TRANG NGUYEN: Thank you, operator, for starting the recording. I thought it had already been started, but maybe not. Welcome everyone again to the call today. We have an important upcoming milestone for us, which is the August 12 date, so we thought it would be important to hold this call today, even though it falls into the summer months, and I know many are probably on vacation. But because of the importance of the August 12 date, we thought it would be good to hold this call with you to make sure everyone is aligned and is aware of that upcoming important milestone for the transition.

As many of you have heard us say in the past, August 12 is the date the NTIA has requested that ICANN submit an implementation report. The purpose of the report would be to highlight to NTIA the areas of work where we have completed, and also those areas of work that are remaining to be completed. Based on that report, NTIA will make a decision on whether or not to extend the IANA functions contract. So it is quite an important report for us, this August 12 report, and it is also extremely important that we be able to show completion on as many areas of work as possible.

On today's call, we wanted to show you – if we can move on to the next slide, please – this dashboard that we've shown you in the past, which highlights all of the projects that we have according to three tracks of work, and to highlight those areas of work that we anticipate would be completed by August, the middle of August, and would be reflected as completed in the August 12 report to NTIA.

We realize that this is a lot of work that is still left to be done between now and the middle of August, and we appreciate all of the hard work that you, the community, are doing as well in helping us to get there. I'll just take a few minutes now to go through this dashboard and the various projects, and provide a quick status update on them for you, and then we'll stop for any questions and comments.

Track one essentially is the Root Zone Management track. It contains the two projects, which are the parallel testing and the root zone maintainer agreement. As we previously announced, the 90-day parallel testing period has been completed successfully on July 6th, so that work is now marked as completed. The root zone maintainer agreement we have also finalized with VeriSign, and it has been posted for a 30-day public review period, which concluded at the end of July.

So that work is also now completed. The RZMA is scheduled to be on an upcoming Board agenda call for consideration and approval so that we can move forward with signing. So essentially, the work around track number one is completed.

Track number two contains projects relating to the requirements of the ICG proposal. With regards to the two items that are shown as completed, they are the service level agreements with the number community, and the 2016 Supplemental Agreement with the IETF. Both of those were signed the week of ICANN 56, and we have posted the signed versions of those documents on our website, so those two items are now completed.

Close to completion is the Service Level Expectations or SLEs, for the naming community. We've had a couple of calls with the Design Team A, which is the design team within the CWG Stewardship that led the development of the Service Level Expectations. During those couple of calls with the Design Team, we review all of the ICANN proposed performance targets for these newly defined Service Level Expectations, and have reached preliminary agreement with the Design Team on all but I believe couple of areas, or one area that's still currently under consideration. So that work is very close to completed, and we anticipate that we should be able to finalize discussions with the Design Team and complete that work by August 12, so that it can be reflected as completed work for the purposes of our report to NTIA on August 12.

Also very close to completion is the Customer Standing Committee. This is the committee that will provide oversight of the performance of the naming functions for PTI. It will monitor PTI's performance on an ongoing basis and will have the ability to also recommend changes to service level expectations or agreements for the naming functions.

We had issued a request for the appointing organizations to appoint members and liaisons to the CSC. We have now received all of the appointments for members and liaisons, and those have been forwarded on to the GNSO and ccNSO Councils, and I believe they are meeting next week in order to review and provide final approval of the composition of the CSC. So again, the formation of the CSC is very near completion, and we should be able to report that as being completed in our August 12 report to NTIA.

Another item that's very close to completion – as you can see there being reflected as 95% completed – is the updating of the IANA operation escalation processes. These are essentially completed, they just need to go through a final internal review and checkoff, and we should be able to also report that as being completed in our August 12 report to NTIA.

Some of the other work that's currently going on that we hope to be able to finalize by mid-august is the Root Zone Evaluation Review Committee. We have sent out a request to appointing organizations to appoint representatives to the RZERC yesterday, and we have requested that the appointments be sent to us by August 12, so that, again, we can report this as another item that has been completed for the purposes of our August 12 report to NTIA. We recognize that that's a short turnaround timeframe, however, most of these appointing organizations have already had processes defined to appoint members and liaisons to the CSC, so we hope that those same processes could be leveraged for appointment of representatives to the RZERC. And again, as a reminder, unlike the CSC, the RZERC representatives do not have term limitations, and so therefore appointments could be changed or replaced at any point in time. So that's an area of work that's ongoing.

In the area of PTI, we have been working closely with the CWG Stewardship on several elements relating to the PTI. As you know, there are several things that are going on there. I guess they could fall into three buckets: the incorporation of PTI as a legal entity and all of their contracts that we would have to put in place between ICANN and PTI, and then all of the governance documents for PTI.

For the incorporation of PTI, the public comment window for the PTI articles of incorporation closed last week, and we are in the process of doing a staff summary and analysis of the comments received, and then updating as necessary and appropriate the articles of incorporation for the Board's consideration next week. We engaged heavily in conversations and discussions with the CWG Stewardship during the public comment window, and actually worked with Sidley, who is the external legal counsel for the CWG Stewardship, to draft some of the revised language that was submitted as part of the CWG Stewardship comment submission. So we don't anticipate any issues with processing the comments submitted to the CWG relating to the articles of incorporation for PTI. We recognize that the RYSG, as well as the Non-Commercial Stakeholder Group also submitted comments related to the PTI Articles of Incorporation, and we're currently reviewing those comments.

We anticipate that after the Board approval of the PTI Articles of Incorporation, we would move forward with filing for incorporation of PTI, and we expect that to occur also before the August 12 date, so that by August 12, we could report to NTIA that the incorporation process has indeed started.

In bucket number two, relating to the ICANN PTI contracts, there are essentially four contracts that we are working through. There is a naming function agreement between ICANN and PTI for the performance of the naming services. There are two subcontracting agreements between ICANN and PTI to subcontract the performance of the numbering and protocol parameter services, and then the fourth

agreement is a services agreement between ICANN and PTI that will set out sort of the shared services arrangement between ICANN and PTI.

All but the services agreement have been circulated to the community for review and feedback. We anticipate that the services agreement would be circulated hopefully this week or early next week. So that's an area where we believe the work may extend beyond August 12, but if we can work in accordance to the work schedule that's already been developed, we should be able to finalize those agreements by mid-September.

Steve, I see that your hand is up. Let me finish going through all of the PTI-related work, and then we'll start answering some questions.

The last bucket on PTI is the governance documents. For those, there are four items: the PTI Bylaws, the Expected Standard of Behavior, the Conflict of Interest Policy and the Board Code of Conduct. All of those items are currently in the public comment period. We hope that the Conflict of Interest Policy, the Expected Standard of Behavior and the Board Code of Conduct could be finalized by August 12, although it would be very close, because we anticipate on publishing the staff analysis report as per the defined schedule on August 11th, so that's just one day before the day we have to submit our implementation report to NTIA.

If all goes according to planned, we may be able to reflect that work as being completed, but the Bylaws will extend beyond mid-August, with an anticipated finalization date of August 18th. So let me pause there, and Steve, please go ahead.

STEVE CROCKER:	Thank you very much, Trang, and absolutely fantastic report. With respect to the creation of the PTI, the corporate structure and all of that, a question about the precise coupling of the approval from the government on the transition. How far can we take this process? To what extent is it actually coupled with the transition process? Not sure I'm asking the question clearly enough. In the extreme, can we go ahead and create PTI and put it all into operation, make all the adjustments and so forth, irrespective of whether or not the contract continues or doesn't continue, or are there some things that we can't do until the contract is brought to an end?
AKRAM ATALLAH:	Steve, if I may. The idea is that we can incorporate PTI, it will not be operational, and it will not have any of the employees seconded to it until the contract expires. So we can prep and have everything ready, but we will not have – because we don't want to be in a position where we have to ask for permission to subcontract. So that would be the plan.
TRANG NGUYEN:	And Steve, we've also had some preliminary discussions with NTIA around this, around the fact of whether or not PTI could be incorporated prior to the expiration of the IANA functions contract, and have received affirmation from the NTIA that that is something that could be done, recognizing that PTI will not be operational at that point, until the IANA functions contract expires.

STEVE CROCKER: Thank you both, and the critical little detail is that if the contract is not ended, or we try to put PTI into operation before the contract ended, we would then have to request from the government permission to subcontract to PTI, and that's a messy process that there's no reason to do.

AKRAM ATALLAH: Exactly.

TRANG NGUYEN: Right.

STEVE CROCKER: Okay, thank you. I'm asking partly for my own benefit, but also I would expect that others will be watching this whole process very closely and trying to understand which of the moving parts are connected to each other. So apologies for taking up time, thank you.

TRANG NGUYEN: Thank you, Steve. The last project under track two is the IANA intellectual property rights work that the community is undertaking and is leading. That work, there have been several meetings and calls, and the various agreements necessary to effectuate the transfer of the IANA IPR have been drafted and circulated to the community for review. The community has created its own work plan and is tracking and reporting

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progress against that work plan, so what we are reflecting here for you in terms of progress and percentage completion is basically what the community's project planning and tracking reflects, which is currently at 40% complete.

STEVE CROCKER: And what happens if that's not completed as the rest of the other pieces come together?

AKRAM ATALLAH: Effectively, Steve, operationally, that probably doesn't make any difference. I think we need to get to the communities and understand their requirements if that's okay or not.

TRANG NGUYEN: Alissa, did you want to chime in on that?

ALISSA COOPER: Sure, yes. The same question came up on the CWG call last week, so I can give the same answer. The transfer of the IPR is the requirement of the transition proposal, so from the perspective of the ICG at least, we're expecting it to be completed just like every other requirement, just like the incorporation of the PTI and all the other parts of the naming community proposal.

The other thing I will say, just having been involved in the process, is that I think we're – amongst the four parties that are reviewing the

agreements – we are making good progress and having a productive dialogue, and are pretty optimistic about having agreements that are ready to be released for public comment before the ICANN report is due to NTIA on the 12th. So lots of details to work out around limitations around the IETF trust and so forth, but I think the dialogue is going pretty well.

TRANG NGUYEN: Thank you, Alissa. Andrew?

ANDREW SULLIVAN: Hi, thanks. Just to follow up on what Alissa said, there is one agreement that hasn't received much in the way of comment or review, and that is the transfer of the IPR from ICANN to the trust. We understand that that is pending review, it's been with ICANN Legal staff for a little while, and so we're hoping that we'll see that pretty soon. I got a message earlier today saying that we should see something by the end of the day, which I guess is probably end of the day California time, so I don't think it's late. But we do need it pretty urgently.

TRANG NGUYEN: Thanks, Andrew.

AKRAM ATALLAH: Andrew, we are committed to getting you something today. It's important to know that also the team has been working and following up the conversations that are happening lately with all the different

parties. Our concern is not only about the transition of the IP, but also making sure that it meets the requirements of all the communities and that it covers for all of what's in the proposal. So we need to make sure that the entire picture is clear, because the contract to send the IP might have some requirements added to it. So we're working on it, we'll get you the updates that we have today, but it will also depend on the rest of the agreements before we can finalize everything.

TRANG NGUYEN: Jonathan, please go ahead.

JONATHAN ROBINSON: Trang, I can defer to Andrew if he wanted to respond, and then I'll come back in.

TRANG NGUYEN: Andrew's hand went down.

ANDREW SULLIVAN: That's because I hit the wrong button. Thanks, just very quickly, Akram, I completely agree and I think that everything is in good shape, and we're in agreement about this, but I'm just highlighting to everyone – since this is a status call – that there is this one that is pending. It doesn't seem to be getting a lot of work, and so I want to make sure that we get that started too, and I have every confidence that we'll [inaudible] today. Thanks.

AKRAM ATALLAH: Absolutely. Thank you, Andrew.

TRANG NGUYEN: Jonathan, come in, please.

JONATHAN ROBINSON: Thanks, Trang, I just thought it would be important to endorse the point that Alissa made about the work in progress about the IPR for a couple of reasons. One, because – I can talk as at least a representative or co-Chair of one of the groups that are key, one of the operational communities that are key in getting that sorted out, and I realize that it's not entirely visible to ICANN staff, whereas you have clearly got full visibility of the rest of the program of activity.

We met last night – my time anyway – we met yesterday, there is work going on in the background and we expect to meet again tomorrow, and it's an effective multi-operational community group that seems to be committed to trying to thrash out a solution. Notwithstanding the fact that there are some genuine technical challenges to get something that works, I feel pretty confident that we're going in the right direction and we will get this done within the timeframe required. So I just thought it was useful to give a second perspective on that, to endorse where we're headed. Thanks.

TRANG NGUYEN:	Thank you, Jonathan. Alright, moving on to a quick status for you on the work relating to track three, which is all of the work relating to the CCWG proposal requirements. The main work there obviously is the updating of the ICANN Bylaws, which has been completed. The ICANN Article of Incorporation needed to be restated, and that has now closed public comments, and so we are working on the staff analysis, summary and analysis report which will be posted, and then that item is also slated for an upcoming Board meeting for consideration and approval.

And then the Independent Review Process or IRP enhancements, again, that is in support of the enhancements that have been written into the updated ICANN Bylaws. There is some work being led by the community on those to review the supplemental rules or procedures for the IRP process, and that work is being led by Becky Burr as part of the CCWG Accountability's work. And I think significant progress has been made by that group in working through the set of supplemental procedures, so we're looking forward to communicate and engage with her and that group to finalize that work.

The reconsideration of request enhancements, essentially that is about updating the reconsideration process documentation to support the new enhancements that had been built into the ICANN Bylaws. That work has also been undertaken, and if you can see reflected there, is close to being completed. We anticipate that that work will be done in time for our August 12 report to NTIA.

And then in terms of the Empowered Community, we believe that the work there is pretty administrative in nature, just essentially making sure there's a central e-mail address for requests to come into, and

potentially setting up an Adobe Connect room and providing Secretariat support for the EC if needed. So we don't anticipate any issues with completing that work by August 12, in time for our report for NTIA as well. But again, that work is also in support of the key main deliverable for this track, which is the ICANN Bylaws.

And the last project, the implementation of the post-transition financial planning process, that actually includes a few different areas. It includes definition of the caretaker budget for ICANN and PTI, which has now been done and incorporated into the ICANN updated Bylaws. We have also added to that project the PTI budgeting and [planning] process, which Xavier and Elise have been working with the Design Team under the CWG Stewardship on, so that work is also close to being completed.

So that's where we are right now, and where we hope to get to by mid-August, in time for our submission of the implementation report to NTIA.

Jonathan, is that a new hand? Okay, old hand. Thank you.

I will take a pause here and see if there are any comments or questions or anything else that anyone would like to bring up for discussion today. Okay, seeing no hands and nothing in the chat, I think we will go ahead and close this month's call. Again, there's still a lot of work left to be done in the next couple of weeks, before we deliver our implementation report to NTIA, and we'd like to thank you, everyone, all of you and everyone in the community that continues to engage and support us in getting this important work done by August 12. That's an important date that we're all looking and preparing for, so looking

forward to continuing to work with you over the next couple of weeks to get to that August 12 date, and beyond that to finalize everything that needs to be finalized by September 30th.

Akram, any final words before we go ahead and close the call?

AKRAM ATALLAH: Nothing other than to emphasize that this report is going to be critical for hopefully making the transition happen, that the decision from NTIA will be based on this report, so we need to provide them with complete results across all the Board, and wherever we cannot provide them a complete check, to provide them confidence that we're going to be done before September 30th, so that they don't have to extend the contract. I think that's the key thing here.

The contract requires them to notify us of an extension at the 45-day mark, and they're going to use this report to actually assess whether the completion will happen or not by September 30th, so the report is critical to the success of our transition here. So we're looking forward to as many items completed, and then the ones that need a few more days to be finished, to be able to show them the progress and that we are confident that they'll be done in time for the transition to happen.

TRANG NGUYEN: Thanks, Akram. Andrew, you have your hand up. Do you have any final remarks?

ANDREW SULLIVAN:	Yes, thank you. I guess maybe I could just say thank you for the status and so on, but are there any of these that you're particularly worried about for that report? It would be great to understand what you want us to do about that.
AKRAM ATALLAH:	There isn't in particular anything that we're worried about in the report. Of course, we would have liked to be able to say that everything is finished before the report was done. Because anything that's not finished, we are still being judged on whether we can finish it or not in time, and that's something that we're worried about. So it's more about the ability to provide confidence that we're going to be done that we need to explain in the report. So nothing in particular, Andrew, but the more we get done and the less we have to finish before September 30th will matter in the report.
TRANG NGUYEN:	Alright, so we're just going to try to focus, and with your help, drive towards completion and completing all of the items that we hope to get completed by August 12th completed. So that's the main goal over the next couple of weeks.
	Alright, well, thank you so much again, everyone, for joining today's call. We'll talk to you again next month. Thank you. Please stop the recording.
UNIDENTIFIED MALE:	Thank you.

[END OF TRANSCRIPTION]