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**ICANN  
Transcription ICANN63 Barcelona  
GNSO Council Meeting Part 2**

**Wednesday, 24 October 2018 at 15:15 CEST**

Note: Although the transcription is largely accurate, in some cases it is incomplete or inaccurate due to inaudible passages or transcription errors. It is posted as an aid to understanding the proceedings at the meeting, but should not be treated as an authoritative record.

The recordings and transcriptions of the calls are posted on the GNSO Master Calendar page:

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**List of attendees:**

Nominating Committee Appointee (NCA): – **Non-Voting** – Erika Mann

**Contracted Parties House**

Registrar Stakeholder Group: Pam Little, Michele Neylon, Darcy Southwell

gTLD Registries Stakeholder Group: Maxim Alzoba, Keith Drazek, Rubens Kühl

Nominating Committee Appointee (NCA): Carlos Raul Gutierrez

**Non-Contracted Parties House**

Commercial Stakeholder Group (CSG): Marie Pattullo, Scott McCormick, Philippe Fouquart, Tony Harris, Paul McGrady, Flip Petillion

Non-Commercial Stakeholder Group (NCSG): Martin Silva Valent, Elsa Saade, Tatiana Tropina, Rafik Dammak, Ayden Férdeline (proxy to Martin Silva Valent), Arsène Tungali (temporary alternate Farrell Folly)

Nominating Committee Appointee (NCA): Syed Ismail Shah (proxy to Erika Mann)

**GNSO Council Liaisons/Observers:**

Cheryl Langdon-Orr– ALAC Liaison

Julf (Johan) Helsingius– GNSO liaison to the GAC

Adebiyi Oladipo – ccNSO observer

**ICANN Staff**

David Olive -Senior Vice President, Policy Development Support and Managing Manager, ICANN Regional

Marika Konings – Vice President, Policy Development Support – GNSO

Mary Wong – Vice President, Strategic Community Operations, Planning and Engagement

Julie Hedlund – Policy Director

Steve Chan – Policy Director

Berry Cobb – Policy Consultant

Emily Barabas – Policy Manager

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*Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.*

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Ariel Liang – Policy Support Specialist  
Caitlin Tubergen – Policy Senior Manager  
Nathalie Peregrine – Manager, Operations  
Terri Agnew - Operations Support - GNSO Lead Administrator

[MP3 Recording](#)

HEATHER FORREST: Ladies and gentlemen, members of the 2018-2019, GNSO Council, could you please take your seats.

MICHELE NEYLON: Madam Chair? Do we still call you Madam Chair?

HEATHER FORREST: Yes.

MICHELE NEYLON: Awesome!

HEATHER FORREST: It worked. You wished it, Michele, and it came.

So thank you to everyone. We're starting a bit late. This is Part 2 of the GNSO Council meeting. This is a time to seat the new council, and we will conduct an election for the council chair. Let me explain, please, why I am sitting here. It is not because Michele has wished it to be so. It is the case -- sorry, Michele. It is the case that we're in a unique situation here with a contested election. And the remaining candidate from -- or the remaining member of Council leadership who would ordinarily run the election per the bylaws is

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involved in the election. So the staff have asked me to serve in the role of what the rules call election officer. So I will conduct the -- I will open the meeting and will proceed to the first order of business.

So with that, if we can see the agenda. Thank you very much.

Item one is the seating of the 2019 -- 2018-2019 Council. Before we do that. Nathalie, we'll ask you to open the meeting formally for us, please.

NATHALIE PEREGRINE: Thank you very much, Heather. Good morning, good evening, good afternoon, everybody. Welcome to the GNSO Council meeting Part 2 on the 24th of October 2018. Would you please acknowledge your name when I call it. Thank you ever so much.

Pam Little.

PAM LITTLE: Here.

NATHALIE PEREGRINE: Thank you, Pam.

Maxim Alzoba is our incoming registry counselor. Welcome, Maxim.

MAXIM ALZOBA: Here.

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NATHALIE PEREGRINE: Rubens Kuhl.

RUBENS KUHL: Here.

NATHALIE PEREGRINE: Keith Drazek.

KEITH DRAZEK: Here.

NATHALIE PEREGRINE: Darcy Southwell.

DARCY SOUTHWELL: Here.

NATHALIE PEREGRINE: Michele Neylon.

MICHELE NEYLON: Here.

NATHALIE PEREGRINE: Carlos Gutierrez.

CARLOS GUTIERREZ: Here.

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NATHALIE PEREGRINE: Marie Pattullo.

MARIE PATTULLO: Here.

NATHALIE PEREGRINE: Scott McCormick is our incoming BC councillor. Welcome, Scott.

SCOTT MCCORMICK: Thank you. Here.

NATHALIE PEREGRINE: Paul McGrady.

PAUL McGRADY: Here.

NATHALIE PEREGRINE: Philippe Fouquart.

PHILIPPE FOUQUART: Here.

NATHALIE PEREGRINE: Rafik Dammak.

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RAFIK DAMMAK: Here.

NATHALIE PEREGRINE: Elsa Saade, incoming NCSG counselor. Welcome, Elsa.

ELSA SAADE: Thank you. Present.

NATHALIE PEREGRINE: Arsene Tungali is absent. He has sent his apologies and has as temporary alternate Farell Folly.

Farell?

FARELL FOLLY: Here.

NATHALIE PEREGRINE: Thank you.

Flip Petillion is our incoming IPC counselor. Welcome, Flip.

FLIP PETILLION: Present.

NATHALIE PEREGRINE: Tony Harris.

TONY HARRIS: Present.

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NATHALIE PEREGRINE: Tatiana Tropina.

TATIANA TROPINA: Present.

NATHALIE PEREGRINE: Martin Silva Valent?

MARTIN SILVA VALENT: Present.

NATHALIE PEREGRINE: Thank you. Martin is also is proxy to Ayden Ferdeline who is absent. Apologies for this meeting.

Syed Ismail Shah is also absent. He's given his proxy to Erika Mann for this session (indiscernible).

Erika?

ERIKA MANN: I'm here.

NATHALIE PEREGRINE: Thank you.

Cheryl Langdon-Orr.

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CHERYL LANGDON ORR: Here.

NATHALIE PEREGRINE: Julf Helsingius.

JULF HELSINGIUS: Here.

NATHALIE PEREGRINE: Adebisi Oladipo.

I don't see Adebisi in the room.

And GNSO support staff is also in the room with us. May I remind you all to please remember to state your names before speaking for recording purposes. Thank you ever so much.

Heather, over to you.

HEATHER FORREST: Thank you very much, Nathalie, and a warm welcome to our new councillors joining the Council today.

So we'll now move to item number 2, which is the election of the chair. Oh, forgive me. In fact, forgive me. Item 1.2 is an update to Statements of Interest call. You'll note here the updated Statements of Interest of Maxim, Elsa, Flip and Scott. A reminder for exiting councillors who now have left me, nice, to update their SOIs as well.

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Any further updates to Statements of Interest? Please note that I will update mine as soon as we're done here.

Maxim, please.

MAXIM ALZOBA: Maxim Alzoba for the record. Should we mark our PMPDP as terminated in our -- no, no -- the RDS PDP terminated in our SOIs? Because some of us (indiscernible).

HEATHER FORREST: Thank you, Maxim.

So Maxim has asked if those who were involved in the RDS PDP should, let's say, remove that or mark that they were in the PDP that has now been terminated. Yes, I think that would be sensible, Maxim. Good question. Thank you.

Any further questions, comments in relation to updates to SOIs? No?

Seeing none, so our agenda today has very few items on it.

Can we turn to our agenda, please.

So item number 2 is the election of the GNSO chair, GNSO Council chair. Item 3 is a discussion around GNSO empowered community roles and responsibilities and the development of templates as presaged in Part 1 of the Council agenda that just took place. Item 4, any other business drawing upon discussions this week.

Any suggested changes, amendments to the agenda?

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Seeing none, let's turn, then, to item number 1 -- excuse me, item number 2. Excellent.

There are two candidates in this election for chair. Keith Drazek from the Contracted Parties House, specifically from the Registry Stakeholder Group and Rafik Dammak from the Non-Contracted Parties House, specifically from the Noncommercial Stakeholder Group.

What will now take place is a distribution of ballots. You will each receive a paper ballot. And as I -- I want to get the color right, Nathalie. I believe it's -- I'm going to let you say, Nathalie.

NATHALIE PEREGRINE: We have blue ballots for the Contracted Party House and yellow ballots for the Non-Contracted Party House. So please be sure we distribute the right one to you.

HEATHER FORREST: Thank you, Nathalie. So what you will see on that ballot as per the requirements of the bylaws and the operating procedures, you will see that there are three line entries on the ballot. The line entries will have the names of the two candidates, Keith Drazek and Rafik Dammak, and the ballots will also contain "none of the above." "None of the above" is a requirement under the rules for conducting elections for the GNSO chair. If I can ask staff, please, to help us distribute those ballots, and then we will confirm that everyone has the correct ballots before we move on to the actual vote.

Does everyone have a ballot?

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Okay.

Maxim does not have a ballot? No. Okay. Members of the Contracted Parties House, can you please confirm that you each have blue ballots.

UNKNOWN SPEAKER: Yes.

HEATHER FORREST: Excellent. The record will reflect that the contracted parties have confirmed.

Members of the Non-Contracted Parties House, could you please confirm that you have a yellow ballot.

Excellent. Thank you very much.

Please proceed to voting. Your vote slip will be picked up by Nathalie Peregrine who shall come and collect it from you.

Thanks very much, Nathalie. We will now adjourn for five minutes. Nathalie and Berry will conduct the election process and will inform me of the results, and I will return back to you to deliver those results.

(Brief adjournment.)

HEATHER FORREST: Ladies and gentlemen, I call the Council meeting back into session with thanks to Berry and Nathalie for their work in conducting the ballot process. Here I will communicate the results.

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The Contracted Parties House has voted 100% for Keith Drazek and zero percent for Rafik Dammak. The Non-Contracted Parties House has voted 30.77% for Keith Drazek and 69.23% for Rafik Dammak. No candidate has the requisite 60% of both houses. What happens now is the voting moves to a second round. The second round proceeds with the candidate with the highest number of votes in round one. That candidate is Keith Drazek.

The ballot you will now receive will have Keith Drazek's name written into the ballot line and "none of the above." Again, "none of the above" is a requirement of the rules.

Staff will now distribute those ballots. We'll confirm the process exactly the same way.

All right. Can everyone confirm please that they have a ballot?

Contracted parties, can you confirm please that you have a blue ballot?

UNKNOWN SPEAKER: Yes.

UNKNOWN SPEAKER: Yes.

HEATHER FORREST: Excellent. Thank you. Non-contracted parties, can you confirm, please, that you have a yellow ballot.

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UNKNOWN SPEAKER: Yes.

UNKNOWN SPEAKER: Yes.

HEATHER FORREST: Excellent. Please cast your votes. They will be collected by Nathalie Peregrine.

[ Voting ]

HEATHER FORREST: We'll take a five-minute break while Natalie and Barry work on the voting. And I will come back to you and announce the results.

MICHELE NEYLON: Madam Chair, I'm frankly disappointed we don't have hold music.

[ Voting ]

HEATHER FORREST: Ladies and gentlemen, thank you for your patience. Thanks very much to Nathalie and Barry again for conducting the election process. I'm pleased to announce the results of the Round 2 of voting. The Contracted Parties House has voted 100% for Keith Drazek, 0% for none of the above. No abstentions.

The Non-Contracted Parties House has voted 84.62% for Keith Drazek, 7.69% for none of the above, and 7.69% abstention.

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Please join me in welcoming Keith Drazek to the GNSO Council chair.

[ Applause ]

HEATHER FORREST: Keith, the mic is yours.

KEITH DRAZEK: Good afternoon, everyone. Thank you very much for the trust and the faith that you have placed in me today. Thank you. It's a real honor to be sitting here, and I look forward to working with every one of you over the course of the next year.

So -- and, Rafik, thank you for your support.

And I look forward to working, as I said, with everybody here over the coming year.

So with that, I know we have more things on the agenda. I do want to note, just for everybody, I think there is just enormous shoes to fill with the leadership team that has just stepped down. And, you know, I think we noted yesterday in our conversations that there were eight years of service combined on council and six years of service as the leadership team. And so one of the most important things that we have now to do is to focus on the appointment of vice chairs from both houses. It's not something that has to be concluded today, but it is something that we need to focus on in the very near future.

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So with that, I'm going to turn to staff, as something that I will do frequently from now on, for help and assistance in terms of next steps.

And if we could move the agenda -- the screen to the next agenda point, please.

Okay. So let's -- next item on the agenda is a council discussion about the GNSO empowered community roles and responsibilities and GNSO operating procedures templates, guideline development.

So, Marika, am I correct this thinking this is something you're going to help us cover? Oh, Julie, excellent. Thank you.

So this is obviously -- the empowered community roles and responsibilities for those that are not aware is something that came out of the IANA transition and ICANN accountability processes. So it's a relatively new development. It's something that we as a council in 2018 went through in terms of instruction and awareness, but it is something that's very, very important for us as councillors to all understand the obligations and responsibilities.

So with that, Julie, let me hand that over to you. Thank you.

JULIE HEDLUND:

Thank you very much, Keith. And thank you for giving me the opportunity to provide this brief update. And thank you also for mentioning that this is something that has been ongoing.

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As I hope you all know, we did have revised bylaws as a result of the transition to the empowered community structure and then the concomitant roles of the decisional participants within that structure.

And we did have in the council a drafting team that took a look at those bylaws on this community drafting team. Steve DelBianco, I think, led that. And they came up with a number of recommendations for how the operating procedures of the GNSO could be or should be changed and also changes to voting thresholds that resulted in changes to the bylaws.

And as these things go, those changes took their own time. Bylaws changes take time. Bylaws changes meant that while some changes could be made to the GNSO operating procedures, some of those changes had to wait until the Board had approved bylaws.

And actually it was not until this January that the council approved the revised voting thresholds for the bylaws. That went to the Board in May. The Board approved the bylaws. But under the new processes, those bylaws amendments had to go back to the empowered community for an opportunity for a rejection procedure. None was lodged.

And so in June the revised bylaws were published. And at the same time, those bylaws were linked and published into the GNSO operating procedures.

Also in May, during this time, the staff presented to the council a table of recommended templates and guidelines. So these would not necessarily be changes the GNSO operating procedures, although some might be incorporated subject to council approval.

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But primarily mostly templates so that when the GNSO Council needed to exercise -- or the GNSO needed to exercise its role as a decisional participant, it would be able to simply turn to a template and say, oh, here's how we do this motion and this is the voting threshold for it and so on.

And also in some cases where an activity might be -- an action might be more complicated, there would be some guidelines for how to proceed as well as a template.

So staff presented the table to the council. But the council really has not had time to take that up and do a review of it. And rather than waiting necessarily for the council to act, the staff thought it might be helpful if it did some proactive work on templates. They can always be changed. But in an abundance of caution if something did arise and the council needed to act in its role as decisional participant, then we would have a template ready. So we do have a number of templates. We're close to finishing up on some guidelines.

But with respect to the guidelines being a bit more complicated, we felt that it would be extremely helpful if there were some councillors, perhaps a small drafting team again or just a small group of councillors or community members, who could collaborate with staff and review the guidelines in particular. The templates are a little more straightforward, but the guidelines in particular, so that these could be finalized without much more ado and be ready for deployment as necessary.

So that's where we stand right now. We're just looking for guidance from the new council as to how they would like us to proceed. And

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we stand ready to do whatever you think you'd like us to do to help out.

KEITH DRAZEK: Thank you very much, Julie. Great update. And obviously as you noted, important work that council has not yet had time to focus on. So thanks very much to staff for taking the initiative and giving us something to review and react to.

Rafik, I see your card up. Go ahead.

RAFIK DAMMAK: Okay. Thanks. This is Rafik Dammak speaking. Thanks, Julie, for the update. I know that the staff worked on this for a while, and it's good to have this update. But I have some question that may help us for the next steps and maybe how we can set up whatever structure to work on this.

So creating all these templates and guideline, first question, do we need for that -- or does it mean that we need to make any update to the GNSO operating procedure?

And the second, I think it's linked to the first question because if we need to make any changes to the operating procedure, before that we -- we went through -- we use the standing committee for implementation, I think, if I'm not mistaken. And the thinking was to delegate the work to the GNSO review working group. But that was not the case.

And I know that when we had the bylaws change and so on, it was a drafting team. So I think we need maybe more clarification here

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into what -- not just about those templates and guideline but for any change that may happen.

So, I mean, if Julie has any idea, can clarify on this matter.

KEITH DRAZEK:

Thank you very much, Rafik. Excellent questions. And great context, historical context.

Julie, feel free to weigh in or respond, if you have a response. Or if anybody else would like to get in the queue, just let me know.

JULIE HEDLUND:

Thank you for your question, Rafik.

So, first, this might be a helpful slide, another one we had in here. So for the most part, when the original drafting team worked with staff, the intent was to identify the changes that needed to happen to the operating procedures. And those were identified. To the extent that that was possible, we identified them and had them made. So they're reflected. And this is just a summary of what they were.

There were some that didn't require changes. There was the new voting thresholds we mentioned. There was a change in the consent agenda wording. There's changes with respect to -- these last three are ones that we have identified that may result in changes that relate to guidelines.

So in answer to your question, it's possible that in developing guidelines, we may find that there may be subsequent changes that need to be made to the operating procedures. For the most part,

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we've tried to err on the side of, you know, guidelines that could be incorporated but more as like an annex or something like that.

But with the respect to the second part of the linkage, it's true that when the GNSO review working group was constituted, its charter, which this still exists in its charter, it was also given the task of reviewing any changes to the GNSO operating procedures. So it was done given the role that had belonged to the standing committee on improvements implementation. That still stands in its charter.

And actually that's an action item also for the new council, to consider whether or not, you know, that is where we want to retain that task.

And, again, yes, they would then -- someone would then be involved in some oversight of changes to the operating procedures.

KEITH DRAZEK:

Thanks very much, Julie.

Rafik, back to you.

RAFIK DAMMAK:

Thanks, Julie. That's really helpful. So if we try to at the GNSO review working group, I think the only limitation is that it will be disbanded when the final report of the review will be approved. So we may use that, but it will be, I guess, short time. So we need to think maybe more about what is a sustainable approach here.

So as we did like before, there was a drafting team. If we want to use that, I think we need to renew the membership. I think -- maybe

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just to verify, I think it included people from the council but also outside appointed by the stakeholder group. So we can maybe use a different structure, those existing, or those we can renew to some extent and see what's the best option.

But I think we need something that is more sustainable with regard -- I mean, I don't think there is expectation with the PDP 3.0 to make any substantial change to the operating procedure. Maybe to the working group guidelines. But we need a structure that can handle that in the long-term, and we are not just an ad hoc basis.

KEITH DRAZEK:

Thanks very much, Rafik. That's excellent -- excellent points. So it sounds like the council needs to take an action item and work with staff to look to reviewing the current status of the drafting team, the working group, and then identify a path forward.

Julie, is there anything further or any other recommendations or suggestions that you'd like to make?

JULIE HEDLUND:

Yes. Thank you very much, Keith and also, Rafik, for your further points.

Yes, we certainly could -- you know, one approach is to look at the drafting team and reconstitute it.

I do know that it was, I think, mostly not council members, if I remember correctly. But in any case, it would be worthwhile, you know, asking if any of those individuals would want to reconstitute themselves but probably also do a request for volunteers for others.

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You know, or we can just do a brand-new request for volunteers given it's been probably almost two years, I hate to say, but at least over a year since that group completed its work. But it's entirely up to you. We have a lot of options.

KEITH DRAZEK:

Thanks, Julie. Yeah, if it's been two years since the group was last refreshed, we probably need to do a new call. And there's nothing to say that existing or previous members couldn't re-up, but I think that's the right path forward.

So, procedurally, what would the next step for council be in terms of taking that action?

JULIE HEDLUND:

I believe -- and my colleagues can correct me if I'm wrong -- we can capture that as an action item to go ahead and do a call for volunteers and get that out I would say probably as soon as we can but maybe not immediately since some people might be traveling, but within the next couple of weeks, let's say.

And in the meantime, we'll -- we do have the guidelines and templates all organized in a Google Doc kind of format that's mapped and so on. And, you know, once the group is reconstituted, we can see what's the best tool for them to use to go through the documents. But we'll take that on as a first action to get the call for volunteers out. We'll add that to the action list, I think, for the council.

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KEITH DRAZEK: Okay. Thanks, Julie. Any further discussion or concerns to that course of action? Would anybody else like to weigh in? Okay. I don't see any hands. So I think, Julie, it would probably be helpful, particularly as we approach a call for volunteers, for the council to have the link to that Google Doc so we can actually review the templates ourselves to sort of familiarize ourselves with them. And that would be great. So let's capture those two action items.

JULIE HEDLUND: Absolutely. Thank you.

KEITH DRAZEK: Thank you very much. Okay. Back to the agenda. Any other business? So as I noted, we need to take -- oh, Erika, thank you.

ERIKA MANN: You can go first. Not a -- not a problem. I want to brief you about something. I was a bit -- I sent an email a little bit earlier to the previous chairs and vice chairs concerning an information I received this morning from Cherine and the board. So they are going to go present a resolution tomorrow concerning the reserve fund. And the information was addressed to the -- my role as the co-chair of the auction proceeds. And I sent the information because I got a clarification from Cherine that he's fine with it, that I send it to the auction proceeds so there's no surprise. And I sent it as an information. I forwarded it to the -- to the chair and to the two co-chairs.

So in the meantime -- and I was hesitant to send it to all of you, just because of procedural reasons, because I'm a little bit concerned if

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the board is presenting a resolution tomorrow and we have a board group informed about what is going to happen with regard to one item, I was a little bit concerned about the procedure.

In the mean time, Ching, who is my co-chair, sent it to the ccNSO, so the information is spread already. Therefore, I will send it to you as well. I will forward it to you, and then I would ask you, in your role as chair, to forward it to the GNSO so I'm a little bit in the back -- background.

I don't think there's anything problematic or conflictual involved because the information is now spreading more than I was expecting it, but so if you agreed, Keith, I would send it to you and you will be so kind to send it to the rest of the group. Thank you so much.

KEITH DRAZEK: Thank you very much, Erika. Absolutely. Happy to do that. As soon as I receive it, I will forward it to the council list.

ERIKA MANN: Yep.

KEITH DRAZEK: I do have a question, and maybe it will become more clear over the course of the next, you know, day or so. But was -- was the communication from Cherine and the board sent to you in the form of a request? Was it in the form of basically providing -- advising you that they are intending to essentially take money from the auction proceeds fund and put it in the reserve fund? I'm just

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wondering procedurally, you know, where is the CCWG auction proceeds group, you know, involved, responsible for any sort of decision-making or is it essentially the decision has been made provided the resolution is passed, and that's likely to happen. Thank you.

ERIKA MANN:

Yeah, the last point, Keith. So there's no formal role, there's no formal responsibility. So the auction proceeds, we can't decide that the board can't do this. So there's no responsibility. And keep in mind as well, there was a public comment period about the reserve fund separate and based on the information the board received, they made the judgment that they can move forward. And I believe that's correct, they can do this. It's just a -- I would say it's a good standard to have this exchange because it affects, of course, the auction proceed. And so we had always a good information channel open between the -- between the chairs and between Cherine and other involved -- other involved board members. So this was standard practice because we wanted to avoid any kind of, you know, friction and difficulties we might experience in the future. So this was purely informational this morning, and I didn't go into any kind of further discussions either. So that's the -- that's the situation. And I -- you will see in the note Maarten Botterman, who is one of our -- one of our members -- the board member attached to the auction proceed group, he was present as well so --

KEITH DRAZEK:

Thank you very much, Erika. Great context. Michele, I see your card.

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MICHELE NEYLON: Yeah. Thanks, Keith. Sorry, it's going to take a while to get used to not having somebody else over there. This -- this movement, this planned move, we're not talking about coffee money here. I mean, this is a significant amount of money that's involved. The -- the reserve fund was depleted during the IANA transition, and I personally have issues with how some of the -- some of those funds -- funding decisions were made and kind of budgeting things and all that. I thought it was some kind of -- some parts of that did not sit too well. As far as I recall, the -- both the registries and registrars did submit fairly robust commentary on the auction proceeds, and I believe, and somebody can correct me if I'm wrong, that we took this position that the auction proceeds funds should not be used for replenishing the reserves. Now, if somebody can correct me if I got that wrong, but that's just my own personal memory of this.

UNKNOWN SPEAKER: (Off microphone).

MICHELE NEYLON: Beg your pardon? I got it right. Thank you.

So our position on this has not changed. From a pure kind of optics perspective, I mean, there was something that I think came out in a communication between the board and that working group a few weeks ago that basically said that legally speaking ICANN can do anything it wants to do with funds that it -- funds that have landed in its lap. However, if that is the case, why on earth have -- has the community wasted an insane amount of time, resources, effort and

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everything else on an auction proceeds working group, held multiple cross-community sessions on it, I don't know, spent I don't know how much time on this entire thing, if the board is then going to do an end run around that and just going to go eh, sure, we'll use that money to replenish the reserves?

Now, legally they may be entitled to do so, in much the same way that legally if you look at the terms of service of any of those of us running businesses, we reserve the right to do many things. It doesn't mean it's a good thing to do. Thank you.

KEITH DRAZEK:

Thanks, Michele. I think very reasonable questions. So I have Paul McGrady next and then Erika again. Anyone else want to get in queue, let me know.

PAUL McGRADY:

Thanks. Paul McGrady, for the record. And I can't find it quickly enough in the Applicant Guidebook but I think that there is a real concern about this because I -- I'm sure that they, the board, has looked into it and has made a decision that they can legally do this, but there is no doubt in my mind that anybody reading that Applicant Guidebook and participating in an auction of last resort believe that the silver lining in that -- in that cloud of having to pay was that something good would come of the money. And, you know, replenishing the reserve fund because of the IANA transition, which by the way not everybody was all excited about, isn't the kind of good that I think was implied in the Applicant Guidebook. And so I just would like to register my grumpiness at this, and I think it is short-sighted and I think that fiscal responsibility and belt tightening

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of -- to replenish that reserve fund is a much better way to go rather than having to go back to the people who had to participate in these auctions, which by the way were, you know -- the entire mechanism is, you know, not necessarily the best mechanism, but have to go back and tell them, you know, surprise, this is not going to be spent on something good. It's just simply going to be taken. That's not a -- that's not going to be a pleasant thing. So anyways, that's all, registering grumpiness. Thank you.

KEITH DRAZEK: Thank you, Paul. Erika?

ERIKA MANN: I mean, I really hope we would not have this discussion right now before we have the resolution, which is a little bit unfortunate, and I was hoping we could handle this in a different way. I believe, Keith, we have to come back to this point, and we need to have a very informed discussion about many aspects. And some of them were just mentioned a few minutes ago, but they don't relate to my role as co-chair. As my co-chair I have to be neutral. It's not my role to comment about this because we don't have no -- no formal responsibility to decide about the total amount of the available fund if we looked into this. So I want to be clear about this.

But I believe you have to keep in mind the recommendation will be to use 36 million from the total amount. Now there's still -- and again, I don't want to go into the details, what was the total amount, does it include the dark web or not, for example. But Keith, I really recommend we have a debate after the resolution tomorrow and not today about the details.

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So keep this in mind, whatever the outcome is going to be, there's still a substantial amount left in the auction proceeds which can be used really for good projects and for the intended projects which we had in mind and in particular the community had in mind. So it's not like the complete replenishment for the reserve fund will be taken from the auction proceed. It's practically the IANA portion. When you read the comment the way the -- the board and ICANN org presented it during the comment period, it's practically the IANA portion which is taken from the auction proceeds.

KEITH DRAZEK:

Thanks, Erika. And to your point about the amounts, I'll just make two points and then come to Tony. So yes, the -- as I -- the email that I saw was, it was 36 million from the auction proceeds and 32 million over the course of eight years from ICANN org combined to replenish the reserve fund up to the point of, I think it was the 12-month figure, if I'm not mistaken. So that's what we're talking about here. That's what's in the resolution that's being put to the board tomorrow. So -- and Erika, I take your point very well, that, you know, I think there's still meaningful work for the CCWG on auction proceeds because there's still a substantial amount of money remaining. To Michele's point, I think it does raise some questions about the future and how ICANN org may look at those funds, and I think it raises some very legitimate questions about sort of what comes next. Is this a one-time thing only ever? Or is there -- you know, does this become a trend?

So, you know -- so I think those are concerns. But to Erika's point, I think the CCWG on auction proceeds still has very important work ahead of it.

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ERIKA MANN: But that's why I said we need to have a debate about this after the resolution, except to the last points you mentioned and I totally agree. But I don't believe it's valuable to talk about it today. But that's just my --

KEITH DRAZEK: Thanks, Erika. So with that, Tony, you're next.

TONY HARRIS: Yes. I participated quite extensively in this working group until recently with -- my work was taken over by Marilyn Cade. You just took the question away from me, Keith, which is, what comes next. Because this -- this program probably won't actually become effective in assigning funds until sometime next year because of the work that lies ahead, and for the next fiscal year, if money is lacking, I mean, where would they look for it. That's my question.

KEITH DRAZEK: Thanks, Tony. Great question. So to Erika's point, we probably need to put a line under this one. Now everybody is aware. I am, as we speak, forwarding the email from Erika to the list, so you could take a look at that, and we can have further conversation about this during our wrap-up session tomorrow if we'd like. So Michele go ahead and then let's move on to any other business.

MICHELE NEYLON: Thanks, Keith. As chair, I would ask you to please put that as an item on the agenda for our session tomorrow, if you could, please.

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I think this is something that many of us feel very strongly about. Paul McGrady and I actually agree for once, which is rare, even though we agree for totally different reasons.

KEITH DRAZEK:

Thanks, Michele.

Reacting to something that Paul said, you know, that people expected when they were contributing these funds through an auction of last resort, that they expected it to be used for good things, right? And I think there would be an argument for the fact that a stable and -- financially stable and secure ICANN with a reserve fund is also a good thing.

But I think this is something that we should absolutely consider, talk to our colleagues in our various stakeholder groups and constituencies and come back and have a further discussion about this tomorrow during the wrap-up session. We will take an action item to put this on the agenda for tomorrow.

So, okay. Does anybody else have any other business? Anything else you want to talk about? Okay.

Staff, is there anything you would like to share with us? Any thoughts or guidance or suggestions? Help!

[ Laughter ]

All right. Yeah, Michele, go ahead.

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MICHELE NEYLON: Sorry, it's Michele again for the record. Just with respect to the selection appointment of the vice chairs, what's the -- do we have a fixed time line on that? I mean, from the registrars and registries side, we already know who we want to put forward. But is there a time line around that? The reason I'm asking is because with -- it's particularly in light of some of the issues that were brought to the microphone earlier today, I think council leadership needs to be fully formed as quickly as possible.

Thanks.

KEITH DRAZEK: Agreed. And thanks, Michele. Good question. And I don't think there's a hard-and-fast deadline at the council level, you know. The bylaws are in our operating procedures. So I would just encourage, you know, folks to try to make your decisions quickly.

Let me just take a moment and speak personally and say that I think from a leadership team perspective and the fact that we have just lost a significant amount of experience and years of service on the leadership team, I would very much welcome Rafik, if he were able to continue. But that's obviously a decision for the Non-Contracted Party House to make.

So, Graeme, go ahead.

GRAEME BUNTON: Thank you. This is Graeme Bunton, chair of the Registrar Stakeholder Group. I think under council bylaws, the vice chair from the CPH needs to come from not the same SG as you. And so it is coming from my stakeholder group. And we're -- we know who that

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is and I just need to talk with Donna. And then I think we send that message to the council hopefully in the next day or two. Maybe even this afternoon. So it should be very shortly.

KEITH DRAZEK:

Excellent. Thanks, Graeme.

Okay. Any other thoughts? Any other business before we conclude our meeting today? Thank you all very much, once again, for the trust and the faith that you have put in me for the next year. I won't let you down.

So with that, let's conclude the meeting and have a great rest of ICANN63. Thank you.

[ Applause ]

**[END OF TRANSCRIPTION]**