

Julie Bisland:Welcome to the CCWG New gTLD Auction Proceeds call on Thursday, 24 August 2017 at 14:00 UTC

Julie Bisland:Agenda wiki page: https://urldefense.proofpoint.com/v2/url?u=https-3A_community.icann.org_x_Z2zwAw&d=DwlCaQ&c=FmY1u3PJp6wrcrwlI3mSVzgfkbPSS6sJms7xcl4I5cM&r=Qif-05YzARosRvTYd84AB_UYInlydmFcjNmBM5XgySw&m=JSIns4xjc0PHdOgzqISuaEGkFxOmotaP5sxRcTq1m8w&s=1DvUSljoXOTLEhzEhSkyX6LmpsEAVDAmxAwnZ4zyQ5Q&e=

Erika Mann:Hi Julie

Erika Mann:Hi everyone!

Julf Helsingius:Erika: I am still on the GNSO Council call...

Julie Bisland:hello Erika!! welcome everyone!

Erika Mann:Marika might be a bit late today, she's still on the GNSO Council call

Erika Mann:And Ching will join us a bit later as well, his's still on a plane

Julf Helsingius:Erika: trying to wrap up

Dietmar Stefitz:Hi to all of you!

Erika Mann:Good to know Julf, thanks!

Vanda Scartezini:hi everyone.

judith hellerstein:HI LL

judith hellerstein:HI ALL

Manal Ismail:Hello everyone :) !!

Erika Mann:Asha is joining us late as well, she's still in a meeting

Marc Gauw:Hello all !

Jian Zhang:hi all

Sylvia Cadena:Hi everyone

Carolina Caeiro:hi all

Glenn McKnight:Hi

Glenn McKnight:Great comments from Sylvia Cadena about tides

Kavouss Arasteh:Good time to all,

Julf Helsingius:Council meeting ended

Kavouss Arasteh:May I RESPECTFULLY REQUEST EVERYBODY WHO SPEAKS KINDLY SPEAK SLOWLY, CLEARLY SEPARATING SYLLABUS ONE FROM ANOTHER AS not EVERYBODY HAS THE SAME ABILITY TO GRASPS

Kavouss Arasteh:WHAT IS SAID

Glenn McKnight:Good point Kavouss

judith hellerstein:Thanks Kavouss for reminding all about this

Glenn McKnight:A good use of Captioning here

judith hellerstein:Exactly

Vanda Scartezini:would be very good...

judith hellerstein:I have requested this but as it is a CCWG, it has to be approved separately

Sylvia Cadena:All that work is greatly appreciate it. Trying to collect so many contributions is hard work.

Kavouss Arasteh:Dear Marika

Sylvia Cadena:I guess there are issues that are interdependent, and it is a bit hard to limit comments to one issue alone. Trying to focus on one, will be great but sometimes seems difficult

Kavouss Arasteh: pls speak slowly

Vanda Scartezini:@sylvia. very true. the resumen are so great. we need to really appreciate the work done. is making our task much easier

Kavouss Arasteh:Bitte sprechen sie langsam

Marika Konings:The charter can be found here: https://urldefense.proofpoint.com/v2/url?u=https-3A_community.icann.org_x_DJjDAw&d=DwlCaQ&c=FmY1u3Pjp6wrcrwlI3mSVzgfkbPSS6sJms7xcl4I5cM&r=QjF-05YzARosRvTYd84AB_UYInlydmFcjNmBM5XgySw&m=JSlns4xjc0PHdOgzqISuaEGkFxOmotaP5sxRcTq1m8w&s=syBa2x0MYC6DsfnSJ7VshxKI3ej4gGNniAPZhQSpEds&e= . Erika is referring to section 5.

Alan Greenberg:@Kavouss: :-)

Kavouss Arasteh:Alan, what do you mean, I AM NOT FAMILIAR WITH SUCH CODED SCRIPT

Alan Greenberg:It is a smile.

Alan Greenberg:If you tilt your head to the left you might see it.

Kavouss Arasteh:i WILL WHENEVER IT COMES TO THT MOMENT

Stephanie Perrin:Apologies for being late.

Jacob Odame-Baiden:Me too just joined

Wale Bakare:Apologies for joining late

Wale Bakare:Hi all

Julf Helsingius:is someone being strangled in the background?

Sylvia Cadena:My thoughts exactly, Julf :D

enoss:now in adobe as well. thanks

enoss:@marika was there any difference in the voting between members and participants?

enoss:or roughly evenly split as well

Becky Burr:+ 1 Alan. I don't think we should assume there is more money coming in.

Marika Konings:@Eliott - I have not undertaken that analysis, but could do so if helpful.

Alan Greenberg:@Becky, not unless you plan to donate!

Sylvia Cadena:Another way is to have answers on the survey that push respondents to have an opinion, using responses such as: strongly agree, agree, disagree, strongly disagree. That might push us all to be more clear.

Vanda Scartezini:what I have suggest is just IF a new very interesting project come out after the end of \$ we can opt to spen a % of Money from the Reserve (if we accept to have such reserve) and for this have a mechanism on how to make this acceptance of such new project

Stephen Deerhake (.as):+1 Alan as well. Also +1 Becky as well. Assume no more money is coming in...

judith hellerstein:@elliott some of us are participants since we did not have the time to make every single meeting and chose to be participants for that reason

Marika Konings:For this CCWG, members are those appointed by the chartering organizations. Others can choose to join as participants or observers.

Alan Greenberg:Unless there is strong evidence to the contrary, we must assume there is no more money coming it. If it does, so be it. But we cannot presume it and it is not, in my mind, worth considering at this point.

judith hellerstein:@marika, what I meant to say is we did not put our names into the selection committee to be chosen as members

Marika Konings:Thanks Judith for that clarification - I do note that some of the survey respondents may not be clear on the difference between member and participant so I'll make it further clear in upcoming surveys so that everyone ticks the proper box :-)

Glenn McKnight:@Marika i remember finishing a survey a while ago. Is this survey a new one?

Marika Konings:No, it is the old one, but it got deferred from the last meeting as we ran out of time

Erika Mann:Xavier - can you confirm the 80 MIO number being reserved for litigation?

Jonathan Robinson:@Eliot. Good series of points on background. Agree that next round remains some way off.

Vanda Scartezini:good point John

Vanda Scartezini:+ 1 ALAN

MR JOHN ROBERT LEVINE:@alan +1 many times

Wale Bakare:Exactly, Alan

Wale Bakare:Thanks for that

Sylvia Cadena:Agree with Alan, we need to focus on the task at hand.

Alan Greenberg:If 5 years from now, there is more money, let's deal with it then. SO unless someone is planning on writing a large cheque now, let's stop hypothesizing.

judith hellerstein:I agree with alan

Sylvia Cadena:Quality and efficiency should prevail.

Vanda Scartezini:agree ALAN, the focus shall be in the quality of the project.

Jonathan Robinson:I'll contribute in chat

judith hellerstein:I agree with what alan says. we should use the money efficiently and expeditiously and speed should not be the guiding point

Jonathan Robinson:In support of Alan's most recent point, it's not speed that's the objective but rather not being focused on preservation of capital

Stephanie Perrin:I certainly agree with the statement Erika is making.

Kavouss Arasteh:Alan, how do you describe"Effective!" what it is about

Glenn McKnight:sorry no audio

Sylvia Cadena:I just used the Agree button Erika.

Glenn McKnight:I just agreed

Manal Ismail:+1 Alan on quality rather than timeframe ..

Stephanie Perrin:Apologies for not filling the poll, I thought I had done it (too many polls this week I guess)

Wale Bakare:I discovered that discussions on the mailing list are not included in meeting's agenda

Marika Konings:@Wale - please see item 6.

enoss:how was that question asked?

Jonathan Robinson:As per my previous point. The key is that this is intended to be a disbursement of the capital.

Marika Konings:although we may not have time to cover item 6 in today's meeting

enoss:raise hand if AGREE?

judith hellerstein:noraise hand if you do not agree

Stephanie Perrin:Use agree flag

Sylvia Cadena:If you are on Adobe, use the agree button.

Wale Bakare:Thanks, Marika

Xavier Calvez:To precise what Elliott said about the new gTLD program fees: the total application fee was \$185,000. From this total, \$60,000 from this total fee was designed to cover for "hard-to-predict" expenses of the program (like unexpected evaluation steps, mis-estimation of the costs of planned steps, other risks, legal defense costs,...). Elliott also indicated that there was an excess of \$80m of leftover fees. To correct this statement, it is not known today whether there will be left over funds, once the program is done. There are more future costs to be incurred on the program: evaluation costs, administrative costs, legal defense costs. It is currently estimated that, once all predictable costs have been incurred, there would be about \$90m left to cover for risk-related costs (including legal defense). It is not known yet how much these risk-related costs will be nor how long it will take for all matters of the program to be closed.

Erika Mann:Sylvia, we can do this ... I will point out to it

Marika Konings:How about this for the CCWG agreements in relation to this topic: The CCWG's focus is on the funds that are currently available without any assumption that additional funds will become available. The CCWG will focus on developing recommendations that will enable the disbursement of

the funds in an effective and judicious manner without creating a perpetual mechanism (i.e. not being focused on preservation of capital).

Wale Bakare:I think, "effectiveness" in context may mean projects that would have long term impact on ICANN' mission. Hope i am not wrong

Jonathan Robinson:@Marika. I think that's a good start.

Marika Konings:please mute your mic when not speaking

hadia Elminiawi:@Wale i guess the word "effectiveness" needs to be yet defined

Xavier Calvez:To further clarify (Thank you Sylvia for the suggestion), the new gTLD program application fees and the remaining funds that Elliott and I commented on are fully separate and segregated from the auction proceeds that this CCWG is dealing with.

Vanda Scartezini:13 in my account

Dietmar Stefitz:agree

Carolina Caeiro:just support

Carolina Caeiro:yes, thank you Erika

enoss:(I will need to drop off in 5 min)

Wale Bakare:@Hadia, conciously the words "effective" and "judicious" may bring variation of meanings

Erika Mann:Thank you Xavier. This is very helpful.

enoss:I would like to call for consensus on this point

Marika Konings>Note that the survey was inspired by the email that Jonathan R. sent to the list, not the discussion on the call :-)

enoss:51:17 is as much as we would be likely to get on another issue

enoss:any other issue, not another

Marika Konings:it is a bit faint, but fine

Stephanie Perrin:no not at all

Dietmar Stefitz:yes, I hear him

enoss:I can barely hear him

enoss:NOW yes

judith hellerstein:this is much better. thanks

Sylvia Cadena:Can someone send the adobe connect link to Olga? she is asking on the list

judith hellerstein:she is on the call already

Marika Konings:@Sylvia - it has been sent to her.

judith hellerstein:i sent it her via email and whats ap

Sylvia Cadena:Great ;)

Sylvia Cadena:Thank you ladies :)

judith hellerstein:she said she was having connectivity issues

enoss:then we should also have an articulation as to why this is inappropriate for these funds

Alan Greenberg>Note it was not just CCWG Acct, but also the CWG IANA Stewardship that drew down the reserve.

enoss:AND why the \$90m xavier identified should not be called on first before these funds

enoss:which are a CLEAR and UNIQUE opportunity to help

Jonathan Robinson:@Eliot. Both good points.

enoss:(apologies gtg, but will leave chat open to read later

Alan Greenberg:@Eliott, I would be delighted if the \$90m would be used for the reserve, but I think many applicants would strongly object.

Jonathan Robinson:To be clear, the \$90m being described here is a separate sum outside of current reserve and auction funds.

Marc Gauw:What I missed during the discussion on 'supporting the Ican reserve fund' is the fiscal /legal question whether a potential new "Auction fund foundation" with a 501(c) status is even allowed to donate to an Ican reserve fund. Doesn't sound like a 'charity'-donation..

Alan Greenberg:Marc, an interesting question. But if we wished, we could designate it before the rest goes to the "foundation"

Vanda Scartezini:MArc. done before as Alan said solves the question related to 501(c)

Marc Gauw:@Aan..... Ok, but then Ican would 'donate' to itself.... not sure how tax-authorities see that

Vanda Scartezini:understand the account still in ICANN name. just move from one account to another inside the organization, not a donation

Alan Greenberg:In my opinion, we (the CCWG) would recommend that ICANN take \$X and move it into the reserve, and the rest to the foundation (or whatever).

hadia Elminiawi:@Alan alternatively a committee could be formed for this purpose, as this group is not to designated to allocate any money

Stephanie Perrin 2:One question is, if the CCWG ran us over and caused funds to be depleted, why did we not anticipate that as a corporation? I do think a reasonable case needs to be presented, as Jonathan suggested. We should in the meantime move on.

hadia Elminiawi:@Alan alternatively a committee could be formed for this purpose, as this group is not designated to allocate any money

Julf Helsingius:jjjjl don't think that is for this group to decide

MR JOHN ROBERT LEVINE:no, of course not. The reserve is set as part of ICANN's overall budget

Sylvia Cadena:No, we are discussing if part of the auction funds goes to replenish the reserves or not. ICANN already has a reserve.

Julf Helsingius:so we all agree

Wale Bakare:ICANN reserve fund discussion is outside scope of this group

Marc Gauw:Ok, but then the question is NOT whether WE THINK the auctions funds will be used to donate to the Ican reserve fund, but whether Ican reserves all the Auction money for the Auction Fund. So in fact... it is not our decision then !

Wale Bakare:*outside the scope

Sylvia Cadena:Kavous, we are mnot intervening in that issue.

Alan Greenberg:We are ONLY discussing whwether we honour the request from the Board to allocate some of the funds to the reserve. We can decide if we do and how much. The existance of the reserve and the target level is not on our table.

Sylvia Cadena:We are asked to say yes or no to use auction funds to replenish the reserves. Those conversations are about how much of the auction funds can be allocated.

Stephanie Perrin 2:I believe the question is, do we need to contemplate a structure that would permit ICANN to apply for the funds. Since I cannot imagine such a structure under the current non-profit nature of the organization, either we get legal advice on how that would be possible, or we drop it.

Wale Bakare:@Sylvia, are you saying the whole Auction Funds or part?

judith hellerstein:@stephanie, I thik we heard the legal advice that it is allowed, but the question is whether we should agree to allow this. It seems to be a perception issue

hadia Elminiawi:+1Alan

Sylvia Cadena:The charter question is quite clear, as Alan is mentioning @Wale

Erika Mann:Only part @Wale

Wale Bakare:Good, "some part". Let us discuss how much

Marc Gauw:OK, clear Alan, thanks...

Manal Ismail:+1 Alan

Stephanie Perrin 2: So then a brief synopsis is: Board cannot at the moment just reach out and take the funds. They are asking us to permit ICANN to take some of the funds for the reserve. There is nothing in the original applicants guidebook, resolutions regarding funds, charter of the group etc that says this is illegal. The question is whether it is ethical.

Sylvia Cadena: This is the charter question we are trying to address "To what extent (and, if so, how) could ICANN, the Organization or a constituent part thereof, be the beneficiary of some of the auction funds?"

Alan Greenberg: In my mind, A reasonable limit would be no more than the lesser of 20% and \$50m.

Alan Greenberg: That covers the case of us only having \$105m or the full 240m

Alan Greenberg: But that is just my opinion and suggestion.

Alan Greenberg: Discussing this without full input from the Board is not worth the time.

Nadira AL-Araj: +1 Alan for the board input

Wale Bakare: @Alan, I support your suggestion just as you suggested in last meeting. Can't we focus on that?

Stephanie Perrin 2: Thanks Sylvia. I guess I see a qualitative difference in that Charter question..... I had assumed that it meant could a constituent part (eg the fellowship program, the ICANN academy) apply for part of the funds for purposes that appeared to match our goals. I did not think that Charter question contemplated a constituent part of the org applying for basic operating expenses.

Judith Hellerstein: I agree with Stephanie Perrin

Marika Konings: @Sylvia - that is also captured in the notes and record of survey will be kept.

Marika Konings: We'll start documenting the different surveys on the wiki so these can be easily found.

Judith Hellerstein: I think that is what the survey showed us

Marilyn Cade: The report should be careful to note what status each respondent has -- e.g. Member, participant, observer, etc.

Xavier Calvez: Regarding the ICANN Reserve Fund: ICANN has a reserve fund in place, set up in 2007. It is governed by the Investment Policy, approved by the Board. This policy says that the level of the Reserve Fund should be at least of 12 months of Operating Expenses, which is currently of approximately \$140m. The Reserve Fund balance is currently of approximately \$60m, after about \$30m were taken to cover for the costs of the IANA Stewardship transition (CWG, CCWG, implementation costs,...).

Jonathan Robinson: Agree with Sylvia and others. The outcome of the survey (and those who participated) is clear. But, suggest we conclude subject to hearing new / additional information in this case. We are essentially in the dark as to current (board / organisation) thinking on the reserve fund.

Nadira AL-Araj: What about a scenario if we delegated the fund distribution to established independent organization. If ICANN apply to any project like any other entity, that might happen

Vanda Scartezini: agree too, lost connection few seconds..

Marika Konings: @Marilyn - respondents are asked to self-identify but I've noticed that not everyone is clear on their status so we'll make sure to clarify that in future surveys.

Sylvia Cadena: The project about doing that is that requesting reserves funds is not really a project. So evaluation/monitoring of that activity will overstep on what the Board does to oversee the reserves management @nadira

Sylvia Cadena: Thanks Erika. Will be there.

Julie Bisland: The next CCWG New gTLD Auction Proceeds call will be held on Thursday, 07 September 2017 at 14:00 UTC for 90 minutes.

Nadira AL-Araj: Thank Sylvia, I'm talking about another scenario

Vanda Scartezini: holiday here so not a problem at all for Sept. 7th

Wale Bakare: Thanks Erika, bye all

Sylvia Cadena: Thank you all

Marc Gauw:Thanks all, and bye bye from Holland !

Vanda Scartezini:thank you all have a nacie weeks

Manal Ismail:Thanks Erika, Marka and all ..

Carolina Caeiro:Bye, thanks

judith hellerstein:bye all

Sylvia Cadena:bye from Brisbane

Joke Braeken:thank you all. Bye.

Nadira AL-Araj:Thank you Erika & Markia and all.

hadia Elminiawi:Thank you all, bye

Julf Helsingius:Thanks Erika and everybody!

Dietmar Stefitz:Thanks, erika, Marika et all!

Jacob Odame-Baiden:thank you all, bye