

<p>A. Status of Oversight Body</p> <ol style="list-style-type: none"> 1. Operational Performance Review Committee (not a legal entity) 2. Separate Legal Entity 3. ICANN Crosscommunity Advisory Committee 4. Other? 	<p>B. Composition of Oversight Body</p> <ol style="list-style-type: none"> 1. Only representatives of Registry Operators, as direct customers of the IANA naming functions 2. Representatives of Registry Operators <u>and</u> other stakeholders (GNSO, ccNSO, RSSAC, SSAC, GAC and ALAC) 3. Independent Third Parties 4. Other?
<p>C. Documentation of Oversight Relationship</p> <ol style="list-style-type: none"> 1. Contract between Oversight Body and IANA Functions Operator 2. Service Level Agreement between Oversight Body 3. Statement of Principles 4. Other? 	<p>D. Status of IANA Functions Operator</p> <ol style="list-style-type: none"> 1. Division of ICANN (current status) 2. Wholly-owned subsidiary of ICANN 3. Partially-owned subsidiary of ICANN 4. Independent Legal Entity 5. Other?
<p>E. Method of Oversight</p> <ol style="list-style-type: none"> 1. See Appendix A. 	<p>F. Consequences of Failure to Perform</p> <ol style="list-style-type: none"> 1. New IANA Functions Operator 2. Move IANA Functions Operator outside of ICANN 3. Other “non-nuclear” options? 4. Other “nuclear” options?
<p>G. Funding of Oversight Body</p> <ol style="list-style-type: none"> 1. Funded by ICANN 2. Funded directly by Registries 3. Other? 4. See Appendix A 	<p>H. Funding of IANA Functions Operator</p> <ol style="list-style-type: none"> 1. Funded by ICANN 2. Funded by Registries 3. Other?
<p>I. Transparency of Decision-Making</p> <ol style="list-style-type: none"> 1. See Appendix B 	<p>J. Policy Appeal Mechanism</p> <ol style="list-style-type: none"> 1. See Appendix C

APPENDIX A
METHOD OF OVERSIGHT

The Oversight Body would do some or all of the following:

- review [existing performance metrics](#) e.g., that 80% of Root Zone File and WHOIS database change requests be processed within 21 days and
- Develop a [service level agreement (SLA)] for the performance of these technical and administrative functions [to be negotiated with ICANN] [and approved by the multistakeholder community]
- meet periodically with IANA staff to review performance relative to the SLA [and the need for changes to SLA parameters]
- (if IANA is part of ICANN) meet [annually] with the president of ICANN to review and approve the budget for the IANA naming services for the next [three] years
- (if IANA is not a part of ICANN) Board and staff of ICANN would no longer have any role in making any naming related operational decisions.
- On a periodic basis, e.g., every 3 to 5 years, initiate a review of the IANA naming services to consider whether new (e.g., the addition of DNSSEC represents an example of a ‘new service’ that was introduced) or improved services (e.g., further improvements to root zone automation) should be needed.
- [Regardless of composition of Oversight Body, this review would involve the broader community (e.g., all GNSO stakeholders, SSAC, ALAC and the GAC)]
- Any new or improved services would be reviewed by the ccNSO, GNSO, ALAC and GAC before being implemented
- Act as a final review of changes to the root zone made by Verisign at the direction of a designated IANA staff member (The Verisign Cooperative Agreement would be amended by the NTIA to require that Verisign make changes to the root zone at the direction of a designated IANA staff member, and not ICANN)

If IANA is independent of ICANN:

- The cost of operating IANA Inc. would be initially funded by ICANN, but subsequently, the customers, the Internet registries would have to assume this cost in order to preserve the independence of IANA Inc.
- The costs of this have not yet been assessed, but could be in the order of \$US 3 to \$ 4 million, given current cost (FY15) of \$US 2.6 million and the need to engage separate administrative services, legal, support a board etc.

**APPENDIX B
TRANSPARENCY OF DECISION-MAKING**

To enhance consistency, predictability and integrity in decision-making of IANA related decisions, ICANN would agree to:

- Continue the current practice of public reporting on naming related decisions
- Make public all recommendations to the ICANN Board from IANA staff on naming related decisions
- Agree to not redact any board minutes related to naming decisions
- Have the president and board chair sign an annual attestation that it has complied with the above provisions
- IANA functions staff be provided funds to hire independent outside legal counsel to provide advice on the interpretation of existing naming related policy.

These provisions regarding reporting and transparency, along with the availability of independent legal advice, are intended to discourage IANA staff and the ICANN Board from taking decisions that may not be fully supported by existing policy.

If IANA is [a subsidiary or] independent of ICANN:

- IANA functions staff be provided funds to hire outside legal counsel to advise it questions on the interpretation of existing policy
- Where IANA Inc. believes, in its own right or with the advice of its counsel, that the existing policy framework provides insufficient certainty to allow it to make a decision, it will request that the responsible policy development SO/AC begin the policy development process to bring about the required clarity to the policy framework.

APPENDIX C
POLICY REVIEW MECHANISM

Where disputes arise as to the implementation Of 'IANA related policies', for example, disputes over the consistency of ccTLD delegation decisions with accepted policy, there would be recourse independent review panel. This need not be a permanent body, but rather could be done the same way as commercial disputes are often resolved, through the use of a binding arbitration process using independent adjudicators. There are firms, often using former judges, who do this. Another option would involve the way international trade disputes are often decided: a standing list of qualified people would be developed; a three person panel would be struck with each party to a dispute choosing one of the three panelists, with these two choosing the third panelist.