

**ICANN
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GNSO – RrSG Membership Meeting Part 2
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Graeme Bunton: Hope everybody got a coffee and enjoyed it. There are a couple little snacks. We're going to file back into the agenda, and it's going to be a real fun bit. We're going to talk about the EPDP transfer process and then charter and incorporation.

Michele talked a little bit about this before. And I'm going to pile on. I don't know if everybody - so Emily Taylor was one of our volunteers for the EPDP. She recently stepped aside from having completed Phase 1. And her sort of resignation letter is worth a read. And I'll ask her if she doesn't object but I can see if I can share it to the list because I think it captures a lot. What's that?

Man: It went to the GNSO.

Graeme Bunton: It went to the GNSO list?

Michele Neylon: It's public on the EPDP list as well.

Graeme Bunton: Great, so we'll share it away. The volume of work that our EPDP members and alternates - so stick your hand up. That'd be James. That'd be Sarah. That'd be Matt. That'd be Volker. And Theo is not here as well as Emily.

The work that they have done is bananas. It was an unbelievable amount of just brutal heavy lifting.

I stuck my head into the - they did a face-to-face in Toronto and I stuck my head in for an hour to - and they were just brutalized. It was kind of - it was alarming to see their faces. They're all ashen and gray and beat up. It like makes me weirdly weepy to think about just how hard these people have worked for us, just really getting in touch with my own emotions there.

And I don't think, you know, most people will ever really appreciate how hard that is. But we all need to take a moment and be really appreciative of that crazy work that they did. You know, even two months ago I thought we were doomed. I didn't think this thing was getting done.

It was going to - the EPDP was going to fail. And somehow, somehow these guys pulled it out. And so it's amazing. So thank you, thank you so much to those members. That was nuts. But it's not over.

And yet we carry on. So I'm not sure which one of the team is going to kick this off but I think we're going to get a bit of an update on where things are at and where we think things are going. We don't have - we've only got half an hour for this bit and I've spent four minutes of it praising people. So we'll see how this goes. Is it (Matt), Sarah, (James), (James)?

(James): Yes I can jump in, thanks. Thanks Graham. Thanks for the kind words. You know, we live for your praise. And I think, you know, we also should mention Lindsay Hamilton-Reid who left the industry, so thanks. (Tom) you should know she really carried a lot of water for us as well before she left.

So look, the EPDP was brutal and it got worse as it went on. I think, you know, the last - right after the holidays we started doing three-hour calls and they were two three-hour calls a week. And then I think that we had

subteams. Then we had three three-hour calls the last week and that's when a lot of us just started to say uncle, not to mention all the volumes of paper.

But it didn't have to be that way. And I don't mean to throw shade on the leadership or the staff. A lot of it was circling back over issues that had been closed or we thought were closed and folks were attempting to re-open and reposition.

And a lot of it was setting up markers and arranging the table for Phase 2, which is what we're heading into now. So Phase 1 was about putting something in place that can catch us as a safety net for when the temporary specification expires in March and essentially is a bare bones process.

And I think that we did that and we didn't look like we were going to have the success in doing that. But that was now submitted to Council. And as Darcy mentioned in her update, Council approved it. That's going on to the board. There's still some open questions regarding implementation. So let's put a pin in that because we'll come back to that here in a minute.

But now we move to Phase 2. Phase 2 was always the hardest part. Phase 2 was about establishing a process for standardized - we don't say access; we say disclosure of redacted WHOIS data for those who are making legitimate requests for a few narrowly defined purposes.

That's what's going to be in Phase 2 plus a number of other issues that we encountered in Phase 1 that we deferred to Phase 2 like what does this mean for rights protection mechanisms, URS, you know, UDRP, how do we refer that over to those PDPs and some other items that came up during the course of our work in Phase 1 that we knew we just did not have time to tackle and weren't on the critical path to getting us off the temporary spec.

So Phase 2 is going to be tough. And I'm not trying to discourage anyone who wants to volunteer. I'm just trying to make sure that you go into it eyes

wide open if you're going to raise your hand because we definitely need the help.

There is this question about well what do we do in the interim time between let's say March or May when the temporary spec expires and when everybody is able to - obviously that's not enough time to write code and deploy new systems.

And so what we were able to - what we're in the process of working out with ICANN is a sort of an overlap where between May 29 of this year and February 29, 2020, leap year day, that you can continue to operate under the temporary specification if you need to for as long as you need to until you are able to deploy the changes necessary for the new process.

But the only problem is we can't call it the temporary specification because a temporary specification can only by our contracts live for one year. And so it will be the requirements formerly known as the temporary specification. So we're still working through the details of that.

We tried a very lightweight sort of almost a handshake, a wink, and a nod, get compliance to pinky swear that they're not going to come after folks. ICANN Legal is - and some of those folks are having hesitation because they want to make sure that they have the legal basis to actually enforce against registrars who aren't in good faith doing either the temporary spec or the new thing.

So they want to make it a little more heavy-handed, a little more complex and bloated than we're comfortable with. And so we're trying to work that out here in Kobe and over the next couple weeks.

So the implementation I think it's important just to note that the registrar representatives on the EPDP have been thinking about how to implement this the whole time and how we know that ICANN is going to, you know, the day

before the temporary spec expires they're going to, you know, okay here's your new contract and everything's fine. We solved it. We fixed it.

And then the rest of us are kind of left out twisting in the wind while we can't get our engineers and our development teams and our customer service teams to shift that quickly. So that's something we've been thinking of the entire time.

I think the other point that's going to come up later is transfers. We really have to take a comprehensive look at how transfers are managed. And I don't recommend -- as Graeme mentioned -- IRTPE or anything like that. No more Band-Aids.

Let's start with a blank sheet of paper. Let's use the newer technologies that we have, you know, including just whatever we have in terms of securing these systems and authenticating transfers to make sure that they're safe and secure and frictionless.

And yeah, I think that's kind of where we stand today. (Matt), I don't know if you have anything to add. I think there is definitely pressure coming from other parts of the community to make Phase 2 as quick and to give it the same level of priority and urgency that we saw in Phase 1. And I think there's an equal if not larger part of the community saying that's just not possible.

We can't break our backs on this one and we don't have a ticking clock. We need to do this thoughtfully, so I don't know if (Matt) or Volker want to jump in on that.

(Matt): Yes thanks (James). This is (Matt). I think that was a good summary. The other thanks that I'll add before we are done with thanks is to Zoe for like somehow organizing us to make sure that we were - I mean, just, you know, like (James) said all the calls and all the drafts and all the language we had to

look at and the questionnaires. I mean, it was nutso. So Zoe thank you for keeping us on task. You'll get a set of steak knives too.

Yeah, so the only other thing I guess I would add - the point that I made yesterday is yeah I know everyone's eager to move on and talk about Phase 2 but, you know, as (James) said, Phase 1 really isn't even done, right? I mean, we published a final report and that's great and the council approved it and that was great.

The board still needs to approve it so we assume they will. But then we got to figure out how to implement the thing, right? So we've got now less than a year to do that. So it'll be important to nail that down to make sure that we've got a good handle on what it means, what the obligations for registrars are.

I also think it's going to be important that we stress to ICANN the need to make sure that they do a good amount of outreach because the registrars that come to ICANN meetings and are in this room obviously have a good handle on what, you know, the changes are going to be.

But it's the registrars that don't come to ICANN, that don't participate in the stakeholder group that also need to know what the new requirements are. So are we taking questions or - oh, Sarah has a question.

Sarah Wyld: I have a question. Do you think - no for the group. Sorry. What you just said, yes, we should do outreach to registrars. Sorry, thank you, I'm Sarah Wyld. I'm an alternate in the EPDP. Should we do that? Like I could run a Webinar for other registrars to talk about what's in the report. Would that be useful? I could do that.

(Matt): Yes, that's a good idea. However, I would argue that that lets ICANN off the hook frankly. And - no, I mean, seriously, like that's great but I don't think it should be up to us to try - I mean, maybe for stakeholder group members and that's a benefit or an advantage to being a member. That's kind of cool. But

I think the broader community, maybe not. But I don't know. That's above my pay grade.

Sarah Wyld: Yes (unintelligible).

Michele Neylon: Thanks, Michele for the record. Just on this entire kind of education and awareness piece, Graeme and I along with Sarah spoke to the GAC earlier this week. And we mentioned the document which I've lost the name of about the kind of semi-standardized how to request data thing.

I don't know how many of you were at the GDPR session yesterday. And one of the lawyers representing domainer interests came up and started harping on about various different things. I mean, I think this kind of education and awareness piece is very important. Totally agree with Matt.

It's not up to us to do ICANN's job for them. I think it would be great for Sarah and a couple of the others to do something just so we can help our own members, even our own staff, get a good handle on what we're meant to be doing, what we need to change.

But I just did want to ask the rest of you, I mean, have many of you had issues with how other registrars have implemented the current temp spec? Because we've seen some registrars who've just shoved in the same e-mail address for all contact points which is, one, not compliant with the temp spec, two, super frustrating for a multitude of reasons, and three doesn't exactly help when we're dealing with various other parties going, "Oh, I want to contact registrants. I want to do this. I want to do that."

Like some of these companies have literally put in (abuse apps) their primary domain. And I don't want to name names but I'm sure some of you know exactly who I'm talking about.

Graeme Bunton: (James), oh, Neal. I'm looking everywhere but down there.

(James): I always hide at the end. To your question Michele I think in the abstract -- and I don't want to say that I've seen this or not -- but in the abstract most of the reason that registrars would use another registrar's WHOIS is for purposes of transfers. I think that's the most common.

But we don't need that any more so that's I think - if WHOIS was still a critical component for executing a transfer and we ran into the shenanigans that you described, I think you would hear a lot more noise about that. And I think the fact that a transfer can go through without that data is probably one of the reasons why we're not hearing anything.

Graeme Bunton: Thanks (James). Neal?

Neal McPherson: So I had a question. So Neal McPherson for the record. I had a question with regards to all the recommendations that have come out of the EPDP working group. Where does - where do those recommendations land on paper? Is there going to be a policy? Is it going to have contracts? Is it a mixture of the two? Where are we going to be finding the - on black and white what we actually have to do and interpret?

Graeme Bunton: And it is a very good question. Did you guys catch that? You guys are just brutalizing those snacks. No one can hear.

Man: Of course, yes, blame me.

Graeme Bunton: Yes. Get used to that. That's not (unintelligible).

(James): I can take a stab at that. I don't think we know 100% for sure where this is going to land. I mean, obviously it will be enforceable as part of our contract. Whether that means it's going to be its own stand-alone policy or whether it's going to obsolete and replace a number of specifications that were part of the 2013 RAA like the WHOIS accuracy specification, the registration directory

data services, you know, all those specs that followed on from the 2013 RAA plus some other stand-alone consensus policies like IRTP.

We're still examining I think it was recommendation 27 was it (Matt) that said something about we need to do a deeper dive on how this impacts things like the WHOIS data reminder policy and how it - and we chat with (Pam) earlier about how it may preempt some elements of the privacy proxy policy.

So it's like an octopus. You know, I mean, it's touching everything simultaneously that it might need to be its own stand-alone policy and also strike some of these other policies and specifications in our contracts.

Graeme Bunton: Thanks (James). So I think Neal had - that question was good because it's probably a question just about everybody who's not super involved in the EPDP has, which is what do I need to do and when? And I think (James) gave us about as good as a reply that we're going to get, which is we don't know. The final report exists.

It'll get approved by the board and then somehow that final report needs to be turned into policy and it needs to be turned into requirements that we have to build. And the road from here to there is not super clear yet. And I don't think anybody's going to have a ton of clarity on that until it's happened.

(Matt): Yes it's (Matt). That's right. The only thing I would stress though is we made a -- as (James) pointed out -- we made a clear point to say -- and this still has to obviously be signed off on when the board approves the final report -- but in theory if you're operating out of the temporary spec, you have until the end of February next year to continue to do that.

So the short answer is you really don't have to do anything until that time clock expires. And we did that so that A, we could work out all the, you know, get clarity on what this actually means in practice and then give us time to sort of build up to that.

Graeme Bunton: Thanks (Matt). I will say that that 2020 date is going to come exceptionally quickly and it's going to take us let's say at least another six months to figure out how all of these pieces slot in. So - and certainly late in the year is hard on dev cycles. People have vacations and stuff like that.

So everybody should be paying attention to that timing and thinking about what work is -- we'll be talking about this over the next year of course but -- what work is coming, how to fit it into your dev cycles and make sure that we're as ready as we can be for that February date.

And if we are collectively concerned that we - again I don't know how much work it's going to be or what that's going to look like but if we are all going, "Oh my good heavens, we can't possibly fit this in," then we need to come back to ICANN and ask for something else. I've got Tom and then I think (Vlad) in the queue and then (Joyce).

Tom Keller: Thank you. Tom Keller for the record. So who would be the next say entity that has to move? So I'm kind of uncertain about that. So the recommendations that are out there, there's a lot of stuff that needs to be sorted. Someone has to put it into some kind of a writing, some kind of format that it's put in front of the contracting party and saying that's what you need to do now.

So I assume -- and it's just assumption -- that that has to be ICANN? Okay so is there already any kind of a commitment what's going to happen once that is approved by the board?

(Matt): Yes so Dennis - what's the - I forget Dennis's last name. Chang? Yeah, so Dennis Chang, ICANN staff, came into the EPDP meeting on Saturday I guess it was and sort of walked us through his plan for the implementation review team. So he's going to head it up personally.

And they've already started, you know, they're operating under the assumption that the board is going to approve the temp specs or the final report. So they're already starting to gear up to what it will look like once they do and they can be prepared to move forward.

Tom Keller: Maybe a short follow-up on that. So it will be an (RRTP) team, right? That means - we've seen what happened with transfers the last time. So they took whatever we recommended and they made something else out of it. So are registrars participating in that or is that a sole endeavor of ICANN?

(Matt): Yes so that is a good question and a good point. It isn't something that we've talked about. There was discussion about whether the IRT would be made up of members of the existing EPDP team or if it would be open to new people coming. We haven't gotten to that point. I think the short answer though is 110% registrars will be involved in the - and registries for sure.

Michele Neylon: It's Michele, just very briefly. Just the other thing, Tom, which it makes the EPDP rather an odd animal is that the membership of the working group was very, very tightly controlled and limited, which is of course then, you know, you couldn't - how do I put it?

I mean, if you were to kind of open up the IRT so it's a free-for-all that probably wouldn't help anybody either. But it is obviously key from the perspective of registrars and registries that we are involved in that because, yeah, I mean, sometimes those implementations do go very strangely.

(Matt): So, sorry Michele. That's a good question. How is the composition of an IRT determined? Does staff determine that or does council?

Michele Neylon: Normally...

(Matt): Here comes the expert.

Michele Neylon: Okay, there's - yes, perfect. Marika can do this.

(Matt): You thought you could sit in the back of the room and just hide. Nope, nope.

Marika Konings: Hi everyone. This is Marika. So there are IRT guidelines in place the council adopted a while ago. And I think they basically talk about, you know, calls for volunteers that goes out and, you know, it specifically goes to the original team or working group that developed the policy recommendations to make sure that people with that expertise are participating or are present in the IRT.

But it also specifically talks about making sure that there is sufficient operational expertise present. We haven't had the situation yet where, you know, membership has been limited. It's just that I think there hasn't really been discussed either on whether, you know, the format should be similar to how the EPDP team looked.

But I think that's maybe a conversation that, you know, will be usefully held tomorrow. There's a brainstorming session I think from 10:30 to 12:00 if I'm not mistaken. So anyone that's interested in that topic is encouraged to come to that session to talk about it.

And again, you know, maybe it is an area where the council could provide guidance if there are specific views on how the composition should look like or, you know, minimum representation from certain parties. But the IRT guidelines talk more in a general manner around how, you know, the constitution of the group should take place.

Michele Neylon: Thanks Marika. There's also an informal GNSO council with EPDP session. I think that's this evening. Is that this evening Marika? Is the GNSO with EPDP this evening? Hm? No, no, I know that but I mean it's another opportunity to talk to them.

I think the other thing that, you know, Marika didn't say is, you know, the EPDP's the first time we've had an EPDP. So I think we're in kind of unknown waters. So, you know, if you guys think the council needs to say something, do something, you know, let us know I suppose.

(Matt): Yes I think we should just prepare to provide some guidance or feedback. Yes that would be my guess. Maybe we can just think up about what we want to - how best to do that maybe.

Graeme Bunton: I still have (Vlad) and then (Joyce) in the queue I think.

(Vlad): So quick question. Going off what Tom was mentioning as well. So at this point in time (unintelligible), I'm going to start implementing, assuming that the board's going to approve this report. I want to start implementing toward the recommendations of that report.

During this time leading up to February 29 - 29? 29, the opportunity for (unintelligible) an IRP is going to be in place that's going to confirm these implementations from there.

And then when that report comes out I'm going to match my implementation towards IRT's final recommendations and then go up in there to see if everything matches. Is that correct?

Man: Could be correct. You could do that.

(Vlad): (Unintelligible) here, just sort of a bit of guidance how would everybody else be doing it.

Michele Neylon: Thanks (Vlad). I mean, I think you're not wrong but I don't think you're 100% right either. I think the - I mean, if you look at the recommendations, some of them are pretty much, you know, as per the temp spec. There's not like a massive divergence. There's other ones where there are certain changes.

And I think the thing that I think that IRT is going to be looking at is writing, you know, contractual language, policy language for some of the things that we're all probably doing already. So I don't know if you're - I don't know, read the recommendations.

Have a look at them. See which things you think you're going to have to make changes for and keep track of the IRT. I mean, James or somebody's going to say something much more eloquent than me.

(James): Well I think - and I think I've heard and understood most of that (Vlad), but I think it's important to note that when we were making this proposal for this implementation window, the goal was not to have registrars do what you described, which is make changes and then go back two months later and make a whole bunch of changes again.

The goal was is that if you're already compliant with the temporary spec, the best thing to do strategically is just to sit tight and wait for just a little bit while these other things - because you have this cushion where two requirements are overlapping.

One goes into effect let's say in May but the new one doesn't go out of effect in February so you have this overlap to figure out what you want to do. So that's the goal is not to do rework here. And that's what we were trying to achieve.

(Matt): Okay. Sorry I just wanted -- it's (Matt) again -- I just want to make one other quick point. You know, we talk about 29 recommendations in the report but Sarah and I were just thinking it's probably about less than a dozen that actually require some sort of system change on the registrar side. So it's not, you know, it's not like there's 29 things we have to go through and update.

Graeme Bunton: Yes, we're not rewriting all the EPP codes or whatever. (Joyce) thank you for your patience.

(Joyce): This question is for (James). You mentioned that the group is looking for a safer and more secure way to transfer. And I was just wondering that we've been talking about transfer for ages, okay. And before the EPP code we didn't have anything. So we implement the EPP code and was sure that that would be safer and more secure way of transfer.

But my question is are there any data showing that the - an authorized transfer is there that happens? So if - with the EPP code and if an authorized transfer are very minimum. So I just don't know why we have to fix the problem, spending so much time searching for a safer and a better way of transfer.

(James): So we can probably expand on this conversation when we get to transfers later in the agenda. I think the EPDP really didn't answer those questions except to say we need to take a look at that.

I think the concern that some folks have said that regardless of whether it's one unauthorized transfer or 100 that there is - right now there is absolutely no way for a registrar to help a customer who claims that they're the victim of an unauthorized transfer. There's nothing we can do because there's no authorization.

If you have the Auth-Info Code you have the domain period. And maybe that's the way we want it. But then we have to talk about how do we protect the Auth-Info Code a little bit better. It can't be 12345 and my cat's name, you know.

So - but we can talk about this when we talk about transfers later this afternoon. I know that (Graeme)'s giving me the...

(Joyce): Maybe I just want to follow up because I remember the (GT) team meeting in Vancouver we had a small group dividing into small group to talk about transfer. And in my little group there four or five registrar there. I think everybody believed that EPP code is the, you know, optimal secure way to transfer. Okay.

Graeme Bunton: So transfers are literally the next thing on the agenda that we're supposed to get to now. So let's just wrap up EPDP and then we can do a deeper dive into transfers.

So that was a good discussion on the EPDP I think. I feel like people probably have a better sense now of where that is, what's coming and so Michele has a little something but I'm curious if there's any other questions, any other comments.

Man: (Unintelligible).

Graeme Bunton: And (Pam) (sent a note), because, you know, obviously this is the most important thing that's going on. It's going to change a bunch of things and we need to make sure that - and actually before I go to Michele, I talked earlier this morning about making sure that we have a mandate as an ExCom.

And one of the things I know the members struggled with was to make sure that they felt like they were representing all of you appropriately inside that EPDP. So we did a lot of work to send summaries back to the SG list every week to ensure that we included questions for people inside those summaries as well. And, you know, talking about the EPDP on policy calls.

And, you know, I'm sure my members felt like they were not getting enough feedback back. And so, you know, they're all registrars. They understand registrar problems. But I want to make sure that everybody in the room and everybody in the SG felt like they got enough information about what was

happening there and they had enough opportunities to give feedback about how they felt things should go.

So if - and we don't have to do this right now but those are really important pieces. And so if people have thoughts on that I would love to hear about them, especially as we go into Phase 2, which is going to be long and arduous and complicated.

And we need to make sure that the people we're putting in there have the mechanism to get feedback and express it to and that that feedback for the rest of the (FG) is sufficient for you guys to feel like you're up to speed.

So if those things aren't working or anyone has a brief thought on that right now, I'm happy to hear it. No? Feel free to come up to me. Neal?

Neal McPherson: Neal for the record. It's kind of related. Like what we talk about a lot at these kind of meetings is for newbies to kind of get involved and understand what's going on. And that's in all of the kind of the general everything, right. And now this will kind of create a kind of super hyper version of that that no one else could probably ever get into this stuff because they're lacking the last 12 months of nine hours per week of conversation and back history and everything.

I'm not sure how we can solve that but it's very - it would be very, very intimidating to start getting involved in that now and also pretty frustrating for the others, right. So if you bring up points like hey we discussed that back in April two thousand whatever, you know.

(Matt): Yes this is (Matt) again. I mean, it's a good point. I jokingly said we recorded all of our calls so you can go out and listen to everything. But I honestly did not mean that.

I mean, I think listen a great start is actually just reading the actual final report. I mean, you know, that's an actual document that if you read you really can get up to speed on kind of where we ended. And it's a good prep for Phase 2 anyway.

And you should read it just because it's got things that are going to be turned into obligations on you anyway, so - and (James) wanted to respond too.

(James): Yes I think I echo that. You should definitely take a chance to read the final report. I know a lot of us had very long airplane rides to get here so that'll help put you to sleep. But maybe we could help maybe summarizing those recommendations that have a direct operational impact to registrars. Do we just - okay, sorry.

Graeme Bunton: And I think it has been sent out. For sure it's been sent out. Sarah Wyld very kindly did like a one- or two-pager and then like also a ten-pager that if you haven't seen those on the list I think they're like your best shot to get up to speed and...

Man: Maybe Sarah (unintelligible).

Graeme Bunton: You could never fill in all of the context but I think those are going to get, you know, most casual observers where they probably need to be for the most part. We'll resend those out. Michele, you still had one brief thought on that?

Michele Neylon: Very, very briefly. This is Michele again. Just because Emily has stepped down we will need a new volunteer. So I know at the moment it's a moving target in terms of what the commitment will be because that obviously has not been decided as yet.

But if, you know, people in the room or people you know who are not in the room feel like taking one for the team and joining (Matt) in the competition for the steak knives then, you know, this has, you know, something to mull over.

Graeme Bunton: Yes, thanks Michele. I know we've sold it as a wonderful enriching experience that you get so much more than you give. But it is an excellent team we've got. And so if people are like, you know, I care about this issue and I want to participate or see where I can help, you don't necessarily have to be one of the members but an alternate. And we can find ways for people to contribute. So there's always...

Man: Or you could be chair. Or you could be chair.

Michele Neylon: Will they accept a registrar as a chair?

Graeme Bunton: Almost certainly not. Oh, I'm getting reminder that we're getting a little casual with our queue and we need to say our names, which is a good point. I've got Pam and then we'll go to transfers.

Pam Little: Pam Little speaking for the transcript. James mentioned about a chair. I think this is quite important. The call for expression of interest is out for now until I think 22nd of March. And from our perspective we really want to look for a neutral chair.

So this is important to us and for the EPD - the success of the Phase 2. If you know anybody who you think is suitable, please tell them to apply.

And also within the contract party house I made a proposal to nominate Kurt Pritz for the Ethos Award. So I hope we deal with that. I think there's a deadline for that so after this meeting we have to action on that. Thank you.

Graeme Bunton: Thanks. Yes that's good. Yes that chair role is going to be really important. Okay, EPDP, any last little tidbits and then we can dig into transfers? Great. Thank you guys. That was really good. I think we got some good stuff out of that. Tom you're up. Let's talk about transfers, please and thank you.

Tom Keller: Great.

Graeme Bunton: And you've got slightly less time than you had.

Tom Keller: That's good actually. I need to fill this time. I thought I'd take the opportunity actually to have one - a half-an-hour monologue so you guys can't say anything and just get the thing straight. No.

Maybe I want to start with actually giving you a short update what we did so far. So we already met three times, two times, two sessions of the GDD meeting in Vancouver and another meeting in Barcelona. And we came up with something we tend to call a white paper.

That means we pretty much know what we want and how a transfer should look like in the future. We get a couple more suggestions from Google we need to work through. So they kind of came up with completely new stuff. And I guess we would need to look at that as a group. But I think we're pretty much there.

So this is the paper. It's not a typical policy paper. It's more like a semi-technical process paper. So please have someone from your product management and tech team look at it. This is already the blessing more or less of the tech ops crew and that is what we want to go (forthwith).

In general terms what it does is it describes the new transfer process and a new transfer process works as such that it starts over the losing registrar which has to set an OS code and this OS code in a future version has something which we call a TTL.

So that means - TTL is the time to lift. That means this is the validity of the OS code. There are still open questions around how long that could be, whether there's a minimum, there's a maximum. All that still needs to be

defined. But as the process goes along is that the losing registrar is setting the OS codes.

It's setting the TTL. It's handing out the OS code to the registrant. And the registrant goes to the new registrar, gives them the OS codes. And as soon as he starts the transfer with the OS code it is processed immediately. So this is how it's supposed to work now. There are some bells and whistles attached to it, some other things we need to consider. But this is the main process flow.

There are a couple of other things which we talk about in the document which would be novelties. So for example, more like a dispute system, if a registrar is not handing out the OS code for example, and a couple of other things. That would be new policy.

And one of the endeavors we have to go through now is that we have to split up the document and saying this is new policy, (genuine) new policy, and this is basically changes to existing policy. And so Sarah agreed to - well raised her hand saying that she's going to come up with a cheat sheet actually doing exactly that.

So once we've done that we have to go through the very interesting happy process of figuring out how we actually want to put that to life. You can write as many technical documents as you like in the ICANN community. You need to go through some kind of a policy process to actually make that work.

And this is what we're debating now. So I think we're pretty much there with the technical specs. We now need to look at how it deviates from current policy and what it needs. And then the third step is that we need to figure out how we actually put it into policy. That's where we stand.

And that's what I would be interested in. I heard from some people yesterday -- and I think you alluded to it as well James -- that there is some thinking that

we could solve it in the - somehow in the IRT. I'm not too sure about. I'm not too sure about what we can fix there. Other people are talking about a full-fledged new PDP which I personally would like to avoid 100%.

Maybe we need to do that for the new stuff but certainly not for the adoption. And I think that is what we should be talking about now. But everyone has an opinion. Please come out with it. Thank you.

Graeme Bunton: Thanks. I've got (Greg) and then (James) in the queue.

(Greg): Yes so I was going to touch upon what James said earlier. I think we're relatively aligned on what transfers should look like. We don't know how to get to that place. So then there's the remaining change of registrant issues related to privacy proxy both when you take it down does that trigger it. That was going to be solved in the PP IRT.

There's compliances, current interpretation that if you change a registrant while privacy is enabled that doesn't trigger the requirements. That's something we need to figure out. There's a gaining registrar FOA if that's available from the temp spec.

So I think it would be worthwhile to have a small group to lay out here are the open issues. Here's what we think the best plan of attack is. Like let's try to do these in the IRT. These are actually new policy. We'll probably have to do that in an EPDP, yes.

(James): Yes, thanks Thomas and thanks (Greg). I think that some of these things can be just - they're just rough edges from other policies that can be fixed in implementation. But a lot of it is starting from scratch which is I think where we need to be.

As far as getting that part implemented, I mean, I think the only way to do it is through a PDP. And for folks thinking that we might have a shortcut

somewhere, unfortunately that's the only way to make a meaningful and enforceable change to our contracts.

Also an EPDP or an expedited PDP like we had for the temporary spec is really not designed to be any faster than a regular PDP. It is simply just skips the issues report. And we can still do that.

I think (Thomas) in the small group here we could put together, you know, could actually probably just do half the work and then drop it on Council and say look we've already done all the heavy lifting here. We just need a PDP to consider some of these open questions and then go forward with it.

That would probably be the fastest path to getting this into practice. But I think we do have to convene that group or other folks - including folks who -- and don't laugh at me all right -- but including folks who might like the transfer policy the way it is will come out. They always seem to, you know, find out that these things are going on, these changes are being discussed.

They'll come out and they'll push back. We just need to be - have good answers for those concerns and those questions so that we can get past those objections and, you know, address those concerns. I'm thinking like of the last few IRTPs when we had some folks who have never been seen before or since come out to shoot down some of our ideas to expedite the process.

So I think also it might help us if that small group would consider what secure transactions look like in other industries and how they might help to inform, you know, whether we're talking about things like - I don't want to - what's that?

Man: (Unintelligible).

(James): Well two factors, sure, I think, you know. But anything that, you know, I mean, look at people who buy and sell digital assets anywhere online and what sort of processes they have and what sort of dispute mechanisms are available. I think looking at all of those might help address some of the concerns that are bound to come up.

But I'm really excited about this and I can't thank (Thomas) enough for the thought that he's already put into this.

Graeme Bunton: Thanks (James). And it's great. And this comes back to like PDP 3.0. Can we do a, you know, in my head there's multiple types of PDPs. One of them is a technical PDP. We have what is a largely technical problem we would like to improve upon. And it should start with a white paper from the people who do this hundreds of thousands of times a day across the industry.

You know, captures the best technical solution and maybe we need to wrap that in some other bits and pieces to answer some questions. But there's a starting place that makes the most sense. And I think we can all get there. So we need to figure out how to get to that place. Questions for Tom?

Tom Keller: Not a question but maybe a request. So I think it's a very good idea actually to convene a small group of people that are interested to see how that is actually being transformed into policy because as it stands we do it in a tech ops group and that is not the body that's really good at actually coming up with policy.

They're good and very efficient coming up with the process. But how that can be brought to light in the ICANN world is something most of the people there are not experts of, including myself. So I'm very happy to actually kind of be part of the group and convene it.

So anyone who's interested please let me know and we set something up. I think it shouldn't be too many people actually. So if we have like 35 people in

a room, that might be not efficient. But yes, whoever wants to join that group, you know, let me know and I'll set something up.

And to (James)'s point about, you know, seeing what other industries are doing or not, we looked at what other registries are doing and whether they have any kind of issues of that or not. We definitely could look at things like blockchain. I'm definitely not going to go down that road.

There already has been a lot of thinking about the security, especially from people from GoDaddy. And we found that security matters especially did the registrar itself and that the process cannot be any better than the security measures the registrar is implementing.

So the registrar is (locking) the whole thing up. Your ID will be insecure, full stop. And I think that is a burden and is something we need to be aware of as registrars that is only as good as we make it for the customer.

And I think we need to implement some kind of a best practice of what we all need to do and maybe some practice about what we're not allowed to do because if you make it just horribly complicated to get something, no transfer will ever happen. And these are the things we still need to talk about while coming up with a policy.

Graeme Bunton: Thanks Tom. I look forward to getting that going. I can't wait for us to collectively get back to work that's not like existential crisis ICANN-level stuff and like get back to the business of like shaving off the rough edges of the domain industry and making it better and smarter and faster.

And this feels like such a great breath of fresh air in the face of all the rest of the stuff that we deal with, so thank you. Any other questions or comments? Easy peasy. Okay, we'll move right along from that then and look forward to the sort of a small group kicking off in the near future and we'll get that moving. Can you bring up the - oh next step I think is incorporation.

Woman: (Unintelligible).

Graeme Bunton: Okay, but then - well (unintelligible) to me first because I need to set you up. Okay, so I'm going to actually pass over to Zoe to talk about the charter for a moment. And then we'll look at incorporation.

Zoe Bonython: Hi, sorry, very, very quick update on the charter. Nothing much has happened since our last update which is to say that it has - everything was done to move it to the board. We had the public comment period. There was only ours and (ITC) that sent in a comment and a couple of individual registrars that put in.

So it's nothing bad or good. It's gone to the board. I don't know - Darcy did you - we're not sure if it's on the board's agenda. Did we look to see whether the charter was on the board's agenda for this meeting? I'm not aware that it is. Yes. So we're double checking that one, but that's it. That's where we're at. We're still waiting for the board. Thanks.

Graeme Bunton: Thanks Zoe. Right so Thomas has joined us. And I wish (Ben) were here. Has (Ben) shown up? Man, when he leaves he just abandons ship. So we've been discussing this now for a very long period of time and that is incorporating the Registrar Stakeholder Group in some fashion.

So if you haven't heard about this, this is the reason why we're looking at doing it, which is for two primary reasons. One, we collect a fair amount of money from all of you. And currently it sits in a very strange trust account managed by John Berryhill. And it turns out that that's actually pretty expensive for us to do.

I think it costs us something like \$500 a month for that bank account to exist, which is absurd. And it's also a super pain in the ass to get at any of that

money, and we have expenses, things like paying for lunch and coffee as part of this meeting, things like paying Zoe.

We also don't have a legal entity with which we can contract Zoe to do work. And what's that? Yeah, it's just magic. For real it is kind of just magic at the moment.

So all of that has led to us looking at over the past couple years various methods for us to become something that can hold a more sensible bank account, not have tons of corporate overhead so that we can keep this as lean and light as possible and something that we can work with delightful vendors.

And so we've bounced around a bunch. We were looking at the U.S. as a geography for this and it was like going to be a 501(c)6 maybe, whatever. It doesn't matter what that is. And the registries did that last year in Florida and they have had I think substantial amounts of headache with it.

I think a lot of like overhead around how many - do they have quorum for a meeting; oh they can't actually hold the meeting and there was lots of rules and regulations and tax stuff that it turned out that just being incorporated in the U.S. was painful.

And so we've been bouncing around ideas about how we can still make this work. And (Ben) ended up talking with (Thomas) about doing this in Germany and incorporating as an entity in Germany and how that seems like it's reasonably light and might meet our needs.

So, you know, we've talked about this enough that there was uniform agreement in the room that incorporating was a good idea, that it made sense for us to do. What I'm hoping is going to happen today is (Thomas) is going to give us an overview of what it looks like in Germany, what the pieces that we're going to need to put in place.

We'll have a bit of discussion around that. And unless there's any real big red flags and people have strong concerns, we'll hopefully move forward with the actual incorporation this week if we can find the time is where I'm at. Any questions on that setup before (Thomas) digs in?

Great. (Thomas) thank you for joining us. Thank you for helping us. We all appreciate like the hilarious array of things that you do in this community.

(Thomas): Thanks so much Graeme and thanks for having me. I think I should preface this by clarifying that we didn't do a survey of all sorts of jurisdictions as to what might be the best or easiest to manage because that exercise in itself might be a - might produce horrendous cost and effort.

What we've done though is ask a few colleagues as to what their experiences are with incorporating in other jurisdictions. And at least from what I heard and from the discussions that I had with (Ben), it looks like what we can do in Germany with incorporating an association meets your needs and is very light touch when it comes to managing the organization.

There has been some discussion about other organizations in this industry about getting charitable status for reasons that I couldn't really understand. So they've put an awful lot of hours in arguing with the tax authorities to get that status. And to my knowledge they haven't managed to achieve that so far.

So that seems to be an ongoing process. But I guess what you're looking for is the legal entity as a vehicle to give Zoe a proper home and also to be able to manage your finances by yourself without involving third party.

Now here comes the rub. When you incorporate in Germany, you have a couple of pages of articles of association. You have a total number of at least

seven founding members. They sign a letter of resolution. You file that with the authorities. You're more or less done.

I thought about doing it that way for you. But then there is the issue of potential inconsistencies between the articles and your charter by which you operate. And your charter is a monster. It's a 36-page document with an awful lot of detail on how you deal with NomCom, how you deal with GNSO policy development processes, how you direct your councilors and all that which is totally unrelated and irrelevant for the association.

But still the question is can we divorce the two documents from each other sufficiently so that we don't create inconsistencies and misunderstandings as we move on. So what we ended up with is one document that consists of two papers.

So we would take your charter on an as-is basis and add to that another document that just makes reference to the respective parts of the charter and adds the pieces that we need to add in order to be compliant with the German civil code. That's where our lawmakers have buried the rules on articles, right?

So the idea would be that we have this one document that - and the big document. Unfortunately we would need to file those two documents in combination with the register. And any changes that you might make to your charter would be changes of the articles of association. But I guess by doing so we can make document management easier and avoid friction between the two.

I've also discussed with (Ben) whether we should actually try to assess whether everything that you have in your charter is compatible with German association law. And I've suggested not to go that route because, you know, it would be quite an undertaking to do that.

And even if we did find out that there might be issues with it, I'm sure you don't want to go through the cumbersome process of changing your charter now that you're virtually at the end of it, right? So I've suggested that we take a slightly more brave approach, file it, and then the register will take a look at it and they will get back to us with any issues that they might (unintelligible).

Maybe we'll get away with things as they are. Good for us. If there are changes required we need to make changes as we would if we do everything a priori. Tom you have a question now?

Tom Keller: Sure. So if it comes to the charter, is the whole idea that we use the same board as we have in the RrSG as the board of the file?

(Thomas): I'll get to that in a moment so if you just bear with me. So I just wanted to offer a little bit of background, that if we do this now, there might be questions from the register that you could likewise spend a lot of money, you know, to go through all that and fix it all you know or even just get green light that everything is in good shape. And I think that that's not the way to go. (Elliot).

(Elliot): Yes (Thomas) it feels - so I have a comment and then a question. I mean, that feels unnecessary complex at a structural level. I mean, why not just have the purposes of the corporation be to perform financial transactions for the constituency so you have completely divorced the two?

I mean, there's no need, you know, the corporation can just have as its purposes very simply, you know, performing administrative function for the constituency and the constituency is just, you know, sort of something that sits underneath. That way you completely divorce the two as opposed to try and mirroring them.

(Thomas): So that's something that we could potentially look into. From a tax perspective, the beauty of doing it this - not this way in terms of charter format or associations format but if you have a trade association that takes

care of the interest of a particular industry there are special rules that make it easier for you tax-wise, right, so we want to...

(Elliot): You're getting to my second question, which is, you know, both because of GDPR and taxation, wouldn't Germany be a much more complicated choice? I mean, I think, you know, if what we're doing here is jurisdiction shopping, I mean, there's a number of jurisdictions that, you know, come to my mind that would be dead simple to, you know, both incorporate and have very low touch around things like this where we just didn't have to think about it.

(Thomas): So...

(Elliot): I don't want to, you know, I don't want to complicate this. I wish you'd mentioned this to me Graeme.

(Thomas): No I guess, you know, if we set this up as a professional association or trade association, you would...

(Elliot): Yeah I wasn't suggesting that.

(Thomas): No, no, but using that format you would have very light tax implications. So if Zoe did a lot of the bookkeeping and all that, then the estimate from the tax advisor that I spoke to is that you would have a total of running cost of approximately 500 U.S. per quarter. And I think that's not too expensive.

And you could manage yourself as you do today more or less. And that leads me to Tom's question with the board because you need to have a minimal set of board members that you file with the registrar. And in order to avoid that, we have to refile whenever you have changes in the executive committee.

We would make the board consist of two components. One is the minimum required set of directors. Those would be filed with the authorities. And then

you would have an executive committee as you've defined it in your charter that would do exactly the things I mentioned.

(Elliot): Yeah and see all of this is frankly scaring the crap out of me. And when I say that, I mean there are lots of jurisdictions where you can have a single director. I mean, Zoe can be the director. It is a single, you know, it's a single - it's a very simple purpose entity. And, you know, I'm not trying to save on the \$500 a quarter. You probably could but that's not my point.

I'm just worried about a lot of that. I mean, you know, we have things like, you know, you could have had a situation just a couple months ago where (Lindsay) and (Ben) were directors. Their career paths took a, you know, with any sort of number of directors in this group, you know, there's real risk of, you know, a lot of fire drills.

And so I find myself - I mean, I know - I'm not suggesting Canada. But I know you could have a single director and, you know, not have any, you know, very simple incorporation. And I do have, you know, a little bit of concern about, you know, we have an office in Germany so, you know, for us it's GDPR nexus no matter what.

But, you know, others who have no European nexus, you know, might get a little skittish about that.

(Thomas): So a single director would be sufficient under German law as well. The question is whether you want to put Zoe on the spot and be responsible for all that. That would include certainly, you know, it's possible. It's possible to have Zoe manage that.

I would always recommend to have a vice chair as well in case, you know, Zoe is not available or whatever director is picked is not available. There are certain duties that need to be fulfilled inside the association like calling for

members' annual general meetings and all that. So that needs to be taken care of.

If that's not even the case in Canada for example that might make things easier. And I'm not saying that this is the easiest path but it's - all I'm saying is that, you know, for the moment the thinking was to keep Zoe out of the line of fire for being, you know, staff and also responsible and ultimately liable for what the association does because that rests with the position of a director.

The idea was if you want us to take that route, we could enter myself and one additional lawyer from our firm but we wouldn't do anything. We would just lend our names to this. The exact committee would do everything as they do today. They would manage the finance and all the rest of it.

They would change as they change their career paths and as you replace them but we wouldn't have any filing duties with the authorities.

(Elliot): I'm worried we're, you know, we've gone on too long on this so I'm just going to back off and, you know, we can take it offline or, you know, as you like. I've shared some of my thoughts there. Thanks.

Graeme Bunton: Thanks (Elliot).

(Thomas): I think Tom wanted to get back in the queue?

Tom Keller: Would we have to become members of that association?

(Thomas): Yes.

Tom Keller: Okay.

(Thomas): And I thought that was the idea that you would have your membership be a member of that association.

Graeme Bunton: Yes, I think when you pay your dues every year your membership is renewed. Want to keep going? You got more?

(Thomas): I was just waiting whether there are more questions at this stage. Tom.

Tom Barrett: Yes I'm just curious how many different jurisdictions we examined to determine that this was perhaps the best place to go.

(Thomas): As I said, we didn't do a formal forum comparison. I was listening to (Ben)'s requirements and the need for doing this light touch. And I think that this meets our requirements. But we can certainly undergo an exercise of comparing it to the requirements in other places.

Graeme Bunton: (Tom) is nodding his head like he thinks that's a good idea?

Tom Keller: No, no, I'm just thinking about whether association would be a good fit. And being German I'm very familiar with that type of company. And it would come to mind naturally.

So I see (Elliot)'s anxiety around that, you know. But an association like that, it's used normally for football clubs and all other things, you know, playing card games, want to get together. We need (some more) people (unintelligible) and then you found (what are these) things, you know.

When we were thinking about any kind of a legal body for (for me) that was one of the things we looked into. It's very easy and it's under very low scrutiny of the state and it has a lot of good taxation things because you're basically not taxed if you're not making it for profit. So...

(Thomas): Not if you go to anything commercial?

Tom Keller: Yes.

(Thomas): Then you just keep the membership fees and you can do with them whatever you like.

Tom Keller: So it's very easy to set up. It's very easy to run. I think we need to get into nitty gritty. That's why I'm asking a couple of questions, how that would be, because putting our charter on top of that might be a real, real, real burden. We probably don't want to do that.

But I think with the issues we have with the association we will have this any other incorporation type as well. So if there are concerns about a nexus I don't - I haven't thought about that being German obviously. But for me it makes kind of sense actually.

Graeme Bunton: Yes, so to go back to Tom Barrett's question -- this is Graeme for the transcript, sorry, names -- we did not do an extensive forum looking at process aside from excluding the United States, which was the first place we really looked at and the overhead was just too much.

Man: And I believe (unintelligible).

Graeme Bunton: Who? What? Oh, Michele. Tom and then Michele.

Tom Barrett: Yeah, I mean, there are hundreds of international associations. There's probably a favorite jurisdiction for international associations if that's what we want to be. It's a matter of maybe going to a resource like, you know, the associations of associations and finding out where they tend to congregate.

Graeme Bunton: Michele?

Michele Neylon: Thanks. Michele for the record. There's a set of reasons why we need to move this forward. Personally speaking on behalf of my own registrar and not on behalf of anybody else, I'm perfectly happy with what Thomas has

done. I don't think it makes a lot of sense for us to start trying to get into complicated examinations of jurisdictions and all that.

I mean, if there is a massive problem let's deal with it. Let's not overcomplicate things. The work that Thomas has done on this to date has cost us money. We do not have unlimited funds. We are not some massive not-for-profit global organization with a gazillion members worldwide. We have how many members, 100-odd members?

So, you know, simple, get it done, let's move on with our lives, sure, you know. And, by the way, the GDPR thing, I'm sorry, like I don't even see why that's even a question. I mean, you're just creating a bloody company. It's a legal entity. It's not an issue.

Graeme Bunton: Thanks Michele. And you're right, we could make this as complicated as we want to and that is not what I think we want to do. And so I do appreciate the work that Thomas has done to simplify it as much as you can. So why don't I pass back to you and you can keep going.

(Thomas): So I guess that probably leaves the biggest effort in preparation for this is the translation of the articles. I'm not sure whether you have a status of that. (Ben) was trying to get a translation but, you know, the effort I have to put into this so far was not really substantial.

But having said that, I want to get back to (Elliot)'s point on just having an association that has the purpose of managing the finances.

Man: (Unintelligible).

(Thomas): If you wanted me to, I could actually check whether that would still meet the needs of, you know, getting the tech benefits, you know, not doing proper tax returns, stuff like that.

Otherwise I think that you do want to have the vehicle where the membership payment is linked to the duties that your members have. I.e., if they are in breach of what your standards are, you might want to kick them out. If they...

(Elliot): I'm sorry, yes, I promise to speak into the mic as we go on. I would want that in the constituency, not in a corporation because we have so much more freedom. You know, there it's just in our purposes. It's not, you know, now we can keep people out. We're jurisdiction free. They can, you know, we're a constituency inside of ICANN. And I think that, you know, we've been able to run that way.

You know, I'd hate to be in a situation where, you know, all of a sudden our ability to do something inside the corporation became, you know, a function of German or any other national laws. You know, so that's not about German laws. That's about, you know, national laws.

You know, right now we're sort of free of that burden. And, you know, we answer inside - what we do inside of the constituency. You know, we answer to ICANN. We answer to, you know - we answer to, you know, to the multi-stakeholder model. And I think that's how it should be.

You know, so I really don't like tethering ourselves in that. I see where you're going, which I think is to say hey that brings some order or structure or rigor to it. But I actually fear that, not welcome that.

(Thomas): So I think that's a fundamental question that you guys need to answer.

(Elliot): And I want to stress, because I didn't say it, I appreciate all the work. And I do not want you to have to go and do a bunch of jurisdiction work and, you know, so I think that you've done, you know, you've said nicely, "Hey," you know, "This might work. I'm aware of this and this might work," and that's greatly appreciated so, don't want to...

(Thomas): That's pretty much for this group to answer. You know, I thought that you wanted to have an association that basically gives a formal body for what you're doing here. This is why I thought it would be the easiest way to just make a catch-all as a link membership, the expulsion of members as you might need to expel members and all that to this.

If you want to entirely divorce that, I'm happy to take a look at that because I guess (unintelligible) the details of what this means.

(Elliot): You know, we've kind of now already, you know, I guess, you know, to Michele's both point and chagrin, you know, Graeme wants an easier way to be able to, you know, handle the bank accounts, a more efficient way to handle the bank accounts, get Zoe paid and, you know, be able to buy lunch.

And, you know, I fear we kind of opened Pandora's box a little bit with all of that, so, you know, comments are made.

Graeme Bunton: So I worry a little bit that people - don't go far (Elliot). I feel like maybe we're a little bit - or people in the room might be a little bit lost about the distinction that we just bounce back and forth. So I wonder if we can - because it is a question for the whole room.

I wonder if we can articulate that question a little bit more succinctly for everybody and then see if we can get some opinions on that. Can you give us that sort of debate in like a sentence or a question and then we can chat it out?

(Elliot): I can try and do that if you want (Thomas) because I feel like, you know, you're doing us a favor in all this. You know, I think that right now -- I shouldn't say right now -- currently and for the last 20 years, you know, we have lived as a constituency inside of the multi-stakeholder process. We have bylaws inside that process.

You know, we've managed them sometimes terribly, hopefully now getting a little bit better. That is, you know, if somebody has a problem, somebody in this room has a problem with that, you know, they go to the GNSO. They go to ICANN org. They go to the ombudsman. Those are the places we have recourse.

You know, what (Thomas) is, you know, nicely suggesting is, you know, and any alternative to that structurally, you know, takes those and brings those, you know, association structures under the umbrella of some country's laws. Forget about which country it is because I'm not, you know, I have no opinion about, you know, Germany versus the United States versus any other place in the world in this regard.

You know, I think that it's important on a number of levels that, you know, we live under this regime. And this regime, you know, is what has served us to this point. We have never had a problem with that. You know, there has never been a situation where, you know, somebody, you know, where we've gone afoul of our rules and have had to make recourse elsewhere and that hasn't been satisfactory, et cetera.

And, you know, I would just be, you know, I feel like that would be trying to solve problems we don't have. And we could inadvertently introduce new problems. Did that - is that still too geeky?

Graeme Bunton: Who - put your hand up if (Elliot)'s explanation was too geeky.

(Elliot): Or ask questions about them.

Graeme Bunton: Yeah so I've got Tom in the queue. I want to make sure everybody's up to speed on this because it is important. Go ahead Tom.

Tom Keller: Aren't we just looking for a sponsor that is sponsoring our activity inside ICANN? So this is going pretty far saying that this is a representation and we

have a purpose and yada, yada, yada. At the end of a day we're really just looking for a body that can actually have a - hold a bank account and do some administrative stuff.

So - and at that point we start mixing our charter and the setup of this company and all of a sudden we need to talk about officers and so on. If we pick whatever kind of legal body, it should always be restricted to this operational sponsorship of our interest group. That's what I would prefer.

So we're not going out there and set up a trade organization which is following certain rules and it has its own way of being managed. But I would much rather like to stay in that constituency and we do it with the bylaws we have.

And then there is the sponsorship organization. We all become members where we pay the dues to. And we take those dues and use them to sponsor our (RRSG) endeavors. That's how I would do it.

Graeme Bunton: Thanks Tom. So I think that sounds closer to (Elliot)'s vision of how the structure should work.

(Thomas): Quick reaction. So how would you (incentify) or get your members that would be part of this informal constituency pay membership fees and enforce those if you completely divorce that?

(Elliot): That's right.

(Thomas): Would it be voluntary or...

(Elliot): We would do that the same way we've done it for 20 years which is, you know, under this process. And I would even go simpler than Tom. I wouldn't have any of them be members of this, you know, sort of a larger body at all. I would have that be a very simple administrative, you know, function.

And, you know, you're still paying your dues to the constituency. The constituency, you know, this little kernel of ExCom simply has the ability under the charter to put money in this bank and to use it for expenses. And that's it and that's why I think, you know, you were trying to simplify it. I think you can even simplify it further.

(Thomas): So I guess that, you know, you are already a legal entity for one purpose. And that is when we did the IANA (future) transition. All the component parts of the community were made unincorporated associations but worked just with that limited purpose of exercising the community powers. So also have some form...

(Elliot): You know, technically we could do it without a corporation, too, right? I mean, you know, you could do it with an individual holding a bank account and have that, you know, bank account be there just bound by their agreement with the constituency, et cetera, et cetera, right?

You know, so I, you know, anyway, I don't want to - I'm trying to simplify not complicate. And I fear I'm complicating.

(Thomas): The question is whether we actually do simplify because if you have a joint purpose, if you are paying fees to a sponsoring organization or what have you, then that might make you a legal entity of whatever shape or form just without having spoken to the duties and what have you. Tom you wanted to comment again? I'm sorry.

Graeme Bunton: You know, if we're happy just for me to have a bank account, you know, then we solve lots of problems. But also, you know, this seat isn't permanent, so that complicates.

(Thomas): No but, I mean...

Michele Neylon: Let's forget about the bank account for a second.

Graeme Bunton: Right. So (Ben)'s - sorry, Jothan for your patience. (Ben) thank you for joining us (Ben). (Ben)'s point is that there needs to be a vehicle to contract with the secretariat. And that is sort of weakening the bank account for a bit. But that's the thing that needs to happen.

(Ben): So not need be a vehicle but it'd be a party. And that can be an entity in trust, That can be anything. That - it can be Graeme in trust for the registrars constituency. You know, Graeme acting on behalf - I'm not - I'm telling you what is possible. It's not a vehicle. It's an entity. It's like it's just a party. That's all it need be.

Graeme Bunton: Okie-dokie. Jothan and then Frédéric.

Jothan Frakes: Yeah so I thought we - many of us have dedicated a little extra traveling costs towards being here Friday to talk about things like this. I wonder if maybe we can get a little more substance out of the discussion for that. But I definitely think Zoe is absolutely fundamental and needed for this group. So I want to acknowledge that.

Graeme Bunton: Thanks Jothan. I was hoping that we could get further enough in this conversation that we can formalize it on Friday. But it's important to have it here because there's definitely a smaller subset that are available Friday.

Frédéric Guillemaut: Frédéric for the record. Just a question. You said at some point that we don't only need a bank account but we also need someone to employ Zoe for example. So we might need a legal entity and a legal entity in Germany as you said. Why not?

But maybe we should stop wasting time on choosing the perfect thing because at some point if you are talking about the fee from us, if you look at

all the people in the room and the time we spend on the discussion, maybe it's, you know, the same price.

Graeme Bunton: You're not wrong.

Frédéric Guillemaut: So I would say there the solution - well (unintelligible) but maybe we should just maybe take a vote, a quick vote, and then it will be an association. It will be an entity for the registrar constituency, will be a big progress compared to the last 20 years. And in five years we won't even remember it was a discussion.

Graeme Bunton: Thanks (Fred). So looks like - so I'm curious about your opinion of - or if you see any - sorry, this is Graeme. We're terrible at names. Say your name. You know, so you've heard (Elliot)'s argument there. Is there a solution for that that comes to mind immediately?

(Thomas): Well it all depends on your requirements. I thought I had understood your requirements to be such that I now provided a response to. If your requirements are different, let's discuss that. I mean, certainly everyone can pay Zoe as a contractor. So you...

Graeme Bunton: Everyone should.

(Thomas): So you might get away with just having a service contract with Zoe without any additional (unintelligible). I haven't looked into that. I thought that you wanted to give her employee status instead of freelancer status and, you know, put that all in good order also to have independence with your funds to know that, you know, no tax authorities will cause issues in a couple of years and say, "Okay you've got all this money. What did you get it for? Why is it not taxed anywhere," you know, all that.

But ultimately you need to formulate what you're trying to achieve with this. And I guess, you know, it would probably - and maybe this is a too Teutonic

approach to things. But, you know, you onboard a new member. You say okay sign here. You have to pay your membership dues. You have to operate according to our (charter).

If you don't pay, we can kick you out, you know. How can you vote and all that. But again, that's not for me to decide. And I don't have any skin in the game. I volunteer to be entered into the registry and take risks for things that I'm not even doing at the operational level. I will not charge you for having my office as an address. So I'm not pitching for this. I'm trying to help.

And maybe if this is too frightening what we can also do is go through it first to discuss the, you know, some of the nuance that's in here and then make it another Q&A at the end of my let's say ten-minute presentation of this document.

Graeme Bunton: Thanks (Thomas). I think that's a good idea. We'll do that momentarily. I've got (Frank).

(Frank): Hey this is (Frank) from (Endurance). (Thomas) how easy is it to wind down and dissolve a corporation and restart if we think that we have the wrong solution?

(Thomas): So you would need to call for a general meeting. You know, there's some advance notice that needs to be made. And then the members need to resolve with the threshold that the organization shall be wound up. And then I think you need to let it sit for another while in case somebody raises claims against it. But it's relatively light touch as well.

And nothing prevents you from doing something alternative. You know, you can be a member of multiple associations. So you can just let it fade out if you wish and not really take care of it.

Graeme Bunton: Any - no, okay. So maybe take us a little further down this road and we'll do some more Q&A. Oh, did I miss something, Frédéric Guillemaut?

Frédéric Guillemaut: Frédéric Guillemaut, yes. I think we should do whatever we need to do. But do we know that ICANN doesn't have any - do we know if ICANN has any special requirements? Because if we make a choice at some point did we check that there was no special requirements?

Graeme Bunton: We've talked a whole bunch with the -- sorry, this is Graeme -- with the other organizations that have done this in the community and there weren't any impediments from ICANN.

(Ben): It's (Ben) for the record. Actually we spent an awful lot of time on this investigating where is the best place to do it. Our colleagues in the Registry Stakeholder Group have a massive tax liability because they've done it incorrectly.

So, you know, we've - I mean, I've spent a lot of time on this and it's definitely up to the members what directions to take now because I'm not a member any more, but - or I might be (unintelligible).

But, you know, this is definitely from my position the best way to go with the exception of what (Luke) had suggested as well. But with (Thomas) offering his assistance very kindly for free, I felt that this was the best direction to take.

(Thomas): Okay so I trust everyone is familiar with your charter.

Graeme Bunton: Yeah.

(Thomas): So at least the seven founding members that we would need would need to be familiar with it, you know, because I would also ask you to have a good read of this document and see whether you spot any issues with it.

Tom had a couple of questions that I think we can go through. But I think that can probably be resolved easily. So basically what we have in this document that you see in the Adobe room...

Zoe Bonython: (Unintelligible) up and down. The next page is here.

(Thomas): Thanks Zoe. So what you see here is a document that has the minimum requirements for founding an association in it. But for the most part it makes reference to the parts of the charter that have more detail on that.

And just anticipate Tom's question. Tom said we should better not make any hard references to clauses in the charter. I've intentionally done that to make it easier for the register to follow things so that they are pointed to the respective clauses and likely skip the other clauses that don't have any relevance for the association.

So we would call it Registrar Stakeholder Group Association. It would be entered into the register of associations. You would be an EV, eingetragener verein, which is just a registered association.

It would have its seat in Bonn. You can put it elsewhere but that's where I happen to have my offices. And hopefully they would be there for another couple of years so that we don't have to change anything in that regard.

And then this - I'm looking at 1.3. That just says that the articles of association consists of this document plus the stakeholder group charter.

Fiscal year I've just put it here because that's one of the things that we need to put into the articles. That's the same fiscal year as you have in your charter. Tom was questioning that. He said why not make it the calendar year and why stick to the - I think you were asking that in your e-mail, didn't you? Okay if it's not an issue then even better.

Purpose of the association would be to represent the registrar on issues of critical importance for accredited registrars from (unintelligible) to customer experience, industry values and policies as a professional association. Professional association, trade association, that gets us the easier handling of taxes.

And this half sentence has been borrowed from the charter. So we made exactly that the purpose of the association.

Then we have to clarify that we're not pursuing any commercial interest, that the members don't benefit commercially so that this is just a clarification that this is not a vehicle to make members financially benefit from the existence of the association or its funds. That doesn't preclude that members or other individuals can be paid. But that needs to get the blessing of the association.

Number 3 deals with memberships. The contributions are linked to the contributions that you have in the charter. Membership ends with expulsion/deletion from the membership list or resignation. If somebody wants to resign its membership, that needs to be done vis-à-vis the executive committee.

And as I said, the board consists of the minimum board required under the civil code plus the executive committee which will do the bulk of the work.

Membership has to - can only end towards the end of the fiscal year. We have suggested a two-month termination or two-month notice if you want to leave the association. That can be done differently but I think it's good to have a little bit of planning security for Zoe so that you know what the next year's budget will be so that you know how many members you have that have to pay membership dues.

The executive committee -- and again not the board -- that's being entered into the register is responsible for managing the membership, i.e., adopting new members or kicking out members as the needs might be.

The next clause deals with the expulsion of members if they violate your interests or are culpable of serious violations of the charter. That can be appealed against. That's just, you know, everybody should have the right to appeal against decisions that have been made then can be taken to the general assembly. I'm not going to read that out to you word by word.

Then board of directors basically clarifies that unlike in your charter, the board members that are needed by law don't have to be registrars. Right, so I don't have to be a registrar to be entered into the association's register. That is to make sure that you have this ongoing consistency for the minimum board members that don't do anything.

And we don't have these requirements for the executive members. But the executive members are tied to the membership eligibility requirements as you have laid them down in your charter.

So the board of directors is responsible for i.e. the executive committee for calling AGMs, sending out the agenda for AGMs. But that's sort of the equivalent to what you have in your charter already. That's what the exec does and that was the intention to keep that light touch and in sync with what you have in your charter.

There are invitation requirements that I think you don't have in your charter. But for the AGM which we have to do once a year, there's some formalities to be abided by. And that's what you find in this document as well.

So we need to have a cash audit. We need to find somebody who voluntarily looks at the, you know, that's an easy thing to do. Basically you just...

Man: The treasurer.

(Thomas): Hm?

Man: The treasurer.

(Thomas): Yes it's also for an independent third party to look at your accounts. And that makes it - that is the foundation for releasing the entire board including the treasurer from liability, right? So once a year what you would typically do is say okay there were no wrongdoings. You get the report from the cash auditor as well. And then the entire board is released from liability. I'm sure that you've seen this in other places.

And changes to the articles require a general assembly. So if you have future charter changes, that would also be changes of the articles of association. They would need to be done in an AGM, i.e, you would need to invite to an AGM for that.

But I guess that's easily done because you need to have quorum and all the rest of it anyway according to your charter. And that would need to be filed. But that's basically it. So...

Sarah Wyld: I have a question.

(Thomas): Sarah, go ahead.

Sarah Wyld: Thank you and maybe I just missed this. Is there something in the membership section about a member losing their place if the register is de-accredited?

(Thomas): So the question is to what level of detail you want to spell that out here, right? The easiest way for us to deal with that would either to add clarification here.

But otherwise there is a link from the membership section here to the membership section in the charter.

And should that not work for whatever reason then the executive committee always has the possibility of deleting the member from the membership list and that would be an expulsion off the organization, if their eligibility criteria are not met any more.

Everything else is in your charter, which I have no reason to doubt everyone here is familiar with. Just want to put that on the record again.

Graeme Bunton: We spent some real time on it recently. Jothan.

Jothan Frakes: Yeah, thank you very much and thank you for your hard work (Thomas) as always. So one of the things that I wanted to discuss on Friday was I have a dual hat. I'm the CEO of a registrar. I'm a member of the Registrar Stakeholder Group.

In my spare time I'm representing the domain industry as the exec director of the Domain Name Association. And so one of the things that we have voted for in our board is to participate and support various stakeholder groups and other associations as part of our charter.

And I look at organizations like (ECO) or i2C who represent a very wide group of interests and then having domains being a very narrow focus of that. I look at the DNA and what we do where we've got registries, registrars, ccTLDs.

Seems to me like what we're discussing is an association that represents the narrower path of that, which is specifically registrar interests. So my question would be as part of supporting that is the structure such that the DNA could join that, given that we've got registrars and registries? So this would be restricted to simply registrars.

(Thomas): So thanks for the question. That's not for me really to decide. I have not touched eligibility criteria that you have in your charter.

Michele Neylon: This is Michele. I did have something to do with charters at one point. The short answer is hell no. The longer answer is the charter of the stakeholder groups and constituencies restrict them and very much to the ICANN circus. So it can't be a trade association.

So the stakeholder group cannot be a trade association. So as a trade association you cannot be a member of the stakeholder group. You do not qualify. You personally do because you are. But the DNA cannot qualify.

Jothan Frakes: So if I may respond, I notice that the RySG does have an observership sort of status that does allow or include other associations to participate on an observer basis. And I wonder if we might consider as part of we're drafting this to perhaps be inclusive of some form of an observer status.

Michele Neylon: It's linked to the charter of the SG. And if I - I'm not speaking for everybody else but I think we're pretty clear that we just want to get that thing done, not reopen it again.

Graeme Bunton: Yes, that is also true. That's not something we contemplated in the charter drafting. It would require I think substantially more discussion to figure that out.

Right, I'm glad we put a lot of time for this because it turns out it was a more complicated question than we thought it was. I'm going to lean on Tom Keller who's studiously ignoring me for the moment.

And I'm doing that because you referenced your familiarity with this sort of structure previously but you also had - and it sounded like you were also leaning towards (Elliot)'s suggestion of something like extremely lightweight

whose only job it is is to hold the bank account. There's not a membership component.

If you're weighing these two things where is it that - do you still land on that lighter weight and is your impression that we should sort of pull this back a bit, do another rethink, and see if there's a different opportunity there or a different choice?

Tom Keller: Well that's a tough one. Tom Keller for the record, by the way. The one thing I would not do is I would not go sort of into actually comparing other nations' legal bodies. You know, this is not really going anywhere.

I think we really have to sit down and think about what we want. And this is having influence about how that is structured at the end of the day. So what do we need to do? And I would actually really prefer to have a bit of a dumbed-down version, which is enabling us to employ Zoe and which can hold a bank account on its own behalf so that this doesn't have to be held by a person privately or a lawyer, whatever.

And then we have some checks and balances around as well. Whether we all have to become a member, I don't know. How the board should look like I don't know. This is all things we would need to figure out first.

But going back to the drawing table for a moment and saying okay what purpose should be fulfilled by this entity would be something I would be absolutely encouraging and I would be part of -- yeah, I would also be part of it.

Graeme Bunton: Thanks Tom. So I wince a little bit because we've been essentially bouncing this question back and forth now for, oh, probably close to three years. But I don't think the requirements we have are complicated. I think it's really that we need to be able to employ people or contract with people at least, have a

bank account that we can use that we can get a credit card so we can do transactions and make our lives easier.

And that is largely it. I don't think it has to be a membership organization and do those sort of broader things. And we're about out of time and lunch is here and I don't want to hold people up from that although it's a working lunch.

So maybe what I'll do is turn back to (Thomas) who in all fairness has done this wonderful set of work on the requirements that he was given. And I think we've now pivoted a little bit. And so I would be curious if your sort of reaction to -- the sort of sense in the room I think is that maybe we have gone a bit too broad. And maybe there is a smaller something that we can look into.

(Thomas): I guess the bit that I think we need to think through is, you know, if you want to entirely - if this organization shall just be the financial manager for you whether that would serve, give us the eligibility for getting the tax relief. I guess that's the question that I can't answer on the spot.

Also I thought that we need to link your membership duties, your membership eligibility criteria, to the membership criteria in the association. If you want to give up on all of that, I'm wondering would you then have two different onboarding processes for your membership and say okay you become a, you know, what would force a member of the Registrar Stakeholder Group to pay his dues if you don't have that, let's say, legal authority?

Graeme Bunton: I think we rely - and I think this was (Elliot)'s point earlier is we just rely on the charter. If you don't pay your dues, you're not on the list and you don't get any of the benefits of actually being a member.

(Thomas): Yes, but if you had an organization just doing the financial transactions we don't - we don't have that in the charter at the moment that they should pay to a certain entity. It just says you have to pay and doesn't really specify where.

So I thought that you want that link. But, you know, you see that conceptually I want to make it safe for you guys and then - yeah, how do we best proceed? So I think I would really need a little bit of time maybe with a caucus of you guys to discuss this and specify more which part you don't want basically.

Graeme Bunton: Right.

(Thomas): So I'm here until Friday.

Graeme Bunton: So, you know, this is fun and interesting and very classic for trying to figure out what the heck to do inside in the ICANN space which is we have a couple alternatives.

I have - so what I've heard from the room and in discussions from (Elliot) and others is that it feels like maybe this goes a little bit further than we require. And it's perhaps possible that we can pull this back a bit and have a smaller, lighter weight thing. We don't know what that thing is yet because we haven't spent probably enough time contemplating it.

We don't want to go into a process of comparing all sorts of jurisdictions and things. My sort of gentle hope is that when you have a moment and we haven't put you on the spot and we've had a little bit more discussion you can help us figure out what that thing is. And ideally it still exists in Germany because you're willing to offer us or help us with these services and maybe there's still something there.

(Thomas): Yes, I'll try to reach the tax person. You know, we have an eight-hour time difference, but later today. Maybe that solves it if they say there's no issue, no complications, then we can re-proceed.

Graeme Bunton: So that's sort of where I'm at is I think we've murdered people to death with incorporation. I see lots of heads down, not up. Does anyone else have thoughts? Do people think I've just now mischaracterized what it is we're looking at or are people like, "Oh my God I can't wait to have a German association; that sounds the best"?

(Thomas): Use the microphone.

(Owen): Apologies for that humor. This is (Owen) for the record. I said that was my lifelong dream to have a German association.

Frédéric Guillemaut: Frédéric. Sorry I don't want to start again the debate but once we have this association we don't need to be member of two things because it's going to be the only thing.

Graeme Bunton: No. And in fact where I think we just ended up in the conversation was that there is going to be a thing that does not have memberships. It's just a thing that holds a bank account and can contract with people. It doesn't have a linkage necessarily to the rest of the membership.

Frédéric Guillemaut: Yes but why - why don't we do it then? Because then you become a member of this German association and that's (unintelligible) constituency and that's easy and there's no link.

Graeme Bunton: I feel like you haven't been in the room for the last hour.

Frédéric Guillemaut: Okay maybe I missed something, and my apologies. But I think it's - we're maybe trying to make too many notes in our heads or something. And we should have lunch.

Graeme Bunton: Yep, you get to join us for a little conversation after this I think to see if we can distill all of this into something more digestible. Volker and then we're going to eat some lunch.

Volker Greimann: Yes, just very shortly I think one added bonus that we all have forgotten about if we join a German association as members would be that we could all participate in German night in the future.

Graeme Bunton: Hooray. Okay so I know that was sort of dense and arcane. But it was (an art). So thank you guys. There is food over there. I don't know if Zoe's going to shout at me about specific instructions around food. But we have food. This is also a working lunch. I think we scheduled half an hour though for people get it, sit down and chew for a bit before I make you chew into microphones. So go get some food.

Zoe Bonython: Okay so we can pause the...

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