

**SO/AC New gTLD Applicant Support Working Group (JAS)
TRANSCRIPT
Tuesday 31 May 2011 at 1300 UTC**

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Participants on the Call:

GNSO

Rafik Dammak - NCSG - Council liaison – WG chair
Alex Gakuru – NCSG
Andrew Mack – CBUC
Carlos Aguirre – Nominating Committee Appointee to GNSO Council

Elaine Pruis - MindsandMachines
John Rahman Kahn - Individual

ALAC

Alan Greenberg – GNSO Liaison – NARALO
Cintra Sooknanan – At-Large
Evan Leibovitch - (NARALO) – At Large
Dave Kissoondoyal - (AFRALO) – At large
Cheryl Langdon-Or - ccNSO Liaison - APRALO
Carlton Samuels – LACRALO - At Large - WG co-chair

Katim Touray– ICANN Board
St phane van Gelder - GNSO Council chair

ICANN staff

Karla Valente
Glen de Saint Gery
Gisella Gruber-White

Apologies:

Olivier Cr pin-Leblond – ALAC chair
Tijani Ben Jemaa - AFRALO - At Large
Alain Berranger - Individual

Dev Anand Teelucksingh – At Large
Michele Neylon - RrSG
Baudoin Schombe - At–Large
Tony Harris –ISPCP

Man: We’re now recording.

Gisella Gruber-White: Thank you very much. Good morning, good afternoon, good evening to everyone on today’s JAS call on Tuesday the 31 of May.

We have Rafik Dammak, Carlton Samuels, Katim Touray, Cheryl Langdon-Orr, Carlos Aguirre, (John Romankan), Eric Brunner-Williams, Elaine Pruis, Evan Leibovitch, Andrew Mack, Alan Greenberg. From staff we have Karla Valente and myself, Gisella Gruber. And we have apologies from Tony Harris, Olivier Crepin-LeBlond, Alex Gakuru, Tijani Ben Jemaa, Sebastien Bachollet, (unintelligible) and Baudouin Schombe.

Can I also please remind everyone to state their names when speaking for transcript purposes? And I’ll try to see which is the noisy line today. Thank you. Over to you, Rafik and Carlton.

Rafik Dammak: Thank you, Gisella. Thanks to everybody for joining today call. We have also a - maybe a special guest. Thanks for Katim to join us today.

So for agenda today I - we discussed, Carlton and me. So we think that the = as items we first - we should start about critical dates and time for - to have that teleconference between the GAC board members and JAS working group.

And then the second item that will be a discussion about the questions on financial and -- wait, no -- and legal questions that we are asking ICANN staff to respond to them. And so we can add those questions to (unintelligible).

So any comment on this agenda? Okay. So let's just start with the first item which is about the conference between the working group and the board and GAC members.

So I may suggest that we have that conference in our next Tuesday call. So it will be next week so we can have enough time, maybe the next call and this week, to prepare for that call. So I will happy to get the feedback from working group members about that and also maybe from Katim so we can set up quickly this call.

Carlton, can you please take care of - I'd say of the two because I cannot access to the Adobe Connect.

Carlton Samuels: Yes. Yeah, that's fine. I will take care of it too.

Can I ask, are members here in agreement or understand why we are having this special purpose call? Is there a sense that - is there anyone who would violently oppose having this call?

Evan Leibovitch: Carlton, this is Evan.

Carlton Samuels: Yes sir.

Evan Leibovitch: Sorry, I'm not on Adobe Connect. But forgive me. I would just note that there's an awful lot of key people from the working group who are not on this call. So we can certainly get things done. But I wouldn't want too many things to be done definitively with like I said so many key members not on the call.

Carlton Samuels: Okay. Eric, you have your hand up?

Eric Brunner-Williams: Thank you, Carlton. This is a question that should have been sent to the mailing list. Thank you.

Rafik Dammak: So I want to reply to Evan. I'm not sure about some - about the members who are not here. But at least I got feedback from Olivier. And he agreed about - I think he agreed about that date and time. So I think we need to set up soon as possible. We don't have so much time before Singapore meeting, just two weeks.

So I think next week is - either we can organize that Tuesday so it's next Tuesday so it's just one week or to wait for Friday. But it will be close to Singapore meeting.

So - but maybe if we need to have, as you say, the feedback of all working group members we can put the discussion on the list. But don't forget that we need to coordinate with GAC and board members. So it's just existing dates and times. So - and we need to take care of that.

Man: Thanks.

Rafik Dammak: Any comment about that, so how you think that we should proceed, so we - to ask people in the mailing list and set up a real close deadline?

I want - I'd like to ask Katim what he think that is suitable date and time? So we have Tuesday and Friday call. So what's most suitable time and date for board members to join us?

Carlton Samuels: Katim might be still on mute. (Larry), could you raise his hand again?

Eric Brunner-Williams: I think the same point, Rafik and Carlton. Katim is on mute. This is something that is easily done by email. Why are we taking up call time on something and moreso as a subject? Thank you.

Gisella Gruber-White: Katim's line is un-muted. Katim, you can try and speak now.

Katim Touray: Okay. Am I back on?

Gisella Gruber-White: Yes.

Carlton Samuels: Yes, Katim. Just speak.

Katim Touray: Hello? Yeah. Okay.

I just got the gist of what you were trying to say there, Eric - Evan. I beg your pardon. And I think it was about the scheduling of the date for the board. I - is - was that your question, the meeting - the scheduling for a conference call with the board? Hello?

Carlton Samuels: Katim, let me see if I can help you here. We are proposing to have a special purpose teleconference next Tuesday, 7th June, for board and GAC members to weigh in on this - on the issues that are important to them as they see it.

And we are proposing next seven. And we are - and the question that was asked by Rafik was whether or not in your opinion the 7th would be a good time to have a conversation.

Katim Touray: To the best of my knowledge that should be a fine - that should be a good date I think. But that is one, just my personal opinion.

And I think you might just want to run this by (Peter) (unintelligible) and then (unintelligible). And he can take it from there. So like I said for me it would be fine.

Man: (Unintelligible).

Katim Touray: Okay? (Unintelligible).

Man: Yes.

Carlton Samuels: Yes.

Katim Touray: Is that - did you hear me?

Rafik Dammak: Yes. Yes.

Katim Touray: I said: could you hear me?

Carlton Samuels: Yes, Katim. We heard you.

Katim Touray: Okay, good. Thank you.

Carlton Samuels: Okay. So Eric is up again. Eric's hand is up.

Eric Brunner-Williams: That's an accident.

Carlton Samuels: Okay. Let - Eric, but if I could give you some sense. Look. We're not going to have a discussion. We put this in for no more than ten minutes where - at the end of the game here. What we wanted is to ensure that we have everybody on board.

This issue has been on the list. It was discussed. We're just making sure because there were some of our brothers who thought that it - there is in the GNSO a sense that we are making a special effort to speak to the board and GAC members. And that might be subverting the process. That is why we're making sure.

Rafik Dammak: So okay. I think that we have some agreement about Tuesday. We'll send email to the list to confirm that. And then we can pass that to the board and GAC just to get their feedback. And then we can set up to just confirm that quickly.

Carlton Samuels: Can I say something just for the record? Cheryl just reminded me of something here.

Would - is - just for full disclosure we had proposed the 7th or the 10th as the date for the conference call. I think we settled on the 7th for

some reasons. But just for everybody's knowledge it was for the 7th and the 10th - or the 10th.

Rafik Dammak: Okay. Yeah. Okay. We can suggest both. And then not sure if we need to make a (unintelligible) pool or not. Maybe it will take time since it's (unintelligible). Okay. But we can continue discussing that on the mailing list.

So I think we can move to the next item which is about the questions that we want to ask to the - some ICANN staff about legal and financial issues. I think we have some from Eric, Evan, Tijani, Cintra. Maybe I am forgetting some people.

Is it possible to have the questions on Adobe Connect, Karla?

Karla Valente: Hi Rafik. The questions on Adobe - I'm just going to put the questions on Adobe Connect. You need to give me a minute.

Rafik Dammak: Okay, no problem.

Karla Valente: Rafik, I'm posting here -- this is Karla speaking for the record -- the exact nature expertise that the JAS working group is looking for especially related to the legal knowledge.

Rafik Dammak: Okay.

Karla Valente: Is that what you had in mind?

Rafik Dammak: Yes. Yes.

Karla Valente: But I posted this comment. In addition to this comment is there anything else you want me to post?

Rafik Dammak: Don't think so.

Karla Valente: Hello?

Rafik Dammak: Hello, Karla. Did you - I don't know if you...

Carlton Samuels: Karla, can I just intervene here?

Karla Valente: Yeah, sure.

Carlton Samuels: There were questions that needed to be clarified. You asked for clarification of some specific questions in response to especially the people who held the pen on the report.

You sent some documents. They have reviewed those documents. They feel that the questions, there's still some issues that they want resolved.

Cintra is now on. I will - I would suggest to you, Rafik, that you ask Cintra to provide the questions that still require clarification from her part.

Andrew is also on. Andrew had some questions that needed clarification.

Rafik Dammak: Okay. Just - we don't have just from Cintra. We have from Evan, Cintra. I think also Eric asked that his question to be discussed. And unfortunately we don't have Tijani.

So - but I think we can just -- how to say -- this question can be ordered as financial and legal. So the financial one I think it's Cintra. Legal it's more from Evan. And I think we have Eric. So we can start with Cintra and then we go to Evan and then to Eric.

So does it work? Does it make sense for you?

Cintra Sooknanan: Yes.

Rafik Dammak: Okay.

Cintra Sooknanan: This is Cintra.

Rafik Dammak: Go ahead.

Cintra Sooknanan: Okay. Thank you, Rafik. My questions were just about two or three small questions.

I wanted some information specifically with regard to the auction. Auctions have not been catered for, dealt with at all. The amount of the costs of auctions have not been considered.

So I was wondering if they were considered at all. What are the estimates for cost auctions? If they were not considered, then why not and if we can have a consideration, you know, an assessment of what those costs would be?

Those auction costs I want to use with regard to my second question which is unbundling the cost and not having the applicant pay this lump sum at the beginning. If auction costs are not significant or it can easily be recouped in the auction process then could this not just be tie - a case of having applicants pay - well inject funds along the process and in the event that they cannot pay that that gTLD application goes to auction?

I will type it out. But I just - I'm not in Adobe Connect as yet.

The only other queries I had was with regards a specific breakdown of staff time which - for each stage of the process which hasn't really been detailed. They're just really lump sum figures that are given and no specific detail as to how much time, which areas of the process are expected to require more financial injection than others.

Thank you. That's it for me. Karla, if you need clarification I'll be happy to give you. I'm just not in Adobe Connect right now.

Karla Valente: Yeah. So thank you, Cintra. So what I have here is basically auction cost details, that we don't understand whether or not the auction costs can be recouped in the auction process.

Cintra Sooknanan: Yes and also if auction is a viable mechanism for - well to go towards unbundling the costs so if auctions can be applied to all gTLD applications if they don't go through for one reason or the other, if the applicant cannot pay along the process for the reasoning why that 185,000 was requested to be paid as a lump sum at the start.

Karla Valente: Okay so to know also if auctions can be applied to or should be applied to all of the application even if the applicants are not subject to auction, right?

Cintra Sooknanan: Well yes, even if there is no string contention but if the applicant cannot pay during the...

Karla Valente: Right.

Cintra Sooknanan: Process. This is under the assumption that they are allowed to pay staggered payments to all gTLD costs at each stage.

Karla Valente: Okay, got it. Thank you.

Cintra Sooknanan: Thank you.

Carlton Samuels: Rafik, there - Andrew is in the queue and then Alan.

Evan Leibovitch: And Carlton, can I put my hand up after that?

Carlton Samuels: And - yeah, and Evan. Yes, sir.

Rafik Dammak: Okay. And so we start with Andrew. Yes.

Andrew Mack: It's okay if Alan wants to go first. I should have put my hand up. My apologies.

Carlton Samuels: Alan, you can go, sir.

Alan Greenberg: Yeah. I just want a clarification from Cintra. Maybe I'm missing something.

Are - is the question will - if a applicant defaults and doesn't keep paying will - can ICANN auction off that application to somebody else to pick up during the same round or auction it off to use in a future round? I'm not quite sure what the concept of auctioning is meant here.

Cintra Sooknanan: Well that's something we'll have to look into, whether or not it's feasible to auction it off in that same round or a subsequent round. But you would give the applicant sufficient time to come up with the financials required for that specific step.

So I'm actually not going into that detail right now. I just want to know if auctions are feasible, if it's a realistic...

Alan Greenberg: Yeah. I think this is...

Cintra Sooknanan: Having...

Alan Greenberg: Going so far from our mandate...

Carlton Samuels: Yes. I'm not sure that...

Alan Greenberg: That...

Carlton Samuels: We need to talk about that at all.

Cintra Sooknanan: Okay.

Carlton Samuels: I thought it was for a totally different issue but I - unless I'm misreading it here. My understanding of why the auction would have been to this is to say that what if the - a string was applied for, for somebody who was requiring support and did not make it, could that string then be placed in an auction.

That is - that was the question I thought was being asked. And that is specific to a request for support that was denied. That was what I thought the auction was about.

Man: Carlton, if I could say something, I think - I got in the queue because I think I can - I'd like to clarify at least my interpretation of Cintra's point which actually accidentally conglomerates two different points which I think needs to be detailed separately, one of which is directly relevant to the purpose of the questions we need to give to Karla to give to staff. And that is a breakdown of the processes to approve, broken down by the various stages.

If we are to advance the point that rather than paying everything up front to then applying for refunds we should then go to (unintelligible) instead whereby people pay for the various stages as the stages are applied then it is worth our while to make a request and find out what are the real-time expenses of ICANN for each of those stages so we can find out how to break down the final fee to the applicant based on the stages they go through. To me that's a very different issue of what happens if they can't pay.

Carlton Samuels: Yes. And that is already in the - that is - that question is already on the board. Yes.

Man: So the issue of what if they can't pay - and I think it's only until - it's only at that point that even the word auction comes up.

Carlton Samuels: Yes. And that's what I thought. If they - if you can't - let us assume that you're going and you'll get from cost reduction or whatever it is that we're going to make it affordable. But even after that if they can't pay would the string then be subject to an auction process? That's the question that I thought was being asked.

Cintra Sooknanan: No. That is my point. I'm sorry if it didn't come across as that. But auctions never come into play if an applicant can pay. It's just applying the auction concept from this (unintelligible) to this aspect.

Carlton Samuels: Oh. Well I am not so sure that that is for applicant support. That would be - I'm not sure what that would do for applicant support.

Evan Leibovitch: Carlton, this is Evan again. Certainly there must be some kind of reference in the application guidebook of what happens if an application or an applicant fails or does not follow through once having submitted the application. That's...

Carlton Samuels: Right.

Evan Leibovitch: Probably beyond what we need to detail here.

Carlton Samuels: Okay.

Rafik Dammak: Okay. We have quite long queue of people who want to comment. So...

Carlton Samuels: Andrew...

Rafik Dammak: Not...

Carlton Samuels: Next in the queue.

Rafik Dammak: Yeah. We have Andrew and then Eric. And then just to remind people that...

Carlton Samuels: No.

Rafik Dammak: We cannot...

Carlton Samuels: It's Andrew, Elaine and then Eric and Alan.

Rafik Dammak: Yeah. Okay. Andrew, please go ahead.

Andrew Mack: Okay. Thanks, Rafik. I guess two and a half quick points.

The first one is I was wondering whether we ever moved forward with Cintra's idea of insurance and whether that - whether that's something that we want to try to work into a question. It strikes me as an awfully good idea given that this is the way that we would approach a lot of risk management in the rest of the world.

The second thing is related to the costs of additional scripts. If we decide for communities to go with a - an idea of packaging, a piece of - a crucial piece of information that we do not now have is what would be the additive technical cost if we wanted to have a packaged

application just the cost of doing the additional IDN scripts. And I think that that would be meaningful for us to have.

And then the last question or it's maybe a comment is about the issue of whether we are going to do - whether we're - we were real - at one point in time looking at - or we were proposing cost reductions and then we got back some response that said no, ICANN wants to do this in terms of a (unintelligible) foundation.

And I would just throw forward the idea that it may actually - we certainly want cost reductions no matter what, but it may also be a - of a real value to our intended audience to have some sort of a support foundation or some sort of a support fund in addition.

Just because everything, it strikes me, is going to be more expensive than we expect and that it very much isn't a level playing field. And finding the kinds of technical skills that are going to be necessary to help people especially in the small language groups is going to be very, very - my guess is it's going to be very costly. So having both a fund as well as cost reductions is really my recommendation.

Thanks. All that makes sense?

Rafik Dammak: Yeah. Thanks, Andrew. So Elaine?

Elaine Pruis: Yes. Thank you. Just a couple of things about this auction discussion. I thought according to the guidebook any mention of auction was in regards to when you came to a contention set. So any discussion we've had in our working group about auctions has been around using

any funds from auction proceeds for the applicant to help them financially.

So what I'm hearing now is there's - you guys are talking about auctioning off a - an application slot if the needy applicant has a problem. If that's correct I think that's a brand new concept that we haven't discussed up to this point. And I don't know if you - if that's the intention or not.

The second thing about that is if you're talking about the needy applicants paying as they go I see the immediate problem with pushing that as a major resolution to our problem in that I can just imagine the reply is going to be well we really don't know what it costs until we go through this once. And then, you know, second round will be that we'll say exactly how much it costs to pay as you go. We'll know exactly how much the new geographical panel is going to charge in order to determine if this is actually a geographical name or not.

So if we're going to really push pay as you go I think we need to carefully craft that argument to avoid being pushed into the second round. Thanks.

Rafik Dammak: Thank you, Elaine. So Eric?

Eric Brunner-Williams: Rafik, Eric Brunner-Williams...

Rafik Dammak: Yeah, please.

Eric Brunner-Williams: For the record. Responding to the - commenting on the issue of auctions of applications for a string for applicants who are - have not

managed to make their payment, I want to point out that we appear to have two scenarios.

One is pay in advance, which case the problem doesn't arise unless additional costs other than the base fee are incurred by the applicant such as extended review or all - any of the other scheduled fees which are smaller and are also offset in time and the applicant has on the order of two years to pay them to complete the process before it (unintelligible) the DAG currently.

The other scenario which is pay as you go I concur with Elaine. This argument needs to be crafted carefully so that there is no pushback or so that pushback doesn't have any real basis and on.

But here again the condition of failure can arise for on the order of two years after the application is made. So I don't think that we're...

Carlton Samuels: Eric just dropped off.

Rafik Dammak: I see. So okay. So okay, Eric asked that we save the shot. In meantime Alan, please go ahead.

Alan Greenberg: Thank you. I already put in the chat what I was going to say regarding auctions on...

Carlton Samuels: Well and that sort of question I can...

Alan Greenberg: Applications that didn't go forward. I think it's an issue of adding insult to injury. And I don't even want to go anywhere near there.

But I'd like to back out a little bit. We're trying to get the final - some final things ready both for Singapore and for a final report. This is not the time to be talking about new concepts unless the concept is so compelling and so important that we've forgotten all along and we cannot survive without addressing it. There are going to be a few of those I'm sure.

But to come up with new concepts at this point that we haven't even discussed I think is - we've, you know, we've now spent a half a call on this or a fraction of it. And I think it's just dead wrong. I think we need to get back to the business we're doing.

I'm sure we'll all come up with new ideas that we should of thought of earlier that would be nice to explore, we just don't have the luxury of the time to do that. So I think we need to stay focused at this point.

On this particular subject, it's going to be difficult enough if we suggest staggered payments for ICANN to somehow manage that payment stream and have reasonable results if people are a little bit late in paying it, and things like that. It's going to be a difficult process, let's not make it any more complex.

And lastly, in terms of foundation of the things I think we want to make - we have made a recommendation several times now that, if there are funds from windfall profits from auctions or things like that, we would like to see part of that go into support of disadvantaged detail to applicants. I don't think we need to say any more than that. Thank you.

Man: Have I dropped off here, or is everyone else just quiet?

Man: So it was just in mute. Thank you. (Unintelligible) to stay focused and we don't have so much time but anyway, (Eric) is on the call or not?

Man: No, he dropped off. Can I ask a question? There are two issues that came up from the question that Andrew asked, and (Centro). One of them is a question of insurance, and the other -- which has been around for a little while -- and the other one is the question of bonded fees, that has been around for a little while. Is possible to hear some kind of response, or some kind of reaction to that?

Man: Yes Karla. Karla's hand is up and Elaine is up. Let - Karla, could you go first?

Karla Valente: Sure, I just wanted - I tied some things under the financial - under the Notes, and I just wanted confirmation from you and Rafik, if what is there is what the group wants, is there anything else that needs to be changed or augmented? Can you please take a look and let me know? Thank you.

Rafik Dammak: Well what I see there is what I think is last on the list. I was asking if you had captured the questions from Andrew about the insurance and about the additional cost, if you had more than one application, what is the extra cost? Outline the extra costings (sic).

Karla Valente: For IDing if it was going to be...

Man: For IDing, those facts -- thank you (Jesmine) -- that those were the other two hours, I was just hoping that you'd capture.

Karla Valente: Yes, I did not write them down. Andrew would you be so kind as to put them in the chest so I can add them?

Andrew Mack: Sure.

Karla Valente: Thank you.

Man: Elaine, (Rapekan's) here, so I'm just calling for him.

Man: Okay, Elaine, please go ahead.

Elaine Pruis: Thank you. So Carlton, you just asked for some input on the concept of adding bundling language to our report, or, is that what you're asking?

Carlton Samuels: Well I'm not to add to the report -- I'm asking if there was of response that anybody wanted to make to that issue of the bundling cost that Andrew brought up. It's been around for a little while, I was hoping that you would probably have a...

Elaine Pruis: Yes, it's been around for a while, and it's been debated for -- well, we're moving on more than a year, at least -- and it's never really had consensus, because the concept is that one would apply for a string and then get reduced fees for a second or a third string in a different script. So the problem there is -- and we're not even getting that for the regular applicants in the guidebook -- you might see in the new redline version that came out yesterday that, you can go ahead and note what you might have, but you're not going to get any special treatment for that.

So I really think it's again a distraction from what we're trying to do, which is to get a needy applicant with a public benefit to enable to get a new gTLD. And I think if you're asking to get reduced fees for multiple new variance of the single gTLD, I think it weakens the case.

Carlton Samuels: Okay. Rafik, Andrew's hand is up.

Rafik Dammak: So Carlton, can you please take the lead -- I'm not able now to continue sharing, please?

Carlton Samuels: Okay, all right. So what's on the table is - well there's two things. Andrew, you need to put the questions you asked in the chest, so that Karla can transcribe them.

Andrew Mack: Right.

Carlton Samuels: So, and then, can you just come on, you have the floor.

Andrew Mack: Yes, really quickly -- Karla I didn't put those things in the chest because I was listening to Elaine and wanted to respond. I understand what you're saying Elaine, I think the - generally speaking that the benefit outweighs the limited risk.

But really, what I was asking for at this stage was just a clarification. As we were asking for data -- and I don't think that should be a problem for us -- as we were asking for data, one of the questions that we need to get clarity on is, as part of our - as we're looking at the drilled-down breakout of the cost, what would be the cost of adding a - what would be the cost of - if we were to go forward with some sort of a package

pricing or a bundling kind of scenario, what would be the additional cost - actual cost - technical cost to ICANN?

I think that that's meaningful in terms of determining whether or not is it doable or not doable, and if we were asking for ICANN to get us in permission in other areas, I think that that makes sense. I know that there's been some up-and-down as to, you know, whether or not this is going to be helpful or not in our long-term. We tried to back off, but I still think we'd like very much to, at the very minimum, get the data so that we know what we're talking about. That's all. And I'll write my questions in the chat just now. Thanks.

Carlton Samuels: Thank you Andrew. Eric, you're up Sir.

Eric Brunner-Williams: Thank you Carlton. Eric Brunner-Williams, for the record. A response to Andrew's question, as the current model in each application is evaluated independently, without altering that basic model ICANN's mass response must be that the cost for going an IDN application, the incremental cost, is the base fee -- it is \$185,000.

I don't think that it's prudent for our working group to attempt to force ICANN to create an answer, which is of general benefit for applicants to multiple string. I sit somewhere between Elaine and Andrew on this question. Thank you very much.

Carlton Samuels: Thank you Eric. Alan, you're up Sir.

Alan Greenberg: Thank you. I tend to be the naysayer calls recently, and I'm going to continue it. We've gotten answers, and I've sat through innumerable ID errors, ugTLD sessions for 4 1/2 years now. We have gotten the

answers to the question that was just raised, and I'm afraid I disagree with Eric -- that isn't the question -- that isn't the answer.

The 185,000 was composed of a number of pieces, a large part of which is an average that was created out of a complex process to try to understand what the average price would be, given that the cost of evaluating applications and processing applications will invariably be different. ICANN understood that there will be some TLDs that will have multiple variance, and they are assuming that yes, those will be applicable to projects -- am I still online?

Man: Yes.

Alan Greenberg: Okay. Others will be more expensive. The 185,000, to a large extent, was an average based on the concept that they wanted - or conviction that they wanted to charge a single price for the base application. If there was never an assumption that every application was going to cost 185,000, there's assumptions that it will be variable, depending on the outcomes, and the number was the best they could come up with -- like it or not -- for what that average should be, to try to cover their overall cost.

So, the fact that some applications will be cheaper was understood from day one and other applications would be more expensive than 185, and they averaged out. Now, exactly what numbers they used to say what percentage of them would have had multiple IDNs, and therefore be cheaper, is part of the calculation. I'm not privy to that to get those kinds of answers out, it is the input into this fiscal analysis. But, you know, the 185 was always deemed to be an average, and let's not pretend otherwise. Thank you.

Cheryl Langdon-Orr: Cheryl Langdon-Orr here, while Carlton is reconnecting - or being reconnected. Eric, do you want to go ahead?

Eric Brunner-Williams: Thank you Cheryl. Thank you Alan for spending five minutes telling us that. The point is, either the applications are judged independently by ICANN, in which case the price is unchanged, or ICANN (unintelligible), because we've asked them to, to treat applications dependently upon each other, and therefore arrive at the incremental cost of a second string from the same applicant. Thank you very much for your time.

Cheryl Langdon-Orr: Carlton, are you back on the call yet? Rafik, are you able to take care of the chairing again, until Carlton gets back on?

Woman: There is no other hand on the...

Woman: Carol, Carlton should be on the call, he's not sharing that he' off.

Woman: Okay.

Woman: Hello?

Woman: Carol? I can't assume that neither Rafik or Carlton are able to hear.

Karla Valente: Yes. Andrew, thank you for your questions. This is Karla speaking for the record. Thank you for your questions. I am asking that - I am putting them in the notes for you to see.

Andrew Mack: Thanks, I'm still typing on the second one. My apologies, I'm just listening and typing at the same time -- I'm slow at that.

Karla Valente: Okay, if I could ask the group to take a look at what we have there in the notes and let me know if this (unintelligible) and this is correct and what you want. That will be (all), thank you.

Rafik Dammak: Okay, sorry.

Man: ...call him back.

Rafik Dammak: Sorry, I just came back now - traffic. I'm sorry, I had to go for a few minutes. Okay, so any questions for Karla?

Evan Leibovitch: Rafik, this is Evan. I mean, I put up a whole bunch of questions on email. They haven't been discussed here, I'm basically trying - the question was put up - Karla said that staff has come back and said that they need more detail -- that the questions that we've given so far have been too vague and have thus brought back vague answers.

They need something more specific, in email, I put up questions that I thought would be useful to send that would give more detail and I really thought that part of the point of this call was to flush out a more complete set of detailed questions that we would be forwarding.

Rafik Dammak: Yes, if on the 12th of the target, so, that's why we had those financial and legal questions. But I think that we spent time on the financial parts. So if there is no - any comment now, we should move to the legal questions that you suggested in the (unintelligible).

And, thank you for replying when I asked you to about clarification. So, let's discuss them know. We may extend, maybe for ten minutes to allow more discussion about this. So, Karla can you please put - if any questions (and reconnect)?

Karla Valente: Yes, I'm going through many of them, trying to find which one of those you want. So give me a minute, please.

Rafik Dammak: So Evan, can you - when Karla put the question, if you want to introduce (unintelligible) and just giving some clarification about that? Does this make sense for you?

Evan Leibovitch: Okay, okay. Karla, for specifics it was sent two days ago on May 29th. The subject was part of the thread (Gateway's) in on (MR2), and it's I think the fourth mail in the thread. I mean I can paste it right now if that would help, but I can't put it into the window - I can put it into the chest.

Woman: That would help Evan, because that way Karla has access and she can jump it up, or Carlton or...

Evan Leibovitch: Okay, I just did, unfortunately it took out all my line breaks.

Woman: Someone else will (fill that).

Man: And since I posted that, others have added useful detail in additions to that, and I basically thought that was most of the point of this call.

Karla Valente: Yes, so Alan this is Karla and I have this in mail, the fourth one, that come on Sunday which is 1212 that was sent. I'd like to start a brief discussion on and on...

Man: Well, there's four down. The email that I'm thinking of says, "Hi Rafik, I agree that we should give Karla a more detailed request." That's how that email starts. And then there's six bullet points underneath, which I've reproduced in the chest.

Karla Valente: Exactly, and that's the one that I posted on the notes.

Woman: So, we're not seeing that one.

Man: No.

Man: Well, I have a more peculiar problem. All of the sudden I think I've been kicked off the list, so I'm not getting any lists in my mailbox. I don't know why -- I've asked for clarification on that. But I got the email forwarded to me by someone else and that's not the email.

Man: Evan can you do a quick cut and paste?

Evan Leibovitch: I've tried to do in the chest -- it screwed up my formatting and I've just emailed it to you.

Man: Okay.

Woman: Yes, I just want to know, I am putting those things in the notes above the chest. Can you see them?

Woman: Nope, we have nothing under legal. We have bullet points under financial, and nothing under legal.

Woman: That's correct. So the bullet points under financial are the ones that I took from the email that Evan mentioned, and I have nothing under legal yet.

Woman: What (unintelligible) Karla?

Woman: Okay, so...

Cheryl Langdon-Orr: Why are we doing this if -- we've now reiterated three times, including getting Evan to reproduce it while he's already in the notes -- I am despairing at what we're doing on this call?

Man: That's not what I was asked to do. There was a question - a legal question that was sent, and I'm trying to find it. That was the one, I think, was being requested. That was what Rafik was requesting.

Woman: (Unintelligible) legal, yes...

Man: Yes, that's what I think Rafik was requesting. And there was actually one. Now I can't get into the email.

Man: Forgive me for sharing Cheryl's confusion and total frustration with this. I thought when I saw the agenda, I thought a list of questions was one of the main things of this and that the questions that have been put forward in the mailing list would have been put forward for discussion. In the meantime, we've talked about just about everything but...

Woman: So, while one person looks for that legal question, why don't we look at the other questions that are already posted and talk about those?

Man: In the four minutes we have left?

Woman: Yes, why not?

Rafik Dammak: Okay, so I'm sorry for that. I saw that I asked up or both financial and legal question that it's clear on the agenda but we spent all time with the financial part, I'm sorry for Cheryl and (unintelligible) frustration, but...

Man: Sorry Rafik, I don't even think we've dealt with the financial issue. All of the questions that I've posted are financial ones and not legal. You say we've covered that, but I would respectfully disagree.

Rafik Dammak: Sorry.

Woman: Actually, I - all of these questions multiple times over the year. I don't see a new question there, except for the insurance question.

Man: Can I just make an intervention here? My understanding of what was going to happen is that we - these are questions for which the respondents that they have more detail information from staff. So what was being done here was to ensure that all the questions that folks in this work group wanted specific information provided by the staff would have been included.

They are quite right lane, some of these questions have been on the left and have been around for a long time. And the issue is, with the exception of the insurance question, so the issue is, can we agreed that these questions are still the ones that people think need more

detailed answers from staff? That is what I understand to be the objective.

Man: And the other thing Elaine, is it's one thing to say that we've asked the questions many times, and maybe one of these days we'll actually get answers to them. So, that's also the point of this exercise is if we have to keep stating the questions until we get a good answer for them, then maybe that's what we have to do.

Woman: So I'm wondering what is -- with the ultimate objective here -- if we ask this question and we keep getting an answer we don't like...

Man: It's not an answer we don't like, it's that it's an insufficient answer. And we've been charged to do something here. In order for us to do this, we have to have proper good input information for us to give the calculations and details that have been asked of us. So we have been asked to provide detail, to expand on those things that we put out in (Milestone Report 2). In order to do that, we need some extra additional information -detailed information. And as long as staff refuses us - to do that for us, then we are incapable of suitably doing the task that has been given to us. It's as simple as that.

Woman: And I would suggest that perhaps the problem is, we're not accepting the staff's assumption that there's a base fee taken on historical reasons. And if we keep asking them to break this apart, and they can't really break it apart, then...

Man: If they can't break it apart, then they've been guessing. And I want to find out why - if they're not guessing, I want to find out what they use to generate their number. So one of two things has happened. Either

they've used a dart board or they've used a calculation and a set of assumptions. If they've used the dart board, fine, have them say so. If they've be used a set of assumptions and calculations based on those, I want to know them. That is not too much to ask, and that's a very direct question.

Woman: We should send around an email that has a couple of documents that...

Rafik Dammak: Okay, I'm sorry to interrupt. I don't think that you have - I'm sorry to interrupt - I don't think that in such a way that we need to have this discussion, only between two people. Okay, I understand there is some frustration of this call, and there's some complaints -- maybe it's wasting our time, if we don't need those questions. I understand it goes when I'm not remembering Friday or Sunday, you may ask it for - on the call asking for specific support from staff and also specific questions.

And we started discussing about and then we have the, from Karla, question that we need to make them more direct, so that we can pass them to the staff about the (unintelligible) financial and legal issues. That's why I felt that we need in this call, to work on them, to have this question here, direct and carrying out for the staff so that we can get (unintelligible). I am sorry that it seems it doesn't work and we didn't reach the goals to have those questions ready.

Okay. I am sorry that you are always complaining about the (unintelligible) how is managing fees - I am sorry for you, but it is sometimes it's also (unintelligible), but I have (Shasha) complain every

time. I'm sorry to be so not (unintelligible), politically correct this time, but I'm sorry for every body on this call.

(Kathryn), can you please take the share, I want to -- I'm going , please.

Man:

Okay Rafik if that's (cavalier) or no. Can I just say one thing about the Karla asked the question what was the legal question that was asked. In the e-mail that was sent out, and I can't get unto my e-mail, so I can't find it, but forward it to me because I'm not on the list for some reason. The question was, there would have been a component of cost associated with legal work, and the question was towards, "What would that be?"

And to outline the amount of legal work that would have been contemplated for this exercise and I think that was the central thing behind the question as I read. I can't remember exactly what because it was several Posts and it was forwarded to me. That was the question, there was a question about the cost of legal work and the nature of the legal work that is associated with the exercise.

That was the first thing. Somebody (unintelligible), setting up a phone and all that. I think it was (unintelligible), I don't think it was important to us to ask that question because 501C Organization - the cost of the 501C Organization. I just think that we don't need to know that. I think , you know, that it is one of the things that we would respond - respond to the requirement for support, then it was assumed that somebody confident set up a 501C Organization.

Woman: Thank you for that. So adding to the financial or, you know, adding to the financial and looking at it what is the cost and nature of the legal work and what is the cost?

Man: Yes, the assumption was that there was some legal work and they wanted to know what was the cost that was assigned to that legal work. And then secondly, the nature of the legal work. I don't see any hands. Can I just kind of pull this together. If you look in the Notes window, there are a list of questions for which the principle draft of the statement asks for clarification. It is important for them to have those questions clarified because it speaks to the detail that is required to justify the prices or the cost reduction that are contained in the document.

Man: (Unintelligible). If people can't think of any other piece that they can put in that line to clarify it, those issues please do. If we add the cost, the issue about the legal question, I think most of it is about cost, then you can do that as well. This is what it is.

Man: Just before I called a call to an end, is there any other question? Is there any comment?

Man: Hello, hello?

Man: Yes?

Man: Yes, (unintelligible) I've been mute all along. But I just wanted to observe and listen and learn and I must say thank you very much to all of you. It's been a wonderful meeting, I really enjoyed listening and I (unintelligible) appreciation more respect for the work that you do. So

please keep up the good work, and thank you very much for having me. Thanks.

Man: Thank you. I give it to you.

Man: Thank you.

Man: Okay, so there being no other questions. No other clarify and the financial or legal question, I'm going to ask Karla to document the question and if you would pass them through for a response from the staff at this time, I'm sure they will drafted up of the document some response along the lines of something that they can use to make the document that much clear. We appreciate it. Thank you all, I'm going to call this call to a close. Take care.

Man: Okay, thank you. Bye.

END