TRANSCRIPT

Finance Working Group Meeting Buenos Aires
17 November 2013

Attendees:

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Eduardo Santoyo, .co
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Peter Van Roste, CENTR
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ICANN Staff:

Bart Boswinkel
Kristina Nordström
Gabriella Schittek

Byron Holland:	Good afternoon, everybody. Let's get going. Welcome back to the Finance Working Group, Sunday afternoon meeting. Thank you for all finding your way to the 24th floor. Although we're not in the convention center, we've certainly been rewarded with an absolutely spectacular view.
	So I sent meeting materials out. I didn't have any feedback or suggestions for the agenda, so we'll work with the agenda here. And just a note that on Friday afternoon when I got in to Buenos Aires, I did receive the letter from Fadi which so fortunately I'll actually be able to share the letter with this group today.
	We'll probably want to keep that within the group for today or until we actually present on Tuesday morning to the broader ccNSO. So I'd just ask you to respect that and not have it leak out in drifts and drafts. We'll just give it to everybody simultaneously Tuesday morning at the point when we report it to the ccNSO.
Kristina Nordstrom:	This is Kristina, I would just like to remind everybody to say your name before you speak for transcription purposes. Thank you.

Byron Holland:	Okay, my name is Byron Holland.
Roelof Meijer:	My name is Roelof Meijer. Byron, how do you intend to do that? Do you want to send that letter out before the meeting or during your session or after the meeting? Or do you want to put it on the screen?
Byron Holland:	I'm just going to hide it and tell people about it. No, my intent was to put it up on the screen and just highlight the key points which will be consistent with the work that we have done in terms of it speaks to, we'll get into it, but it speaks to the framework, the work that's been done, the dollar amount, and not have us read it, but I'll highlight the key points and then make it publicly available immediately after.
	So with that, again, welcome everybody. We will go forward with this agenda. The first point that I would like to speak about is the webinars, which we held a couple of webinars two or three weeks ago. Some of you were on the webinars. We held them at different times to try to be as available or accessible to as many people as possible, so basically they were held at my time, 8:00 in the morning, 8:00 at night, so that as much as possible we made it easy for people to participate in. The turnout was light, certainly lighter than I had hoped. On the other hand, we did have folks who were from outside the community as well as some who are inside that participated. They were recorded and made available to anybody. And amazingly enough, I just had lunch with somebody who is not in our community who said I listened to your webinar recording. So I was like, wow, that must be the only person. But anyway, other people were paying attention as well certainly.
	So they weren't as populated as I think we all would have liked, but as far as process goes, they were public, they were open to everybody, both within and outside our community. And I think as part of coming to conclusion here, the process piece is important. So that concludes item number 2 unless there are any questions or comments. Peter?
Peter Van Roste:	My name is Peter Van Roste. Was there any opposition against the proposed guidelines?
Byron Holland:	No. There wasn't opposition in the webinars. There were certainly questions of clarification and understanding, but there wasn't any what I would call outright opposition to it, no. And part of what I'd also like to get out of today is, in your conversations with the folks that you're close to in and around the community, what have you been hearing and are there any friction points that we'll need to address as we go into Tuesday morning?
	As we go into I think item number 4, and I'll also do a comparison of previous and current, so we can see where changes have been made, then we can speak to them specifically. So in terms of the proposed letter, this shows where I am a PC, not a Mac person. Oh, that worked.
Unidentified Participant:	Byron? The fact that you call it a proposed letter, does it mean that we can still tell ICANN not to write it?
Byron Holland:	Thank you for clarifying my turn of phrase. The letter that ICANN has written to us. So this just came in. I will send it to all of you. And I don't suggest that we read it word by word right here. I don't think that that is a valuable use of our time. But if I could pull on the key threads here, if you can see where the cursor is, it speaks to the notion of value based or value exchange model. So something that we have certainly fought hard to have ICANN acknowledge, it is acknowledged here in print by them. And that conceptual

approach that underpins the arrangement and the framework that we've worked towards and speaks to the future of cooperation and collaboration between ICANN and our organization.

In this next paragraph, it agrees with, I don't know if you can see it here, the number of $3.5 million which, as you all well know, is the number that we have concluded on in terms of specific and shared expenses. So from ICANN's standpoint, those are the key elements, the value exchange model and the actual dollar value associated with it. It does recognize that we are working internally within the community to then fairly and reasonably distribute the payment.

So it also says nice things about strengthening the multi-stakeholder model, being true partners, says all the what I would say are the right words. And certainly in the discussions I've had with Fadi and Xavier and that we have had as a group, I believe these to be true and not just words on a page. They are looking to turn the page, get this framework in place, and put it behind us for many years to come. So they also acknowledge that the goal is that this would be up to a ten-year deal. It's five years to start with, but essentially with a renewing option without much fuss or change. Unless of course we decide we want to do that five years from now. But I'm sure some of us, many of us will still be around and suggest that we should not reopen it in five years.

So yes, Bart?

Bart Boswinkel: I think what is important for this group and also will be important for the conversation on Tuesday, if you scroll, there is specific reference to the voluntary financial contribution. So the acknowledgement of the voluntary nature of the contribution in this letter from Fadi as well.

Byron Holland: Yes, good point. So in terms of -- and obviously Bart had some influence into shaping and crafting this letter along with the fundamental themes that we've all worked up, but I think the letter itself has everything that we have asked for. And really puts some meat on the bone around those key themes as well as making very explicit that it is coming from the CEO Of ICANN and recognizing A) it's voluntary, and B) the exchange of value, which I think are probably the most critical things, and the number that falls out of that. But those really are the critical elements and it's publicly available so all communities, our community certainly for one, but all of the other constituency groups will see this as well and see ICANN's commitment to this. Bart?

Bart Boswinkel: And I think that's, not so much for this group, but for the external groups, what is important also, the acknowledgement that the CCs make a huge contribution to the global multi-stakeholder model. That's in one of the annexes as we've discussed in this group as well, so the global part of the exchange value is called even for that reason. So this letter reflects that point as well, so it's -- excuse me, draft final report as well.

Byron Holland: Peter?

Peter Van Roste: Peter Van Roste. One thing that might be in there, but I didn't see it, is the assurance that we got from Xavier that there are not any moving targets so that the numbers are there to stay. I can't remember his exact words, but on a number of occasions he basically said that the total cost assigned to ccTLDs would not increase over the next years. And that might be something that's important as well for some of the CCs that are willing to step into this model, knowing that their contribution will actually help us to close that gap and that gap will not widen because of additional expenditures.

Byron Holland: If there are annexes, which are generally based on documents you've already seen, this puts some substance around the notion of what is the value exchange. But then I think

Annex # -- I think this will, as much as possible, speak to the issue that you've raised. It sets I think a clear framework in that there are specific costs that are identified right here as well as acknowledges that there are some shared costs. The $3.5 million number is a number that ICANN has put in print here. I think it's up to us and in part I suppose the SOP to make sure that we, as a community, don't start to make changes to the specifics. And if we do, that we're conscious about them. So we still have the opportunity to impact what these numbers are, but as far as I'm concerned, from ICANN's standpoint they've identified the number as $3.5 million, which shouldn't change.

However, like I say, in the budgeting process, there are opportunities to ask for different things. We as a community have not typically asked for additional, but if the community in years hence came back and said we want X, then I think we should have an expectation that if it's specific to us and we ask for us, that there would be a cost associated with it. Does that answer your question?

Peter Van Roste: Yes, it answers the question as in it's not specifically in there. Does that make it feel more comfortable for me personally? No. Because for half of the $3.5 million we never asked in the first place, so following that logic, we might end up with an increase. But I'm assured by Xavier's commitments in that order. But it would be nice if he'd reflect it in the letter. But if that's not possible, then --

Byron Holland: I don't think it's possible to say we will pay $3.5 million forever and all time and that number will never change. I don't think that's realistic. I mean we now -- when we started negotiating this, we were under, I think we were under 100 members. Now we're 143. I mean the room, ICANN meetings alone, has a different cost specifically attributed to us. So I think that we have boxed it in as much as possible while recognizing ICANN may incur more or different costs associated with supporting us. But they've been very specifically identified here and there's no additional flexibility in what can be identified against us. But if we go from a meeting room that used to have to hold 50 people and now it has to hold 100 people, then yes, I personally view it, yes, it should change. But we're talking at the margin, because the key items have been identified.

Any other comments or questions on that? Vika?

Vika Mpisane: I think it's a good report -- my question is maybe more on the principle of the subtle things mentioned between ICANN and the ccTLDs over and above what is seen here. In the final report for the potential spend out, especially the part that the value created here is not just on the value of ICANN for the ccTLDs. The value is also the value that ccTLDs may or may not quantify for the ICANN stakeholder model, especially in the local communities where (inaudible) government, especially my government who said, (inaudible) this TLD has taken it upon itself to get into a community, (inaudible) multi stakeholder model. That in itself is a very valuable add to ICANN that we do not necessarily quantify. So I think just as a side comment, a principle, we can make it in this report that we also see some values where we contribute that is not quantified to the ICANN multi stakeholder model. Thanks.

Byron Holland: Thanks, Vika. And I think to some degree we do try to capture that notion. I know this is a long room and small print, so even with glasses I'm straining to see this a bit, but what is captured here hopefully captures the spirit of your comments. And it's actually in the annex, in the letter, so when we publish this to the whole world, to all the communities and constituencies, this notion will be made much more clear and explicit. And I think it will speak to the essence of your comment. Lise?

Lise Fuhr: I just want to support -- Lisa Fuhr from .pk, I'm sorry. I just want to support Peter's remark that it would have been nice to have this what do you say, view from ICANN, that they don't want to raise the costs in the years to come. Because of course if we have a

bigger room, but we also have to contribute to the board, to the ICANN board and other things that I would really have a hard time if those costs go up. And I know that we have it from Xavier that there's no plans of having costs being bigger in the next couple of years, but to me it is a very important signal to give to the community. Because we've fought a lot to get these numbers and we haven't gone into the details if the numbers were fair or not because we just said we trust they are fair. But then I would like to have the trust the other way as saying, or from Fadi or Xavier saying we don't plan to have costs raise.

Byron Holland: So let's press on that one a little bit. This will be a five year term. In the last two years we've seen our body increase by let's say 30%, 35%. Given that this is close to a business deal that we're doing with another organization, is it fair or reasonable to pin them down and say you will not charge us another dollar and you're going to put that in writing even though we continue to change and the requirements we may impose. Like how would you see trying to reconcile those?

Lise Fuhr: Lise Fuhr again. I'm not saying that they're not allowed to raise any of the costs. I just say they have no plans on doing it. Well -- but like the meeting rooms, it's not the 20 or 25 more people that cost extra. What costs is if we have to have a person more supporting ccNSO or if we wanted another board member or whatever. We're not going to have that. But in my opinion I think it's just a signal to give and it's not a promise that can't be -- but for me it's that they say we don't plan on having costs raise.

Byron Holland: Peter then Bart.

Peter Van Roste: It's just my view, but also on your question how to reconcile those two issues, I noticed on Twitter that Fadi apparently this morning made a speech or gave a speech that included a bit on making ICANN smaller. And that might tie in nicely with that message. Which that's what this report probably answers that question as well.

Byron Holland: Okay, thank you. Bart, did you have your hand up? No? Okay, so Lise, I don't want you to think that I'm insensitive to your point of view here. I am. The question is, how do we reconcile that we're trying to create guidelines and frameworks, not necessarily specific commitment? Because there is a danger to that that it goes both ways. What I would suggest, because I take your point and I think it's a good point, it's not specifically identified in the letter, though the number is specifically identified in their letter. Perhaps what we can do, because Xavier will be participating in the Tuesday morning meeting, the ccNSO, he's going to speak to the key themes which we've just discussed here. And Xavier is going to have a small slot and short time just to give credence. I know that may seem unlikely, but honestly he is. And he, just to give credence and say in public to all of us, these are the themes, ICANN is behind them, and you have our commitment. Essentially that is what his role will be Tuesday morning. Obviously it's minuted, it's webcast, there will be 100 people in the audience who will remember it. Perhaps what we can do there is get him to make that commitment which, to your point is, and there are no plans to -- okay, so we should take that, I'll take that away to try to get Xavier's commitment to state that explicitly not just implicitly. Lise?

Lise Fuhr: I think it's a good idea. It's not -- I don't think we need to carve it in stone, but for me it's very important that they kind of signal that they have no plans of it.

Byron Holland: Duly noted. Okay. Any further comments or questions about the letter? I know you haven't have the opportunity to read it. It will go out immediately following this. If not, we will move on. Maybe. So I have the draft final report that was sent out to you last week. It refines and takes the input from what we heard in Durban and I think works it in and weaves it in. I didn't hear any feedback from anybody, so not that I would dare take silence as consent, but I did take it as there wasn't anything in there that was particularly

offensive or misguided at the very least. And that it was consistent with the work that we've done this far as well as the input that we heard in Durban.

So again, without walking through it on a page by page, page flip basis, the key elements are there in terms of setting the context. Because again, this will be made public, so it clearly is for our own constituency, but it is also very much for the external constituencies. So it's important that there was background and context to give life to the 2.5 years of work that we've done. It speaks very specifically about the value exchange model, because I think that is something that while we have been talking about it and have internalized what that means, it will be a novel concept to many people outside of our constituency. So we did take some effort in explaining that as well as the contribution methods and models that were available to us. So I think as a document as a package, that if you put this in the hands of somebody who has never been exposed to the issue before, or only has a very most cursory understanding of it, my goal is to create a package out of the work that we've done that could absolutely stand on its own and somebody could read it and come away understanding how we've arrived at where we've arrived to and that it's logical and rational. I believe that this document does that. Roelof?

Roelof Meijer: Two comments, Byron. One that I made before and I think it worked in the sense that you didn't put it in the PowerPoint slides that you sent with this document, but in Appendix 4, you still have the far right column that mentions contribution if only current CCs pay. And I wonder if it's a good idea to put that column in, because it might be interpreted as the suggestion that that will be an agreeable outcome. That only the currently paying CCs increase, if relevant, their contribution. And those who do not pay at the moment just continue not to pay. So I don't know what the real purpose of that column is, but it might be misinterpreted, that's my point.

Byron Holland: That's certainly a fair point. It is something that I think we have struggled with and I know that I struggled with value of having that there. Part of the value is internal. It's reminding people that if we the community don't all step up, this is what happens and we don't achieve our target. So that's the rationale. But I also take your point. Those are the competing reasons to have or not have it in. I have to say I'm not wedded to it, because I did struggle with should it be there or not, but I did come down on the side of it does make a point internally when we speak to ourselves about participating or those who are not participating. Allan?

Allan MacGillivray: This is Allan McGillivray. I just wanted to make the point that if we take the column off, you show the $4 million figure. And a lot of outsiders might not appreciate the fact that not all CCs are actually contributing. So it could create a perceptual problem that the target amount was $3.5 million, but yet we have a regime that's going to produce $4 million. So the two columns, even though I take your point, Roelof, so that was trying to bracket it to say it's probably going to be somewhere in between that because of the fact that not all of them pay. So that's one of the issues.

Roelof Meijer: I get that. Let me be a bit more specific. It might be a good idea to put the column what the present contributions are and what the total vet is. But the suggestion that this might be a possible outcome, that's something that I have a problem with. Because I've repeatedly stated that if IANA is not going to increase its contribution, some of the registries that can pay and should pay still continue not to pay. So I think the risk that you run here is that you give a second signal that this could be an outcome. Those who are not paying continue not to pay, but those who are presently paying will increase their contribution to the level that's required. And it's still a lot better than before because we were at 1.9 and we will end up at 3. And I don't want to get the message across to those registries that can pay and are not, that they can just continue in that direction. That's my point.

Byron Holland:	Anybody else? Can others weigh in on this point? Any other thoughts? Let me ask, do you agree with Roelof's point? Pretty simple question. Should we strike this from the public facing one? Go ahead.
Eduardo Santoyo:	I agree with -- Eduardo Santoyo. I agree with Roelof's point. I guess that we are giving a message that is probably a wrong message that people who is not paying can continue on this behavior. Which is not good for the process in the long term. And I completely understood that it's clear that we have here this internal analysis in our proposals, but it's not very good to keep it in the final report that will remain in the website for the four weeks of analysis and discussions in the future. That's mine.
Byron Holland:	Thank you.
Unidentified Participant:	I actually agree as well but I also think that I like Roelof's comments as well about putting the current contributions, or Allan's comment. I think it's important that people actually see that (inaudible) and that obviously they've got a responsibility they should get behind and actually raise their level of contributions as well. So I think something that's quite clearly states what the current level of those contributions is, that ICANN (inaudible) would be very good.
Byron Holland:	Thank you. Yes, Peter? Please go ahead.
Peter Van Roste:	Thanks, Byron. Peter Van Roste. What we are trying to do is managing the expectations from those that will be looking very carefully at what's happening with the CC contributions. But I support Roelof's points. We need to make, we need to be very clear towards the CCs that we are expecting them to live up to that expectation. But do we solve the problem if we drop the last column and we change the title of the contributions for the whole then to contribution for the whole if all CCs live up to this expectation? Or something along those lines so that we move the conditional to the ideological. Does that makes sense?
Byron Holland:	Thank you. I understand what you're saying. Any other comments or feedback?
Bart Boswinkel:	Byron, it's Bart. Maybe as a suggestion is to, as I think Eduardo said it, this was for internal purposes for the CC community and for discussion, and say there will be a final report of this working group going out first to the council for vote and then it will be posted and will remain there. So you could think of say maybe add one line in the final report of we discussed this. And then strike the column and create in the presentation on Tuesday, use this particular one. Because this was a concern raised, if all would pay, this would happen. So that's to say you have a bit of a two track process here. One for discussion purposes and one is for the final report.
Byron Holland:	That's a good suggestion, Bart. I think. It allows us to thread the needle because I take the point that Roelof has made and seems to have agreement here in the room. But it's still important for us to make the point that we have a target, but this is what's happening. And unless people modify their behavior, we won't get to the end goal. And I believe that that point needs to be made fairly robustly in the ccNSO meeting where our community is. Because it's not a bully pulpit that we occupy, but we need to make the point that there are many who are not going to, who are currently not helping us get to where we need to get to. So perhaps that is the way that in the discussion tomorrow, which is internally focused and not publicly available, although the public can sit in on our meetings, this is what we'll use to make that point. But the final report we can strike it. Allan?

Allan MacGillivray:	Allan MacGillivray. When you say strike it, are we talking about the whole table or the column?
Byron Holland:	In my mind, just the column.
Allan MacGillivray:	Because an option is to just drop the table.
Byron Holland:	No, I think the table has to be there. Just the column. Mary?
Mary Uduma:	Yes, I want to ask whether that column could be another slide to explain what will happen if people continue not to pay. So it will not be in this slide, it will be in a different slide when we discuss it tomorrow. Mary is my name.
Byron Holland:	Could you speak up? Say the same thing, just a little louder please.
Mary Uduma:	Mary is my name. And I'm saying that the last column could just be removed from this slide and use another slide that will make the point. I'm sure this last column in that slide will make the point that if people continue not to pay, this is what will happen.
Byron Holland:	Let me work with Allan tonight to rejig it. But I think in terms of process, I am going to want to make the point forcefully in the Tuesday morning meeting with the ccNSO. But that the publicly available final draft will not have the column on the right. And any of the text that's up there right now in terms of titles, we may fine-tune to reflect the absence of that column.

Okay, with that, I'm going to move on to the guidelines. So that's a final document, the guidelines of course inform that final document. But there were refinements made based on impact or input we had, primarily from the Durban session, but also subsequent to that and even as recently as the webinars, a little bit of what I would only call just fine-tuning. But we've taken the opportunity here to redline the changes to make it easier for you to see them. So again, we're not going to do a page flip per se, but just look at this is the Durban document and what has been changed since then. Which is only in the guidelines. Welcome, Mathieu. It's hard to sneak into this room.

I realize it doesn't right justify properly, but you can certainly get the essence of this so you can see what is in black has remained unchanged, what is in red has been added or changed. In this case, in these particular four bullet points, you can see that there was an addition of a principal which really focuses on the value exchange model in specific. And that it's been basically acknowledging that it's been developed cooperatively and in essence here making explicit that ICANN is agreeing to it and that it has been a discussion, not a monologue.

I think that was important to put in. We do have a couple of edits which just add some clarity in terms of the adoption, the first red bullet point there, again, just further clarity. No change in essence, just some additional detail. And this bullet is specific to the concern that as in any banded model, at a certain point as you hit the top of the band and go into the next one, just to be perfectly frank, people raised that issue as potentially penalizing them. Yesterday I had two less domains and tomorrow I have two more and all of a sudden those two domains cost me tens of thousands of dollars of contribution in the year. Which is as fair point. So we put some room in here. We created some space for people to recognize that as they trip through different bands, that there would be accommodation for them to move into the next payment band. And making sure that ICANN also was part of that in realizing that and had that conversation with Xavier and I think it's safe to say he didn't really like it, but he is accepting it. It was a bit of a bitter pill to add this particular point, but they have been accepting of it. |

And then the final bullet point here is making plain that this topic will be closed for at least 5 years. And that's why we put a minimum. But there is also some hope that this framework will last us longer than that. So those are the key elements that were changed. There were no others. We had already changed the bands by the time we got to Durban and had increased them from 6 to 7 to smooth that curve out a little bit. But that had already been done by the time we got to Durban.

So those are the key changes. There's really only a few and they're refinements primarily. Any comments or questions on that? These guidelines have been worked over for a year and a half or so, so as you all know, we've had quite a number of iterations and some really good input, both from in the room as well as the entire community. So I think I believe that these guidelines set out that framework, the understanding which will be able to fairly guide us through the next five years at least. And I also think that externally viewed, they will stand the test of time and they will stand scrutiny.

Any other questions or feedback? I guess at the end of the day, we're okay with these edits and revisions? Okay. Good. So we'll incorporate that into the next iteration of the document. Tuesday morning, 9:05 AM, our traditional time slot, we'll walk the entire community through this iteration of the document. We'll do the same thing where we'll redline and highlight here so people can see that there have been changes made and that feedback provided has worked its way into the principles or the guidelines. But that this is going to be positioned that this is the end of the road and that this framework is going to be raised to the council. So as part of that, I want to ensure that this working group is now comfortable with it. We'll redo the final one with these tweaks, but that then this working group will be satisfied with the work that we have come to conclusion on and recommended to the council. We're okay with that now?

Okay. Thank you very much. It's been a good process. A little bit longer than I thought I signed up for originally as I'm sure for all of you, but I think it has actually be a pretty satisfactory process in terms of the work that this small team has done, the amount of times we've brought it to the GAC, the board, ICANN staff, our own communities, and the amount of times that we've heard, that we've listened, that we've heard and woven those threads and themes back into what we're doing. This is the kind of issue that we will always have people, reasonably so, who are not entirely satisfied, but I think we have found the common ground for the most number of people that we can all live with. And now it will be important that we breathe life into this.

And on that note, the next and really the final thing that I wanted to talk about was how do we breathe life into this and make sure that we get it across the finish line? Because we can recommend it to the council, but it does have to get accepted and adopted. And there are different paths that that could happen. And we also have to recognize that this has been a 2.5 year process and while we have communicated frequently and fully and there is nothing in here that will be a surprise to anybody in our community, there are definitely some who are waking up to the notion that, oh my God, it's actually ending and it's a done deal, or at least a final report. And that's going to impact all of us to greater or lesser degrees and we need to make sure that we don't get derailed at this late, late stge.

So I would most definitely ask all of you, in the next 48 hours, to reach out to the people that you know and you're close to and make sure that they understand this is happening, that it's consistent with what they've seen before, and then listen. Do you hear anything that worries you or any specific people who have an issue that if you can hear it and feed it back to me, that when I deliver this, I can weave that feedback into the delivery of this message. So that hopefully we can head anything off before it becomes an issue inside the ccNSO. Because I know there are certain, there are registries who aren't wildly

enthusiastic about this. And at the end of the day, let's be clear, we're asking all of us to pay more. So there are people who aren't overjoyed about that.

But it's been a lengthy process, there's been ample opportunity for feedback and input which has happened, which has been reflected. So I want to make sure that we're all very confident because what ends up happening often is when people don't really want to talk about the essence of the content, they'll divert to questioning and criticizing process. But that we have had a fair, transparent, lengthy and fulsome process. So then it's just really about content and if we get to the point of we do pay more, the value exchange model is reasonable, that it gets more and more difficult to say no to this. So part of it is just tactically how are we going to ensure that we're at the -- this is a football metaphor, maybe it translates, is that we're at the one year line We're right at the goal, but we're not over it. We need to make sure that nobody prevents us, unreasonably, from getting over that line. So I'd just ask you really consciously in the next 48 hours, reach out to people, talk to them, listen. If you hear anything of substance, make sure you feed it back to me so I can incorporate it and hopefully head it off at the pass.

Go ahead, Bart.

Bart Boswinkel:	This is Bart. Just as a suggestion, might it be useful to say to finance, because we've got the 48 hours, meet say at 8:30 on Tuesday morning to say final feedback? Say if you hear anything so we'd just be able to build it into the preparation?
Byron Holland:	That's certainly fine with me. So can we organize that in a lobby or?
Bart Boswinkel:	In the lobby or just in the meeting room. It is available anyway.
Byron Holland:	Is it available? Okay. So let's get, let's try to reconvene there 30 minutes in advance and we can just make sure we're locked down. Peter?
Peter Van Roste:	Peter Van Roste. I'm not sure that I'll hear more from now until Tuesday morning, but so far I have had one member that asked me how they could vote against the proposal. And it has already been discussed with Bart as well by that member. And I think another member might have similar feelings. But I didn't hear any reason exactly why, apart from the fact that they think that the jump from what they're currently paying, which is way more than average I think, to what will be expected from them in this voluntary model which we keep underlining, is just too big. It's more than double and I think that's what makes them ill at ease with this proposition.
Byron Holland:	Well there's no doubt that over the period we are going to try to double the overall commitment, close to it. So that is inescapable I would say and that's why I think it's very important that we also reflect on the logic of this. Because without a doubt, there are going to be people who just come and say, well I don't want to pay more. But there's no rational or logic behind that argument other than the reaction I don't want to pay more. And that is a challenge for us. I mean, how do we get around that? Because in a sense, the position doesn't have to be justified or rational, other than the ration behind I don't want to pay more. But if you believe in the work that's been done here and we can walk you through it, then the question has to be turned around and asked, for all that ICANN provides, as businesses why will you not pay your pay? And I think that's the question that we need to ask.
Peter Van Roste:	As we've discussed in the past, one of the key issues that they have is that in their arrangements with ICANN, there is a reference that says, if the representative body for the CCs comes to a generally accepted distribution model, then that model will take precedence over the mechanisms detailed in the draft. And I know that, and Bart has already discussed it with them, that because of the voluntary nature of this model, it has

no or will not have an impact on it, it might be a good idea, I know the timing is short, but that ICANN legal counsel could comment on that. And that might probably take their concerns away and probably would make them forget about voting against anything.

Byron Holland: That's a good point. Can we do that? As we sell this proposition to the community, we want to make sure that all hurdles that we can take out of the way are out of the way and that that is a legitimate concern expressed by certain registries, then we should take that hurdle away proactively.

Bart Boswinkel: What was the real concern? I know about the one, that's why I pointed out say in the letter from Fadi it stipulate again the voluntary nature of the financial contribution. It's in here if you -- let's call the beast by his name, they're public about it, it's [VSBE] that has an issue here. And URID as well. So if you go back to one of the principles--

Peter Van Roste: Bart, pardon to interrupt you, but you don't have to convince me. But their concern, it's of legal nature. Peter from (inaudible) says, in my matter with ICANN, it clearly states that the amount in this document will be changed if the representative body for the ccNSO because I think the letter may even predate the ccNSO. If there's a common agreement on that, so he has a legal concern, say if the ICANN --

Bart Boswinkel: The question is whether this would qualify as that arrangement.

Peter Van Roste: Exactly. So if the ICANN legal counsel could make them feel better at ease with it by just writing an email, writing us an email and confirming that, what has been stated many times before, then I think that might solve the problem.

Bart Boswinkel: (Inaudible)

Peter Van Roste: But it might be a good idea to make it a general comment instead of a specific one on those two. Because otherwise the others will just be more concerned than if we wouldn't have sent that.

Bart Boswinkel: No, but the point is, now you have say, now you know where to look because they have, I think VSBE has an exchange of letter and URID has it, again, a special arrangement. So it's a question, that's why I wanted to go back first to the guidelines, because the reason -- or the language that these arrangements take precedence over the guidelines anyway. So that's the first hurdle. The second hurdle is, and if I recall well, say there is this thing in one or two of the very old exchange of letters and agreements, there is reference to this arrange -- say this staff from the ccNSO or whatever group at the time. Then the question is, does this qualify as such a thing or doesn't it? That's the second step. Say in their agreements or in their arrangements. And they can do that very easily.

Byron Holland: Okay, so we should take that away probably and see what we can get ICANN legal to do. All right, that's good feedback, Peter. Eduardo?

Eduardo Santoyo: Yes, I heard some older registries, they are still in their minds that they are paying for services and they are thinking it's not working, that the services that they are receiving for the money they are paying for. And they are saying we are not paying for services when we don't have an agreement with ICANN for services. We aren't in an interchange of values. And then we have to contribute to maintain all the ICANN activities. Not just the IANA functions, but besides there are still some registries that have in their minds that it's not fair that we are contributing for all the ICANN stuff or the allocation of the costs of all the ICANN stuff for the CC community. I had a long conversation on this topic with Jorge from VE. He has a very strong view as to say it's not fair I have to pay 3 times more than I'm paying right now just because I have to register my DNS in the IANA. This is again the point of view that they are paying for services. This is one of the concerns, one of the

points that some of the people that are against the process to review or to increase the contribution have in mind. This is one of the topics that we have to consider when we present the charter on all the communities that we are not anymore in the field of paying for services scope. We are in another field right now. This is something.

Byron Holland: Okay, thank you. So I'd certainly hope that we would have moved the community beyond thinking of it in that very, very direct way, but you certainly raised a good point in terms of messaging it back on Tuesday morning and really surfacing that element of it in terms of the value exchange. And being clear that it's not a fee for service arrangement. Okay. And if any folks here, as I said, please talk to the people around you and get any feedback or input. If you identify a particular registry operator, a person who you think it would be beneficial to have one on one dialogue with before Tuesday morning, please let me know and I will do everything I can to do exactly that.

So on that note, are there any further comments or input as we work to Tuesday morning? So we will work towards turning the document around, again, making sure that everything we talked about today has been captured, or as much of it as we can, and push out the final draft. That's one thing that we will do. The other is that we will convene the meeting at 8:30 on Tuesday morning just to reflect on anything else that we've heard in the last previous 48 hours. And then third, in your conversations with people, if you find anybody in specific who needs a private conversation, please let me know so we can take all the hurdles that we can out of the way before we get to the room Tuesday morning. Eduardo?

Eduardo Santoyo: I have another question. Last time we presented this to the ccNSO meeting, they had a lot of discussions and answers about attending, that we use in our structure to balance and how (inaudible). Do we have now good answers to the people such as Patricio Poblente for instance who said it is not logical in how was the balance of structure. And it was not just him, it was more people talking about that. And we had a lot of time during the meeting discussing the logic of it which is the rationale and the logic of the balance. Not the rationale, the logic how was it structured, the different bands? Now we have to be clear, before it is a discussion that will come again to the table, and we need to try to avoid to be distracted by this during the meeting.

Byron Holland: Yeah, and that's certainly true and Patricio was probably the one that we heard the most sort of surfacing this. One of the things that we did say at that point was, please, anybody who can build a better mousetrap, who can try to make this a smoother curve if you will, please provide feedback. Which nobody did. However, we did hear that comment. And actually as fate would have it, the adjustment in bullet point number 2 right there was an attempt to deal with exactly that issue. So there's two things I want to say. One is, hearing it and trying to accommodate for it, which is what's in that bullet point right there. The other thing is, after that, going back and looking at the various bands. Because essentially the problem is, when you hit the top of a band and you move into another, for a period it seems very, it is, more expensive per domain than the position you were in previously when you were at the maximum of a band.

The way to get around it is to have more of a phase in period as you transition from one band to another. But the other things we did is we went back and actually looked at who's in what band. And part of the challenge is, we as a community, we're not a bell curve where there's a few very large and a few very small and sort of a curve, a natural bell curve in the middle. We're not that at all. In fact, there's a big hole in the middle in terms of number. Or not a hole, but the curve goes up and then there's a few and then it goes back up and then comes down if you will.

So in trying to make a smooth curve out of that, out of the membership that we have, it's basically impossible. So what we've tried to do is address it through here. So we looked

at it, we thought about it, here's why it is, and here's what we did to smooth out the unsmoothable.

Okay, on that note then, unless there are any other final points, I'd like to say thank you very much to all the work that this committee has done in our final sort of official meeting hopefully. Assuming Tuesday goes well, so I just want to say thanks for the work. A lot of the people in this room have spent a lot of time and effort on this subject and I know it's been a contested one and a hot one, both internally and externally. And I think what's really important to note is while we may not all agree with every piece of it, given the variables we have to work with, we have achieved the best possible outcome with what we have to work with. And we have to acknowledge that. So thank you very much for the work and the candid conversations and the feedback and I look forward to Tuesday. Mathieu?

Mathieu Weill: I don't want to close this group without acknowledging the amazing work you've been doing to get us to closure. Not as fast as you were expecting as you can imagine, but still, closure with a result that's the best as we can have as you mentioned. So I think no one can beat as much as you did bringing us together, forcing us to provide feedback, and I think we should, I don't know, do a picture or something of the group before we split for the ccNSO final meeting of this group. That's a good transition, right? But, Byron, really good job.

Byron Holland: Thank you for those kind words. I wonder if we could do it with the backdrop that we have? Or is it too bright out? Okay, sure, that's a great idea, we should take a picture. Thank you. So with that, I will close the meeting and see you 8:30 Tuesday morning.