
ABU DHABI – ICANN GDD: PTI: First Year Anniversary
Monday, October 30, 2017 – 14:15 to 15:00 GST
ICANN60 | Abu Dhabi, United Arab Emirates

UNIDENTIFIED MALE: This is the ICANN60 ICANN GDD PTI First Year Anniversary meeting on the 30th of October, 2017, from 2:15 to 3:00 in Capital Suite 07.

ELISE GERICH: Well, it looks like it's 2:15 exactly. Just a sec. I am a real boss, yes.

Welcome to this session. It's 2:15, almost 2:16 I guess. This is PTI's first anniversary and we wanted to give you an update on the types of things we've accomplished and where we've been working most of this year. To celebrate that, we have little treats for everybody. It's a real birthday celebration. If someone has a good voice, we could sing.

I'm going to start it down at that end so it comes around.

UNIDENTIFIED MALE: Happy birthday to you. Happy birthday to you. Happy birthday, PTI. Happy birthday to you.

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ELISE GERICH: While [Lusa Vesa] distributes the birthday cake, or birthday lemon tarts, we can get started. If you don't mind [Lusa Vesa] if I start, too.

[LUSA VESA]: Absolutely.

ELISE GERICH: Okay. Thank you. No I'm going to talk. That's not nice to show food while I eat.

We appreciate everyone joining us today for this introduction, and it's going to be separated into a few parts. I'm going to a little history, very short, then go into all of our relationships and our deliverables, and then finally talk a little about the FY19 Budget.

Before I start, I wanted to introduce part of the PTI Team. To my right, I have Becky Nash. She's the Treasurer of PTI. Sitting next to her is Kim Davies, who's the Director of our Technical Services, and next to Kim is Naela Sarras, who is our Senior Manager of IANA Services, and over there in the middle of the table is Lise Fuhr, who's one of our PTI Board members.

And I think I don't have anybody else lurking. Well, we have some ICANN folks behind. Not that I can't introduce them, too, but they're not part of the PTI Board or Team.

Moving right along. I think this is old history to everyone, but just to set the stage of why we have PTI and why I'm even having this conversation. You know that the U.S. government announced their intention in 2014, and then there were some proposals that were put together by September 30, 2016, and that was to begin the IANA Stewardship Transition. Since we're a nice, close group here, if you have any questions while I'm presenting, it's just fine. Raise your hand. I'm happy to interrupt the flow.

Again, a little more history. Each of the IANA functions communities created their own groups in order to create their individual proposals for names, numbers and protocol parameters. Then there was a coordinating group, the IANA Stewardship Transition Coordination Group, which took all three of those proposals and put them together and checked to see that there weren't inconsistencies or anything that would conflict between the proposals. They submitted that proposal to the NTIA of the U.S. government.

This is a really complicated drawing, and I think if you've been around for a while, you've probably seen it once or twice on the ICANN website. It shows the different groups and all their input

into the proposal-making process. The final proposal came out and said that there should be the creation of a post-transition IANA. That was the first iteration of PTI, and that post-transition IANA would include all the details of the three proposals put together by the three communities.

So that's the history. I won't bore you with any more history. Did anyone have any questions? Everyone in this room looks like they participated in that. Okay.

So, what have we done for implementation? ICANN, as per the contracts, once the NTIA agreed to let the contract with them retire, created an affiliate. PTI (Post Transition IANA) had been so popular and gotten into common language – everyone referred to everything as PTI – that we just kept the acronym and made up new words. So, PTI is actually Public Technical Identifiers. It's an affiliate of ICANN and it performs the IANA functions on behalf of ICANN.

We do have a mission statement. Funny enough, it looks very much like the IANA Department of ICANN's mission statement looked, because the functions that we do are still the same. But I thought it was worth noting so that people did know that PTI does have its own mission statement.

I won't read it to you. I'll leave it up there a couple more seconds. It's not long, but I think it is very much tied to ICANN's

goals and objectives and its mission statement. If you look at ICANN’s mission statement, we are definitely a subset and the delivery of the unique identifier’s operational function.

An overview of how we were structured and still are, there were several bits and pieces that had to be put together as having part of creating a new affiliate. We had some legal activities that had to take place in order to have a 501(c)(3) tax status, which means non-profit, for those of you who aren’t in the U.S. ICANN is the sole member. Those are all kinds of things that had to be done in the legal realm.

The organization, we had to have an independent budget from ICANN’s budget, as called for in the proposals as well as the new ICANN Bylaws and the PTI Bylaws. Operations pretty much stayed the same. We do the same operations as we did as the IANA Department. There’s a PTI Board. There are five members of the PTI Board, one of who is with us today. Thank you. Three are nominated and elected by ICANN itself, either from ICANN or PTI staff. Then two are elected by the ICANN Nominating Committee.

For the first year, the two that were nominated by the ICANN nominating process were actually transferred from the CWG activity, because the Nominating Committee had not yet spun up and they didn’t have procedures for filling the PTI Board

positions. Lise Fuhr and Jonathan Robinson had been the Chairs of the CWG, and they continued in that in a very fine function and helped to get us started.

Any corporation in the U.S. and California have to have Officers, so I was made the President of PTI. In the ICANN terminology, I'm VP of the IANA Department. Becky Nash, to my right, is the Treasurer of PTI and she's the Controller. Did I get that wrong? Say your title.

BECKY NASH: Becky Nash, VP of Finance.

ELISE GERICH: Thank you, Becky. I'm sorry. I should know that, but I'm in PTI, so I don't know all the ICANN titles. And then Sam Eisner is our Secretary, and she's also got a role within ICANN, as many of you probably know if you've worked with ICANN's Legal Team at all.

There's no change in the staffing of the personnel within the IANA Department. They're seconded, which I didn't know that term for a long time. It means loaned to the PTI Organization to continue to do the function that they did in the past. Naela, Kim and I are all seconded.

Yes, you have a question?

XAVIER CALVEZ: No.

ELISE GERICH: You want to comment? This is Xavier Calvez. Why don't you say your title? I'll get it wrong, too.

XAVIER CALVEZ: CFO of ICANN. But you said there was one Board member in the room. There's two Board members in the room.

ELISE GERICH: Yeah. I'm here, too. I'm sorry. You're right. As President, I get to be a Board member. Thank you, Xavier.

So, that talked about some of the things we had to do, to create PTI and to get to this anniversary date, but many things stayed the same. So, the definition of the IANA functions didn't change. The registries related to the names, numbers and protocol parameters didn't change. The individuals performing the work didn't change; however, as I mentioned we now are seconded to PTI to do that work. The location of the operational information didn't change, and the methods of submitting changes or updates to the registries did not change.

So, there's a lot that didn't change, even though that previous slide talked to all the things that had to happen. Some of the things were that overhead of creating a new affiliate. I'll go through now and then let you know how we've delivered on those contractual relationships.

There had to be a relationship established between ICANN the organization, and PTI the affiliate. There's a services contract that was created between those two organizations. That services contract basically says what things ICANN does for us, and this is very important because we would have had to go find a home if we didn't have a facility. ICANN provides the facility. We would have had to create some sort of HR processes and procedures, and hire someone to do it for us if we hadn't gotten a service contract. We leveraged the COMS Team. We leveraged the IT Team. All these. This is just a subset of Annex A or Schedule A, if you wanted to look at it further. All those services are covered under this full-services agreement, and that's very important for us to be able to continue to do the functions that we do.

Part of that in the services meant that we also had to have agreements of who we knew were oversight, who set up the policies and how does the operations. We created this little 3x3 matrix to try and make it simpler, even though I'm going to show you many more of those bubble charts. For oversight for the

domain names, basically ICANN and CSC, the Customer Standing Committee, are our oversight organization. For numbering resources, the Numbering Committee created a Review Committee that provides oversight and reviews our performance. Protocol parameters, the IETF and IAB Leadership do regular oversight.

I won't read all of these, but I think it's a simple way to look at the new relationships between PTI, ICANN and then the communities. I'll stop for a minute because I don't know if anyone has questions. Some people may not have seen this before. Nope. Moving right along.

As I noted before, PTI needed to have a relationship with ICANN in order to have services from ICANN. It also needs a relationship with the IETF in order to be able to deliver on what the IETF needs. So the things that were established was the IETF in the ICG proposal said that they wanted to have the relationship with ICANN, and so they have a Memorandum of Understanding as well as a Supplemental Agreement, which sets out their Service Level Agreements. That's between the IETF and ICANN.

Then, in order for PTI to do those things, since the IETF contracted with ICANN, ICANN contracts with PTI to provide those protocol parameter functions. To complete the loop,

ICANN is still the one that's accountable to the IETF, even though PTI delivers on all the operations.

So, what have we done with all these new contracts with our subcontract, the PTI subcontract? Well, we have monthly Service Level Agreement reports, and we have met all those reports and distributed them to the IETF leadership as well as a copy to ICANN, because they're ultimately responsible

Now, these reports aren't new, actually. The protocol parameter function reports are very similar to the ones we've been giving to the IETF since 2007. We've just continued to do that, and annually we review and update with the IETF the Service Level Agreement.

Documentation hasn't changed. The procedures continue to be the same. We have a liaison to the IAB, and that's Michelle Cotton for those of you who probably know her well, and she participates in their IAB meetings.

The location of the operational information is still on the iana.org website. We have a third-party audit, and that is called the SOC 2 and that audits the services that we deliver. That audit will go to the IETF in January 2018.

You'll get the flow of this. All of the slides follow the same model. Here we have the relationship between the RIRs and PTI.

Basically, the RIRs, like the IETF would have a contract directly with ICANN, and that's what they've done, a Service Level Agreement.

ICANN created a new contract between ICANN and PTI for PTI to deliver those services, which we do, and then ICANN is ultimately responsible to the RIRs.

What have we had to do in order to deliver on that? Well, there's a monthly Service Level Agreement, which was brand new, between the RIRs and ICANN and PTI. Our first reports were due in March, and we have delivered all our SLAs since the first report. Again the documentation hasn't changed, our processes and procedures are the same. I don't know what happened to those dot, dot, dot. I guess I did something wrong in the slide desk.

We send people to each of the RIR meetings. The RIRs between them have about 10 meetings a year, two for each of the five RIRs, and we send a representative to their meetings and we give a report at those meetings. Finally, in January again, we will be submitting the SOC 2 report for the review of the RIRs.

I know [Alan], you're looking curious, so I'll let you [inaudible].

[ALAN]: Thanks, Elise. Just a little question. Attending our RIR meetings and giving in-person reports, is that a requirement? Are you contractually obligated to do that?

ELISE GERICH: No we're not; however, we do it – I'm trying to say all the things we do do and have done this year in support of the new contracts.

[ALAN]: Thank you.

ELISE GERICH: No, you didn't put that in, but I hear there's new SLAs coming my way. But no, just like it's not a requirement to – oh I guess it is – to have all the information on the website. Lise.

LISE FUHR: No, I just wanted to add that the PTI Board saw it as a very important thing to actually go out and attend the meetings, so that was one thing that we discussed at the Board meetings.

[ALAN]: Certainly, I very much appreciate having these reports at the RIR meetings, but I was surprised to see it under Deliverables as if it was a requirement, so I'm glad we got that clarified. Thank you.

HOWARD LI: Sorry to jump in. Just a gentle reminder, when our participant speaks, please state your name and affiliation for the record and for the remote participants. Thanks.

ELISE GERICH: Thank you, Howard. Howard's monitoring the remote participation, so thank you.

I guess it was Deliverables, things we've delivered. Maybe I could have said it better, but that's a good point. I'll update the slide desk next time.

Here we go. Another bubble chart of the relationship between the TLD communities or the names communities and PTI.

In this case, the names community is housed within ICANN, so ICANN created the contract for PTI to deliver the naming functions on behalf of ICANN. Obviously, ICANN continues to be totally accountable to the names community for that.

They did create the CSC, Customer Standing Committee, and the CSC is defined in ICANN's new Bylaws. This group has the

oversight responsibility for performance of the function. Their job is to make sure that we meet our monthly SLAs. Lise, did you want to say a question?

LISE FUHR:

Actually, I think we should elaborate a bit on this slide – Lise Fuhr from PTI Board, and also ETNO – because as you see the ICANN we have all other departments and we have the IANA Department. As you know, part of the exercise was to make the IANA functions an affiliate of ICANN. I think we should describe what is the reason to put the IANA Department in like this.

ELISE GERICH:

Okay, great. That’s a great question and it definitely feeds into any as the operational and budget planning also. They’re very much married together.

The reason we have PTI an affiliate, and then within ICANN it clearly calls out there’s an IANA Department, is that PTI is an affiliate. It’s a legal entity. ICANN is a legal entity. ICANN totally funds PTI. It’s the only resource for getting money to PTI, so there has to be within ICANN a department or some vehicle that can be used to capture the information about budgeting and funding that is going to move to PTI, as well as some of the

shared services that continue to get assigned to supporting the IANA functions.

There are some things that are in the IANA Department budget that are not in PTI, such as there's an RZMA contract, which is funded purely out of ICANN, but it is in the IANA Department budget. I don't know if that's confused people, but it's mostly a vehicle to represent the way that ICANN still owns the IANA functions in the operational sense, and they're responsible for the funding of it. PTI does the operational pieces of it, and our budget feeds into the IANA Department budget at which point ICANN funds us.

Does that help? Anybody else have a question on that?

Hi. Come to the mic if you have a question.

UNIDENTIFIED MALE: Just like this is okay? Sorry, I didn't see that you [inaudible].

Thank you, man. Just a short question. We are discussed we are talking IANA previously and now PTI. The previous IANA was USDOC organizations.

ELISE GERICH: No, that's incorrect.

UNIDENTIFIED MALE: If this was not a USDOC organizations, which was contracted to be managed by ICANN and what was legal status of IANA.

ELISE GERICH: No, the U.S. government NTIA was never the IANA, per se. They created a contract which evolved from the Department of Defense originally, then went to the National Science Foundation, then went to NTIA. Then there was a creation of ICANN in order to be the home in the operational sense of the IANA functions. That's well before this period of time. That happened in 1998 that NTIA took over that contract. This is more now about where we are, based on the NTIA contract expiring and ICANN now operating.

UNIDENTIFIED MALE: Oh yeah. But before it was a contract with the USDOC and ICANN to plan the IANA.

ELISE GERICH: Yes, that's true. NTIA had a contract with ICANN to run it before they put the proposal out and the three communities came back and said, "Yes, that's what we'd like you to do is to step away, let your contract retire, and ICANN will now run the IANA functions."

UNIDENTIFIED MALE: Right. Okay. Before IANA it was – my question is very simple – when it was still in the IANA Organization, how did they get funded?

ELISE GERICH: I'm not sure. Could you repeat your question?

UNIDENTIFIED MALE: Where IANA get the funding from?

ELISE GERICH: Now or before?

UNIDENTIFIED MALE: Previously, when it was IANA. Now it is PTI.

ELISE GERICH: There hasn't been an IANA entity, an organization, since 1998. There was ICANN, and the funding from ICANN came from the various communities. Such as, there's many regional internet registry representatives here. They provided funding to ICANN to provide the IANA functions activity. The .com, .net provided some percentage of this income to NTIA. Not NTIA. They didn't give any money to the government. The government might have taken it, but they... No, so it was the names and numbers

functions that funded ICANN to do the IANA functions. NTIA never gave ICANN any money to do the function. They were in a transition period of no longer funding the development of the Internet.

UNIDENTIFIED MALE: Okay.

ELISE GERICH: That answer your question help?

UNIDENTIFIED MALE: Yes, okay. At least I understand a bit.

ELISE GERICH: Okay, moving right along. No more questions on this one slide? We're back to the relationship between the naming community and PTI. Again deliverables, and not all of them are necessarily contractual.

Monthly Service Level Agreement, we have been delivering this since October 2016, which was our first month of operation. We delivered the October report in November to the Customer Standing Committee, and they have decided that we've done a pretty good job. We've been satisfactory for the full year. I'm going to toot our horn and say that for the last four months,

we've hit 100% of our SLAs, so that's many thanks to the Naela's team.

We created a real-time service-level dashboard, which you can go to and see, in real time, how we're performing against the SLAs. It's called Service-Level Expectation, because that's what it was in the proposal. But it's now termed as Service Level Agreements.

The Customer Standing Committee was formed. This was activity that the community had to get very much engaged with. They selected the memberships of the CSC. The CSC has spent a lot of time understanding how their operating procedures and reviewing our performance reports and issuing a report to their community so that everyone's aware that they have reviewed it. They're not just taking it on our word, and stuff like that. So, the CSC's been very active.

Information is still on the iana.org website and again, under the same third-party audit, called a SOC 2 in the U. S. It's going to be delivered on January 31, 2018.

Still under the naming functions, there's some other deliverables that the ICANN Board had accepted from the CCNSO, and those are things that we've delivered as PTI as part of our deliverables to ICANN and the naming community. At the CCNSO meeting tomorrow, we'll be talking a little bit more

about those, but this is just to let you know there's been terminology changes. We've updated documentation. There's a new procedure as per the FOI recommendation. And the terminology changes are not just in our documentation, they're also in many of our systems.

We haven't finished with all the contracts that PTI had to have. Like I said, there was a lot of overhead and bureaucratic stuff that had to be done during our first year. If I never read another contract, I'll be happy.

Anyway, ICANN contracted with Verisign to perform the root-zone maintainer function. When the contract with the NTIA expired, NTIA also had had a contract with Verisign to do the root zone maintainer function. In order to be able to deliver end-to-end on our commitments to the naming community, we needed to have a relationship with Verisign, and NTIA wanted to step out of the picture. So, they changed the contract. They no longer have a contract with Verisign. They, being NTIA, and ICANN does. Much like in the other contracts, then ICANN subcontracted to PTI and we have the relationship with the root zone maintainer, Verisign, to deliver on the functions and to work collaboratively with them as we have in the past.

The things that have happened since then. We now receive a monthly Service Level Agreement from Verisign, and it's posted

on the iana.org website. There is a ZSK Emergency Plan, and for those of you that don't talk DNSSEC or Domain Name System Security Extensions, the ZSK is the part of the security protocol that Verisign holds. PTI holds the KSK. That's the zone-signing key. We hold the key-signing key.

Then the end-to-end RZMS enhancements. There were some contractual agreements with Verisign to add a few more enhancements to RZMS. We had to do a lot of work, but we had to collaboratively test it and QA it, so that it didn't break something when we ran it. That's been completed as of September, one month before it needed to be. We were very happy. So, it was due a year and we got it in in 11 months thanks to Kim's team and Naela's team because they were very important in helping to test that.

Then transition to a successor plan. One of the deliverables from Verisign to PTI and ICANN was that they would create a transition to successor plan. Not that we're anticipating that happening, but there has to be a transition plan in place.

That's all I'm going to talk about for the contracts and the current activity, but I'll go into the budget. I'll take a pause and see if anybody has any other questions on this portion.

Yes, Byron.

BYRON HOLLAND:

I just want to follow up on the notion of seconded employees. Back in the mist of time when this all got started, and we were all discussing what this entity would look like, part of the rationale for how it was done was that the entity itself could be severable from ICANN in a worst-case scenario. As part of that, ensuring that the entity had employees in it who could actually run these functions. Now it would seem – I just want to clarify – that the people in PTI are seconded employees of ICANN.

Is the expectation that that will stay the case, or is there a plan or expectation that employees would move from being ICANN to employees to PTI employees?

ELISE GERICH:

Thank you for the question. In, I think it's the Bylaws or one of the contracts, I don't remember which, it's written that the seconded employees will become employees of PTI within three years of the start date, so that would be three years after October 1st, 2016. As that is – there's a lot of things that need to happen, and that has been on our roadmap and we've been looking at it to make that plan toward that goal.

BYRON HOLLAND: Thanks. I'm sure you're keeping the finance people busy in HR and Legal.

ELISE GERICH: I did want to highlight a couple things about the budget before showing you numbers. Basically also as part of the Bylaws and the ICANN Bylaws, PTI has to create their budget well in advance of ICANN budget planning process. This goes back to Lise's earlier question about why we have an IANA Department in our slides inside the ICANN box. Because the way the ICANN Bylaws are set up, the PTI budget has to be done in advance of the IANA Department budget. It's actually called out in the Bylaws. The IANA Department budget has to have a consultation in advance of the ICANN budget. It's when the IANA budget is being consulted and reviewed upon that the Empowered Community can be called.

I can't answer any questions about the Empowered Community. I would leave to someone who knows more about those details, but the PTI budget is created in advance of the IANA Department budget. Then it gets submitted to the ICANN Board by the PTI Board after the PTI Board adopts it. Our target is to have it adopted in early January. It's right now in public comment.

I just checked this morning and there's not even one public comment, so we must have done a terrific job. I hope you'll take

a look, and if you do have comments, please get them in before November 26 so we can review that, because we'll be meeting with the PTI Board on that.

I'll introduce you before we finish. Okay. Moving along. That was just the highlight. I hope you'll pay attention to the fact that we're in public comment.

Here's the overview of the budget and I have Becky here if I can't answer a question. Basically we've already talked about this. The PTI funding comes from ICANN and it funds 100% of our expenses. The budget for this year is proposed to be \$10.4 million. That is about an 8% increase over last year's budget. This slide gives you some details of why that is.

We have some increases in the direct shared support and we have three categories of personnel. There's the Direct Shared, which means that people are dedicated to doing something for PTI, but they're employees of ICANN. They're not seconded, and it's only a dedicated percentage of their time. Many of those people include people in the Legal Department, some of the Policy people who support the CSC, the Customer Standing Committee, and also the IT Department, because we leverage a lot of IT services.

Then we have a contingency fund, which is approximately 10% of the dedicated costs. This is just a highlight. If you read the

Operating Plan and Budget, which is up for public comment, you can get a lot more detail.

This is just a different view of that budget looking at how the resources are allocated dollar-wise by function, the names, numbers, protocol parameters, what they were proposed for FY19 and what they were in FY18, what we're in right now, and the variants.

That does it for all that information, but people have asked "How do I contact people for the ICANN functions?" because they're confused who we are. We're PTI. What's that?

Basically, you can find the governance documents, all those contracts I talked about, on pti.icann.org. If you have operational questions or information or documentation, you go to the iana.org page, which has not changed at all. Operational questions can still be sent to the same place they used to go, iana@iana.org. All of us, Kim, Naela and I, all have e-mail addresses that say @icann.org and they also say @iana.org. We don't have PTI e-mail addresses because pti.org, .edu and .net were all taken and so we just thought we'd stick with the tried and true iana.org.

I know this is an I-chart. I can't read it from here either, but this is what the PTI organization looks like. These are the people who are all seconded to doing the PTI work. It doesn't include anyone

who's direct-shared, which means that a portion of their time or they're not seconded, they're actually in another department within ICANN.

With that, that's all I have to say today, and if you have any more questions, I'm happy to take them.

[KEVIN BLOOMBERG]: Elise, [Kevin Bloomberg], speaking for myself. There's always .pti. I'm just being a little humorous.

ELISE GERICH: I think that has to wait for the next round.

[KEVIN BLOOMBERG]: Just a suggestion. My question was in regard to the budget. The one thing I noticed that wasn't there, and would have been prevalent, is something like a reserve fund. I understand as a affiliate organization, that might be needed, but back to Byron's question earlier. If at some point PTI were to actually be severed as an organization, how would that work?

ELISE GERICH: Lise wants to respond to the reserve.

LISE FUHR: We actually have a reserve fund.

[KEVIN BLOOMBERG]: A contingency fund.

LISE FUHR: Oh, a contingency fund.

[KEVIN BLOOMBERG]: I guess what I mean is a 10% contingency fund is for standard operating things that might go over. I'm talking about if you had to actually sever yourself, which is a significant cost, how would that happen? You don't have a reserve for something like that.

ELISE GERICH: I will defer to the CFO of ICANN, unless Lise, do you want to talk first?

LISE FUHR: Yeah. Lise from the PTI Board, sorry. I don't think – we haven't planned for actually to have the separation within the PTI budget, but it's a very good question that we should look at. But I think this is a more political decision. I don't think it should actually be the PTI Board that decides that we should set this

money aside. But it's a very good question, and that was part of the transition that we never solved.

ELISE GERICH: Xavier.

XAVIER CALVEZ: Thank you, Elise. Thank you for the question.

Three thoughts about it. It was discussed as Elise is eluding, by the Design Team O of the CWG work to determine whether a reserve fund should be dedicated to PTI or not. That discussion never got concluded formally, though the discussion included at the time, so that you have that in mind, that relying on the existing reserve fund of ICANN was actually nearly an easier, more practical and actually more secure mechanism than dedicated a fraction of it to PTI, in the sense that if need be PTI could actually leverage through its parent company, ICANN – the ICANN Reserve Fund – for whatever needs it would have.

You asked the question in the context of what about a separation. I can tell you, because Lise mentioned the political aspect of it, that if there would be a separation and ICANN would have allocated a fraction of its reserve fund to PTI, it would get it back and would not let PTI go away with \$10 millions of 12 months' operating funds, for example.

I think that would also be a consideration to take into account is that if ICANN would have taken a fraction of its reserve fund to allocate it to PTI, if PTI would then go away, ICANN would get back its reserve fund.

[KEVIN BLOOMBERG]: Exactly. I guess the way I'm looking at it is, if PTI would need to separate, it wouldn't have the funds because the likelihood of a reserve fund from ICANN being used to then fund the separation doesn't seem logical.

XAVIER CALVEZ: That's the third part of what I wanted to say. I heard you talk about having the funds to separate, right, for the purpose of the separation. If that separation would be decided and happening, I believe unless I'm mistaken, it would be in the context of the community discussion that, and I think, ICANN would simply support the activities that would require the separation to make it happen as per community decisions and Board decisions. From the perspective of how to support that exercise operationally, I'm sure ICANN would be in the situation of supporting that.

[KEVIN BLOOMBERG]: Thank you and it's not something that I ever hope happens. I'm just curious.

ELISE GERICH: Trang, would like to, unless Ron, do you want to talk on the same topic? This is the same topic and then we'll come to you, Dmitry. Okay?

DMITRY BURKOV: Okay.

ELISE GERICH: Go ahead.

RON DA SILVA: Yeah, thanks. Same topic. Ron Da Silva, ICANN Board. Also Vice Chair, Finance, Incoming Chair of the Finance Committee.

I just wanted to take the opportunity. Asking about the reserve fund, there is a broader issue, which as Xavier has brought to the community and has continued to look for input and community participation. And with respect to replenishing the reserve fund for ICANN, which today as Xavier said, includes the reserves for the IANA operations. He neglected to say that. I thought I'd point it out that there's certainly that activity going on, and if there's

interest, by all means we would appreciate your participation in that.

ELISE GERICH: Trang.

TRANG NGUYEN: Thank you, Elise. To answer that gentleman’s question, I just wanted to point out that the ICANN restated Bylaws actually specify the process for the potential separation of PTI from ICANN, and it is a community process. The funding for the eventual separation, if that is what the community decides, is therefore committed by ICANN, not just by a text in the Bylaws but also in the contracts that ICANN has with PTI. The funding for the eventual separation of PTI, if that is what the community decided, is ICANN’s obligation. ICANN has to fund that.

Now there is a separate question of, if PTI is separated, what is the ongoing funding for that new entity, and that is not the obligation of ICANN. The new IANA functions is to be performed by somebody else other than an entity ICANN is contracted with. Again, that’s details to be worked out by the community, if there is going to be a separation process.

ELISE GERICH: Thanks, Trang. Dmitry, you have a question.

DMITRY BURKOV: Elise, could you clarify the station, this might be a misunderstanding. It's regarding Strategic Plan. It's mid-term. Is it amount is four years? Plan of something else? Because I didn't hear, and I think about this in presentation. [How still was] the role to reject decided to postpone it?

ELISE GERICH: No. You are correct that there's calls for a four-year Strategic Plan and I didn't mention that. And we do have a draft four-year Strategic Plan that is actually to align it with ICANN's five-year plan and they're one year into that. It aligns with the last four years of their plan. We have leveraged what we had for the IANA Department strategic activities just to kick start that original Strategic Plan. That draft is internal, and we've been reviewing it.

DMITRY BURKOV: Elise, because it's interesting because you know that during [inaudible] months I was in a different discussion [inaudible]. PTI it's, if you mean strategic means you have some goals. Should you discuss with us to show us what the strategy goals for PTI? In five-year terms.

ELISE GERICH: My understanding was that we weren't supposed to consult on the Strategic Plan, but with the Operating Plan and the goals for this year. We did have informal discussions with various groups within the community, not a full public comment or anything like that. We asked for input into our Operating Plan and Budget for FY19. We didn't do a consultation for the Strategic Plan, and I don't believe that was required for this first round, but I'll check. Thank you.

DMITRY BURKOV: Thank you.

ELISE GERICH: Do we have any other questions?

Wang Wei, did you want to be introduced?

The Nominating Committee recently announced their nominations for the PTI Board that will be seated after this meeting. Lise Fuhr is returning. And Wang Wei, is joining us. He is here today. If you'd like to introduce yourselves, and I won't ask everyone to go around the room. Wang Wei, would you like to say a word or two?

WANG WEI: Thank you, Elise. Hi, this is Wang Wei. I just got nominated for the Director of PTI Board. Actually I'm new to the PTI, although I've been working in ccTLD and gTLD for about over 10 years. Actually, it is really my first time to be so close to the root operation. Actually, I hope I will have a wonderful experience working together with the other Boards, and of course with our PTI Team. Thank you.

ELISE GERICH: Okay. Thank you and welcome.

That concludes our session unless anyone has more questions.
No?

Thanks for joining us for our lemon tarts.

[END OF TRANSCRIPTION]