortunately. I would like to rely on Ombudsman decision a lot, and I would like to rely

on a EURALO Board member's decision also. But how we can ensure the implementation of their decisions? Thank you.

OLIVIER CRÉPIN-LEBLOND: Okay. Thanks for this, Oksana. Florian Hule.

FLORIAN HULE: Thank you. Well, if I did understand your question correctly, how can we make it binding? We can make it binding by the same procedure that we used in Austria for associations, and also for internal dispute resolution in companies. We say the first two steps are the Board and the Ombudsman, and then you can go to the Swiss courts. So, the Swiss courts will probably enforce it in the end, but we have two steps before that. We have two chances to resolve any disputes before it goes to court, and that's the important thing. Usually, in most cases, disputes are resolved at the first step, or major cases maybe the second. No one spends more than six or seven months on litigation in dispute resolution [inaudible]. Only if there are very high money or financial matters. So, I don't think we have a problem here.

OLIVIER CRÉPIN-LEBLOND: Okay. Thank you for this, Florian. Next is Jean-Jacques Subrenat.

JEAN-JACQUES SUBRENAT: Thank you, Olivier. Yes, I think that the Ombudsman is not entitled to enforce any decision by himself. The nature of his duty is to receive complaints or other motions by the community or by anyone in ICANN

or outside of ICANN related to ICANN, but he reports to the Board, and therefore it is only the Board that can take a decision, perhaps compliant with the recommendation of the Ombudsman, but the Ombudsman per se cannot take a decision and enforce it. Thanks.

OLIVIER CRÉPIN-LEBLOND: Okay. Thank you for this, Jean-Jacques. And when you mean reporting to the Board, you mean reporting to the ICANN Board?

JEAN-JACQUES SUBRENAT: Yes, sorry. I should have made that clear. Yes, of course. The only authority to whom the Ombudsman must report is to the ICANN Board of Directors. Thanks.

OLIVIER CRÉPIN-LEBLOND: Okay. So if I understand correctly then, there is no way to make any decision by the Ombudsman binding or any decision by the EURALO Board binding in the legal sense, but we can certainly – these can be part of the escalation process. And if a solution is – the Ombudsman and the EURALO Board would bring an amicable resolution forward, and if that doesn't happen, then of course, the court is the last opportunity. Is that probably the right way forward?

FLORIAN HULE: Yes, from a legal perspective it's absolutely what we intend to use, because –

OLIVIER CRÉPIN-LEBLOND: Sorry, Florian, we can't hear you again.

FLORIAN HULE: Okay. [inaudible]

OLIVIER CRÉPIN-LEBLOND: Now we can't hear anything.

FLORIAN HULE: No? Hello?

OLIVIER CRÉPIN-LEBLOND: Hello, yes.

FLORIAN HULE: Can you hear me?

OLIVIER CRÉPIN-LEBLOND: Yes, now we can hear you.

FLORIAN HULE: Okay. I also suspect what [inaudible]

OLIVIER CRÉPIN-LEBLOND: It's dropping out, I'm afraid, Florian.

YESIM NAZLAR: Florian, can we please dial out to you? I think it would be much more easier for all of us.

FLORIAN HULE: Okay. Yes, I will try to do that.

YESIM NAZLAR: I will write to you from private chat. Please share your phone number with me.

FLORIAN HULE: Okay.

OLIVIER CRÉPIN-LEBLOND: Yes, then ICANN will call you on your mobile or your landline, whichever you prefer.

FLORIAN HULE: Okay.

YESIM NAZLAR: I think you should have received my message now.

FLORIAN HULE: That is not a problem.

OLIVIER CRÉPIN-LEBLOND: Right, so just to add to this – I’m reading the chat. So, the complaints to the Ombudsman are indeed completely confidential, and the Ombudsman does not provide any public details of decisions and of the cases that are under discussion. But the Ombudsman is able to provide a report that can then be sent publicly with the agreement of all parties, depending on what the report says, and as long as the report does not include third parties that have not been consulted in the publishing of the report.

When it comes down to a decision, none of the decisions are binding, but the threat of court action, of course, is the last level, if you want. But I do not remember any dispute in ICANN that has reached the courts. Any dispute in At-Large, sorry, that has reached the courts. I’ve certainly been part of a few, certainly a number of disputes and resolutions that have taken place in an amicable manner in regional At-Large organizations and on the ALAC with some people saying things that other people did not like, and the solution being a discussion that was brokered by the Ombudsman. I don’t think we need to go any further than this than just say it’s arbitration, effectively. Yes. So, the Ombudsman basically is there as a professional mitigatory who will bring arbitration between the two, or who will at least try to get the two parties – or three parties or as many parties as are needed – to reach consensus on a mutually agreed solution.

Jean-Jacques Subrenat, you have your hand up. I’ll come back to you.

JEAN-JACQUES SUBRENAT: Thank you, Olivier. I wasn't aware that my hand was still up, but yes, I would like to sum up the discussion so far by saying two things: one, as far as I'm aware, the Ombudsman does not have any power of decision, and he doesn't, as a result of that, [there isn't] any possibility to impose or to implement or to obligate any party to do this or that.

The second thing is that his role – as you rightly pointed out, Olivier – is that of honest arbitration. His role is considered neutral, or his position is considered neutral, and therefore he gives advice on legal grounds and in a confidential manner, and therefore he brings to the parties – both for and against – a legal view, and if that's possible, he suggests a way forward. But he is not possible to implement or to provide [inaudible]

OLIVIER CRÉPIN-LEBLOND: Go ahead, Jean-Jacques.

JEAN-JACQUES SUBRENAT: No, that was it. The Ombudsman cannot apply sanctions.

OLIVIER CRÉPIN-LEBLOND: Okay. Thank you for this. Next is Wolf Ludwig.

WOLF LUDWIG: Thanks, Olivier. I think the whole issue is much easier than that, because if we can say for a first step of mediation, it should be the Board to deal with it. If the Board cannot resolve such a problem by itself, then the

next step should be the Ombudsman as neutral entity at ICANN even if he cannot enforce any decision. But the resolution from the Ombudsman, if all parties agree, can then be submitted to the general assembly. And I just want to remind you that the upper authority of the EURALO Association is the General Assembly, but is a total of all members. And then they have to take a final decision on it. That's by the way the case in most associations I know.

OLIVIER CRÉPIN-LEBLOND: Thank you for this, Wolf. That's a very good point you're making. So, we've got the course of events, we've got the EURALO Board as first step, then the ICANN Ombudsman, and finally the General Assembly.

WOLF LUDWIG: Yes.

OLIVIER CRÉPIN-LEBLOND: And of course, if people are still unhappy with the decision of the General Assembly, then they can do whatever they want. They can go to court –

WOLF LUDWIG: Then they can go to court, but if the General Assembly by its decision, it's not violating basic principles of law, the court will always [refer] to the decision of the General Assembly. And a court, by the way, will never enter into a subject if the general assembly as a total of all members have not taken a prior decision on it.

OLIVIER CRÉPIN-LEBLOND: Okay. Excellent. Thank you for this. Next is Erich Schweighofer. Erich, we are not hearing you at present.

ERICH SCHWEIGHOFER: I don't know. Can you hear me?

OLIVIER CRÉPIN-LEBLOND: Now we can hear you, yes.

ERICH SCHWEIGHOFER: Can you hear me now?

OLIVIER CRÉPIN-LEBLOND: Yes, we can now.

ERICH SCHWEIGHOFER: I'm [against] the General Assembly [inaudible]. It's taking political decisions. In case of this [inaudible] maybe also against the General Assembly. It's not a good option to use the General Assembly besides this. It [gives] a very basic labor cost, and it's mostly kind of looking for majority, and that shouldn't be the case in case of disputes [inaudible]

OLIVIER CRÉPIN-LEBLOND: Erich, the General Assembly would not be the first step. The first step is the EURALO Board, the next step is the Ombudsman. I think it's very

unlikely that things will then reach the General Assembly afterwards. But are you basically saying that you would want to keep the General Assembly out of it, so you just have two steps? First step, EURALO Board, second step ICANN Ombudsman, and if that doesn't work, then people can do whatever they want to do in court or outside.

ERICH SCHWEIGHOFER: We have arbitration in Austria, so that's many of our members, so that's maybe easy to find another job for the organization, and not really likely that it results in heavy work. They can act as a body for final dispute settlement, and only if this process has been done wrongly, then they can go to Swiss court.

OLIVIER CRÉPIN-LEBLOND: Okay. So, arbitration as the step three, basically. Would you say arbitration in what country at that point?

ERICH SCHWEIGHOFER: Based on Swiss law, of mostly – [there is] arbitration, so we vote as a General Assembly for three of our members, volunteers, they act in the very unlikely case as an arbitration court. So, they get the opinion of the Ombudsman, then they can finally decide if the decision is just or not. So, this s very unlikely.

OLIVIER CRÉPIN-LEBLOND: So by arbitration, you would then suggest that there would be three EURALO members that are picked at random who will then come together and that will decide on arbitration. Is that correct?

ERICH SCHWEIGHOFER: Yes, but EURALO members, I mean one of our many volunteers who are interested in doing that. So, maybe we find lawyers or judges with some expertise in dispute settlement, and they may act in this capacity.

OLIVIER CRÉPIN-LEBLOND: Okay. Thanks. That's an interesting point. What I would then say is how we select those members of the arbitration we don't put in the Bylaws. That can be done in our Rules of Procedures. But we put in the Bylaws – which have to be broad enough to be able to evolve but at the same time they have to be narrow enough to set a clear path.

We say step one, EURALO Board. Step two, ICANN Ombudsman. Step three, an arbitration within EURALO. Step four – which is really the last resort – EURALO General Assembly. Are you okay with that, Erich?

ERICH SCHWEIGHOFER: I would leave out the General Assembly because –

WOLF LUDWIG: You cannot.

OLIVIER CRÉPIN-LEBLOND: Let's hear from Wolf Ludwig, yes, because Wolf says that you can't. So, Wolf, could you please explain to us?

WOLF LUDWIG: In any cases, and in all questions regarding the association or its members or behavior of its members, the final upper institution for any final decision is the General Assembly. And this is according to Swiss association law, the General Assembly must have the upper and final authority on decisions.

They can overvote the Board with a majority of members. You can expel a Board, you can expel a leadership, so the final institution in an association is the General Assembly. This you have to respect. Thanks.

OLIVIER CRÉPIN-LEBLOND: Okay. Thanks for this, Wolf. Eric Schweighofer, yes, please.

ERICH SCHWEIGHOFER: I agree Wolf that the General Assembly is the highest authority and can take any steps to settlement if she likes to do so by majority decision. But she's not willing to do so if she's involved, then it's better to leave the final steps to some arbitration or some court.

OLIVIER CRÉPIN-LEBLOND: Okay.

WOLF LUDWIG: May I quickly step in? Of course, if then a General Assembly has taken its decision and in the hypothetical case the party or person concerned is not satisfied with the decision which has been taken by the General Assembly, then of course, there is always a last legal option to go to a court. This is clear or this doesn't exclude it [either]. But a court will only enter into the subject, in the [materia eintreten] when the General Assembly has already considered succession and has already come to a decision on the issue. Thanks.

OLIVIER CRÉPIN-LEBLOND: Thank you, Wolf. Erich Schweighofer?

ERICH SCHWEIGHOFER: I still consider it's more appropriate to leave the General Assembly out of dispute settlement. The Board can do [conciliation] mediation, and can involve the General Assembly if necessary. General Assembly can take action at any time if she likes to do so and settle the dispute.

OLIVIER CRÉPIN-LEBLOND: Okay. Thanks for this, Erich. I see that we have two points of view on this. What I would suggest then here is because we really are looking at an escalation of dispute resolution, we can have first step EURALO Board. Of course, this is all conditional. If that fails, the ICANN Ombudsman is the second step. If that fails, an arbitration with three EURALO members to be picked or volunteered in a way that will be explained in the Rules of Procedure. If that fails, then because all of the other things have failed, the matter will come into the General

Assembly's hands, optionally which could or could not take a decision from that point onwards. And in any case, by that time, I think that the matter will be able to be escalated to anything else out there, whether it's a court in the United States, in Europe, in Switzerland or wherever it is, but I really think that it's so unlikely that something will go that far, especially after a first attempt at conciliation by the EURALO Board, a second attempt by the Ombudsman – who again is a trained mediator – a third attempt by a group of arbitrators who are volunteers to try and help.

By that time, we'll be in such a mess that the General Assembly will have to step in in any case. And if it makes a decision, EURALO will get sued or taken to court one way or the other. So, I think that we're kind of arguing now over something which is not that important. We can just put "optional" next to EURALO General Assembly.

And then final step, relevant court. Let's put it at that for the time being, and then we'll ask if there are any alternative options on the mailing list, and if we have alternative options then we can discuss about those alternative options now. But I don't see any other alternatives for the time being.

I would like to move on to the next thing then, funding. Funding we have spoken about in previous cases, and the first set of EURALO Bylaws had a whole thing about having a treasurer and external funds, etc. Funding – if one looks at all of the different RALOs – is entirely 100% assured by ICANN.

There have been some cases where the RALOs have been funded for additional events such as sponsorship and so on for their local events. To give you an idea, EURALO received some funding from AfiliAs, received some funding from Google, from a couple of other organizations I think in the past, and each time when funding needed to be effected, the funds were either paid into the ICANN account and dealt with directly with ICANN, or the funds were used to pay a supplier directly when it was funding to go and provide food or equipment or any kind of consumables.

So, the fact that EURALO doesn't have a bank account and does not have any independent means of funding has not stopped EURALO from receiving external funding in the past, and it's probably been easier and more convenient to be able to use the ICANN facilities than if we were to have to do things ourselves.

Wolf, did you want to say a couple of words on funding? Because I know that you've spent some considerable time looking at this during the first round of Bylaw drafting as well.

WOLF LUDWIG:

Thanks, Olivier. This was in the early days before EURALO's inception. The early days was 2006, when some founding members had some very ambitious ideas about what EURALO could be or could become one day. And there were fantasies in the room by some people saying, "Okay, from EURALO we could approach AfiliAs, we could approach registries, etc. and/or companies whether they would give some money or sponsor some money for EURALO."

And all the people afterwards we have spoken with from Afiliis, etc., they all said, for very precise proposals like travel funding to events, etc., or what we had from Afiliis for sponsoring social evenings of EURALO in line with ICANN meetings in the past, we punctually had this kind of support, but it was always managed via ICANN.

And from all the responses we got at the time, we won't have any chance from a sponsor for our operational costs, etc., to get some fundings. Therefore, the whole idea which was encircled in the Bylaws at the time was wishful thinking, was a scenario that many people never believed in, including me. I always took it as a strange idea, and my basic objection at the time already not to put it into the Bylaws or to forget about this option, my objection was even in case if one day we would find somebody or we could get money for some sort of independent funding, we would face the next consequences that ICANN could say, "Okay, you are now independent, you are now self-reliant. There is no reason that ICANN should fund you any longer."

So, having this as an option can also mean building up a trap that the next consequence would then be not getting funding from ICANN anymore, and therefore I would still warn to put anything, any option or scenario like this into the EURALO Bylaws. I think in EURALO Bylaws regarding resources, there should be a very simple mentioning, reference to the Memorandum of Understanding with ICANN that major funding for EURALO comes from ICANN. Thanks.

OLIVIER CRÉPIN-LEBLOND: Thanks very much for this, Wolf. Next is Jean-Jacques Subrenat.

JEAN-JACQUES SUBRENAT: Thank you, Olivier. Yes, I strongly agree with Wolf, and I would say that there are actually two aspects to this. One is that as we are thinking of constituting EURALO on [this law], then of course we have to abide by the Swiss law.

The other thing is that there is – as Wolf pointed out – a trap we should not construct for ourselves, which would be to cut us off from the possibility of ICANN funding.

So, when you consider these two aspects, it seems to me quite obvious that the task we are faced with is actually to provide to the Swiss legal system the kind of explanation which is truthful and believable, and therefore I would suggest that instead of going into the long description which you find on the Part E, financial matters of the Bylaws, number seven, funds of the association, rather than that, I would go along with Wolf's suggestion that we insert in the Swiss Law Association text we are envisaging a truthful and short description of our reliance on ICANN for funding, and saying that so far that has always been the case.

So, I don't think that the Swiss authorities would challenge you on that, because it's truthful, and that's the way things really operate. Thanks.

OLIVIER CRÉPIN-LEBLOND: Thank you for this, Jean-Jacques. Are there any other points of view? I note several people writing in the chat at the time. So, the financial matters are in Section 7. The [inaudible] the EURALO Bylaws on the

update. So, Section 7 of the Bylaws. There was a link earlier. You can see on that.

Roberto Gaetano says that, “In the beginning, there were some people who wanted to have a financially independent EURALO. That approach was abandoned.” Oksana mentions that she believes Ukrainian law is the best. Okay. That’s a different story.

Wolf has mentioned that it’s a common standard for all RALOs, and Erich was saying that he believes an application without the option of a bank account is not ideal.

Okay, so we could have an option there, but I just wonder, if EURALO was to create its own bank account, it would need to... I’m working here now from in the UK. To open a bank account, there are quite a number of steps forward, and it also brings a certain level of liability for those people who are marked as directors of the organization. And I just wonder whether that would mean – if EURALO opening a bank account would be such a large step that it would probably have to look at changing its Bylaws for doing that. I see it as a safety, if you want, so that you don’t suddenly have a Board who decides to open a bank account and run debts in the bank account, and then the members of the EURALO are liable for that, or something to that extent.

FLORIAN HULE: May I?

OLIVIER CRÉPIN-LEBLOND: Yes, go ahead, Florian.

FLORIAN HULE: Regarding the liability. The Swiss law on associations is very clear on that. There is a differentiation between the association and the members. So, only the association is liable, not the members. But for that, we have to state where we will receive our funding, how we intend to use it to reach the purpose we have described in the Bylaws earlier, and if we do that, we have no liability problem, at least not for the members.

OLIVIER CRÉPIN-LEBLOND: Okay. Alright, so thanks for this, Florian. That's helpful.

FLORIAN HULE: And also on another note related to that, for opening a bank account, you don't even need to register or incorporate in Switzerland. It's enough to have the Bylaws.

OLIVIER CRÉPIN-LEBLOND: The Bylaws. Okay.

FLORIAN HULE: So, it would be rather easy.

OLIVIER CRÉPIN-LEBLOND: Yes. Thanks for this, Florian. That's very helpful. I'm reading as well at the same time things that are in the chat. Jean-Jacques Subrenat

mentions that under U.S. law, the [step] huge difficulty, inconsistency between the status of ICANN as a non-profit and one of its small parts.

That's also an interesting point, and then of course, if we go into having financing, we'd need a treasurer, we'd need auditors, we'd need all sorts of things. I would be for dropping this whole thing about finance altogether for the time being as there is no foreseen event that EURALO is going to be financially independent, and as in moments when EURALO was to receive direct sponsorship from an external organization, it was able to do so via ICANN with very little problem. And in fact, it was I guess much more easy than had EURALO had to deal with it by themselves.

FLORIAN HULE:

Just to pitch right in, I do think we have to at least state that EURALO should operate and should be able to operate with money, regardless of where it's coming from in the end, because otherwise, the association would be not able to pay any bill. And even if only a phone bill or something picked up in the restaurant or anything, even if we are going to be sponsored, we have to state that. We have to state that, yes, maybe EURALO will get some money by sponsoring, and yes, we intend to use that money in accordance with our purpose and our terms of association. Otherwise, we don't have the option. Otherwise, we have an association, yes, but we don't have the split liability so the members would be liable, probably.

OLIVIER CRÉPIN-LEBLOND: Okay. Florian, would you mind then putting some text together that you can send to the e-mail, mailing list? And then we can come back to you on that. But without a treasurer, without auditors, without all of this additional staff. Let's make it lightweight and just have a [inaudible] that says EURALO is able to deal with money if it needs to, but technically, it will use the facilities that are already offered by ICANN. Something to that extent. Yes?

FLORIAN HULE: Yes, of course. We can use as a basis to start from the terms you have in the paper for the last meeting, and just add that we will receive only funding by ICANN, etc. It's easy enough to do.

OLIVIER CRÉPIN-LEBLOND: Okay. Alright, thanks for this. Then I'll move on to the third thing. I'm mindful we still have about 12 minutes on our call. The quorum.

Quorum is something that has been discussed in the past. I've sent an e-mail out. So, we had a taskforce call on quorum. We had a discussion during the 2016 face-to-face meeting, General Assembly in Helsinki, and it seems to be a difficult one because there is not just one level of quorum, there are several levels of quorum. That's usually what makes it a little bit more difficult.

Let me just give you a link on the agenda. So, in the chat I've put a link which sends you over to a Google Doc and various proposals for quorum. So, I invite you to come in on this and have a look at the different proposals that we have here.

There are many different options. Option one, the funded face-to-face meeting. So, when the At-Large structures are funded to come to the face-to-face meeting, General Assembly.

Then, in column C, you've got a funded face-to-face meeting vote. So, you could have a vote that is at a different level than the actual face-to-face meeting itself. So, you could say we can start the meeting with a certain quorum, but we also can have a vote only if we reach another level of quorum.

Then there is in column D non-funded face-to-face meeting such as the one that we've had in Copenhagen, and we've got non-funded face-to-face meeting vote. And then we've got the quorum for an online meeting and the quorum for an online meeting vote.

So, these are the different levels. We can certainly have proxies. We can certainly have various ways of representation in the online meeting. Usually, it's done with proxies and proxy votes and so on.

Then you will note that some of the quorum goes to a third of the people. Some of the quorum asks for two thirds, which is usually seen as a supermajority, and some of them is a half. So, if at least half of the people vote yes, then the decision moves forward.

So I'm going to open the floor now. Let's proceed methodically. And I see Wolf Ludwig has put his hand up. And in case you're wondering, there were four proposals that we had discussed. Each one was slightly different, as you can see.

The ones which we appeared to agree with was one which was a non-funded face-to-face meeting vote where there needed to be at least half of the people moving forward, and the other ones had a lower quorum. The online meeting votes had a lower quorum, and the funded face-to-face meeting votes had a higher quorum for some people. Simple majority is usually 50%, and the supermajority for like Bylaws changes is a two thirds majority.

Wolf Ludwig, you're first in the queue. You have the floor.

WOLF LUDWIG:

Thanks, Olivier. When I look at this table again now, it [does] make a lot of sense to me why the quorum for a funded face-to-face meeting is one third or the same like a non-funded which is then not a face-to-face meeting, what is what we last time had in Copenhagen.

Therefore there should of course be a difference between the two. If members are basically funded to attend a meeting and the General Assembly, then the quorum requirements in my opinion should be logically higher than compared to a situation where we had no funding like for Copenhagen.

So, this doesn't make much sense, therefore I would – here for the funded face-to-face meeting – would say minimum is C, half of it. For non-funded meeting, it can be one third, but the levels should be different, and in any case, when we have a funded meeting, we should aim and we should push that to get as many members as possible to the meeting to come up with solid quorums, etc., for any decisions or even for voting. Thanks.

OLIVIER CRÉPIN-LEBLOND: Thanks for this, Wolf. Are there any other points? Let's do them column by column. So, Wolf, you're saying funded face-to-face meeting quorum and funded face-to-face meeting vote should be higher than the non-funded face-to-face meeting quorum and the non-funded face-to-face meeting vote. That's essentially your point.

Erich Schweighofer, you're next.

ERICH SCHWEIGHOFER: I am for a much simpler solution, so I am for a quorum of half, and then we decide most decisions by simple majority. We may add as an additional precaution that we require a [high] majority, so a minimum number of votes present for decision, because it would mean that the last one quarter of the members can decide in the General Assembly just to have quorum of one half and a simple majority.

But the others are properly informed, that's normally the way it goes. So, we have to be present to decide these matters. If we do this very complicated procedure with different variations, makes life very difficult in practice. [inaudible] if I may ask.

OLIVIER CRÉPIN-LEBLOND: Thank you. Yes. So, if I understand you correctly then, Erich – and I'm writing in the Google Doc at the moment – if we are looking at a face-to-face meeting, you would say – to start the meeting, you'd need half, but to conduct a vote you'd need two thirds. Would that work?

ERICH SCHWEIGHOFER: Yes, that I consider maybe as appropriate that we should have at least [inaudible] one half [inaudible] two thirds have to be as voting members to get valid decisions.

OLIVIER CRÉPIN-LEBLOND: Okay. Thanks. How does everyone feel on this?

WOLF LUDWIG: Okay.

OLIVIER CRÉPIN-LEBLOND: Wolf, you're okay. Oksana? I see Jean-Jacques Subrenat is okay with this. Yes, okay, I only see green ticks. Erich Schweighofer, you wanted to add something?

ERICH SCHWEIGHOFER: Yes. I found it quite appropriate to have [inaudible] requirements one half quorum, simple majority of at least two thirds of one half votes. If the quorum is higher, then the requirement for the votes can be lower.

OLIVIER CRÉPIN-LEBLOND: Okay. That sounds fine then. I can see everyone else is agreeing with this, but Oksana did not. Oksana had a red cross next to her name. Oksana, could you please explain to us what you were objecting to?

OKSANA PRYKHODKO: Thank you, Chair. Do you hear me?

OLIVIER CRÉPIN-LEBLOND: Yes, I can hear you. Go ahead.

OKSANA PRYKHODKO: I would like to explain my position. I do not see any great difference between financed General Assembly, not financed and [other] because we have a very great tool, as online voting. That is why we can use this tool, but not only during General Assembly, but for example for two or three days. And this is why it's very important for me to ensure that any member of EURALO can express his own position, not by proxy or by any other way. By his direct voting. Thank you very much.

OLIVIER CRÉPIN-LEBLOND: Okay. Thanks for this, Oksana. The reason why we're dealing with higher values for a funded face-to-face meeting is that people, when there is a funded face-to-face meeting, are required to come to the meeting. If they don't come to the meeting, then the meeting as far as I'm concerned is a shambles. It's just not representative and it just shouldn't be able to work out.

But for non-funded face-to-face meeting, it's very hard to get people to come to meet face to face, because they have to self-fund to it. So, we would need lower participation levels such as what we've had to have in Copenhagen. And I'll be very blunt here, I was very disappointed that we had trouble reaching quorum in Copenhagen. I think it was disgraceful of those people who did come to Copenhagen and then

didn't turn up during the General Assembly, which is the most important part of the meeting there.

But obviously, some At-Large Structure representatives have other priorities, and that will then come later with a set of metrics that will soon be in place as well, and then we will see which At-Large Structures really are At-Large Structures, and which are structures that have got other priorities. But for the time being, the voting is of course higher for the funded face-to-face meetings than the others.

So Oksana, yes, it would be great if everyone voted for themselves, but unfortunately, most people – or many people – sometimes can't make it or they need to send a proxy at the time.

OKSANA PRYKHODKO: I would like to answer, Olivier.

OLIVIER CRÉPIN-LEBLOND: Yes, go ahead.

OKSANA PRYKHODKO: Thank you very much, Olivier. Yes, I know about members which were present in Copenhagen but which were not present during the General Assembly. I think the question of quorum and the question of responsibility of EURALO members are quite different.

So, we have to ensure quorum, and we have to ensure the right of any EURALO members to express their view. And another one, we have to

ensure the responsibilities for not participating in General Assembly. And if you are funding and you are not participating in this General Assembly, you have to be [banished]. I'm sorry, do you understand me? Punished.

OLIVIER CRÉPIN-LEBLOND: Yes. Thank you for this. Penalized is the word you're looking for.

OKSANA PRYKHODKO: Penalized, yes. For example, you will not have to be financed for the next General Assembly, or you will be postponed for your voting rights for the next round. It's my [suggested] proposition. We have two different approaches, for quorum and for rights and responsibilities.

OLIVIER CRÉPIN-LEBLOND: Yes. Thank you for this. The rights and responsibilities will come later. But for quorum, we're on half and two thirds. I've seen you're not 100% on it, not 100% agreeing with this. I've seen Erich saying quorum half, simple majority, but at least two to six. So, that's a third of members voting. I think maybe he mentioned three, six perhaps, or four, five six. I don't know. Erich, I'm a little confused about what you were saying here.

Wolf agrees with the suggestion to penalize non-attending members when funded. That's a good point.

Okay, Florian, you have to go now, and yes, we have reached the top of the hour. Can I just ask? We've looked at the first two, funded face-to-

face meeting quorum, funded face-to-face meeting vote. Think about those two, look at the rest of the Google Doc, and if you want, I'll put some spaces below here.

If I can ask you to put your name here and then you put your choices in the table below here with your time. I think that you all have the ability to write on this when you just look at the document. Yes, everybody can edit this document. So, put your name, start putting your thing there, and then we can see if we then have agreement, like for example the non-funded face-to-face meeting vote, which is this one.

I can see that everyone is okay with the half. Then we will be able to say, "Okay, fine, we've got consensus on that column," and then we'll only need to discuss the ones that we don't agree with each other on. If that's okay, then – I see things are starting to fill up. Excellent.

So, I'd like to thank you for this, and because we've run out of time on today's call – I think we've made some good progress. And the next steps are to then follow up on the mailing list, and we'll have another call in a couple of weeks' time. Two, three weeks' time probably, seeing how we go. I think we've got an answer now on the funding, an answer on the – well, we haven't got yet an answer on – we've got dispute resolution answer, funding resolution answer, and the quorum we're working on at present.

So, that's all I can offer you today. Thanks, everyone, for putting some time into this, and I'd like to thank staff as well. I'm trying to see if there's Any Other Business, any additional points to make. I don't see anyone putting their hand up. I see everyone typing their answers on

the document sheet at the moment, so please do that, and thanks, everybody. Have a very good rest of the week. This call is now adjourned. Goodbye.

WOLF LUDWIG: Okay, thanks. Bye.

OKSANA PRYKHODKO: Thank you. Thank you, everyone. Bye.

YESIM NAZLAR: Thank you, all. This meeting is now adjourned. Bye-bye.

[END OF TRANSCRIPTION]