

**CWG-Stewardship Questions and Comments on Memorandum from Sidley Austin LLP dated April 4, 2015  
Preliminary Responses from Sidley Austin LLP**

*You have submitted to us certain questions and comments regarding the Sidley Austin LLP ("Sidley") Memo dated April 9, 2015. Please note that the responses provided below are preliminary in nature, tailored to the discussions between the CWG and Sidley, and provided to help facilitate CWG's consideration of the transition options. It should not be relied upon by other persons for other purposes. Unless otherwise expressly stated, these responses are based on California law, and in particular, the laws governing California non-profit corporations (California Corporations Code, Title 1, Division 2). In certain cases, the questions or comments relate to primarily non-legal matters that will require input and consideration by the CWG.*

Question/Comment Received	Category	Initial Sidley Response on Legal Questions
<b><u>Multi-stakeholder Community / Member Group</u></b>		
1. <i>[Greg Shatan]</i> Page 11, Section III.D.4: You state that "if the SOs and ACs would themselves be ... designators of ICANN, they would need to form a legally cognizable entity." However, the SOs and ACs currently act as designators of the ICANN Board, and are not legally cognizable entities, to the best of my knowledge. Am I missing something?	Legal	To ensure enforceability of rights granted to groups designating directors, we recommend that those groups be legal entities. The legal entity could be a lightweight, unincorporated association.
2. <i>[Eduardo Diaz]</i> Section E.1.b: Currently, ACs and SOs elect members to the ICANN board without having a "personhood" as described in E.2. So, If this can be done today why it cannot be done in the future? and for that matter why the other items in E.1 (i.e. a, c & d) cannot be done in the future as well?	Legal	See response to #1 above.
3. <i>[Greg Shatan]</i> Page 14, Section IV.A.2: You state that "[a]n accountability mechanism for reviewing ICANN's policy-making decisions related to the IANA functions" is an area "of dependency and need for integration between CWG and CCWG. It's unclear whether you expect/think/recommend that this mechanism to be created by the CCWG (in which case it is likely to be a general purpose mechanism and not one specifically designed for IANA-related purposes) or the CWG. If it is the latter, we don't have any real work done to create such a mechanism. If it's the former, I'm not sure how much further ahead the CCWG is on such a mechanism, and I don't know whether a general purpose mechanism will be "fit for purpose"	CWG	The intention here was to address how ICANN policy making decisions are implemented into the IANA Functions operations. We expect that this will be addressed through the general accountability work of the CCWG.

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<p>when it comes to reviewing IANA-related decisions. What do you think the path forward here is?</p>		
<p>4. <i>[Greg Shatan]</i> Page 7, Section E.1: The powers discussed here do not directly relate to oversight of the IANA Function. Instead, they focus entirely on oversight of the ICANN Board, which is not often directly involved in IANA matters. It's unclear how this "Multi-Stakeholder Community Organization" relates to our remit to deal with accountability for the IANA functions (but not general ICANN accountability). It's also unclear if this MSCO is the same as the "empowered Member Group" being created by the CCWG, or is a variation on or affiliate or subset of such empowered Member Group. Further, it is unclear whether this is the same thing as "statutory" members of ICANN or something different.</p>	<p>Legal</p>	<p>The Multi-Stakeholder Community Organization is intended to be the same as the "empowered Member Group" in our memo. The Multi-Stakeholder Community Organization would sit above ICANN and could take different forms depending on the work of the CCWG. In terms of the current CWG IANA stewardship transition model under consideration (both legal and functional separation variants), the likely required accountability mechanism would be the ability of the Multi-Stakeholder Community Organization to elect or designate board members of ICANN, and consequently, remove those board members.</p> <p>In addition, in the legal separation variant of the model, the Multi-Stakeholder Community Organization could also be empowered by determining (as a designator) membership of the PTI board.</p> <p>Lastly, we assume that the Multi-Stakeholder Community Organization would also have input into the composition of the Periodic Review Function ("PRF") group. The composition of the PRF group should be discussed.</p> <p>The interplay between the general mandate of the Multi-Stakeholder Community Organization and the specific oversight of the IANA functions could come in different ways. For example, the PRF group would have the specific mandate to review the IANA function. If the IANA function is not operating well, the PRF group could make recommendations that would be brought to the ICANN or PTI boards. If the applicable board does not adopt those recommendations and the Multi-Stakeholder Community Organization disagrees with that decision, the Multi-Stakeholder Community Organization could have input either through a veto of the board's action or by replacing board members.</p>

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<p>5. <i>[Andrew Sullivan]</i> In III.D.2 there is a question about "ultimate accountability over ICANN's stewardship". I'm not entirely sure which cases this applies to. If there is a legal separation, how is this question relevant for CWG? Under the legal separation described, PTI becomes the new IANA functions operator. If there's full independent governance of PTI, for instance, isn't ICANN's stewardship completely gone -- it has only responsibility for policy, and not for IANA operation at all, right?</p> <p>Is that part of the point of this question?</p>	Legal	<p>The question here is intended to note that the work of the CCWG is ongoing. As a result, while we expect that there will be an empowered member group (and the CWG model under consideration requires it), the exact form of that group and how it exercises power is still to be determined.</p>
<p><b><u>IANA Contracts and MOUs (e.g. IETF and RIRs)</u></b></p>		
<p>6. <i>[Greg Shatan]</i> Page 5, Section I.A.4: The CWG needs to develop accountability mechanisms directly related to contract management and ICANN's behavior as a party. We can't shift this specific, tailored accountability responsibility to the CCWG. With ICANN (rather than "Contract Co.") entering into the contract, there is a danger of "the fox guarding the chicken coop" that needs to be controlled for.</p>	CWG (with legal input)	<p>Additional input will be needed to ensure the model addresses the issues that could arise post-transition. For example, (1) can issues be addressed through an arms'-length contract between ICANN and PTI, (2) can issues be addressed through the PRF or CSC processes, (3) are other mechanisms needed.</p> <p>We also believe more discussion is needed concerning the ability to separate IANA in the future. Specifically:</p> <p>(1) <u>what</u> triggers a separation;</p> <p>(2) <u>who</u> is empowered to trigger a separation; and</p> <p>(3) <u>how</u> is a separation effected.</p>
<p>7. <i>[Andrew Sullivan]</i> In I.A, particularly in numbers 4 and 6, I can't tell whether the assumption is that there are new agreements between PTI and the RIRs, and PTI and IETF. I think the fact that PTI is a new legal entity means that new agreements would be required. Is that correct? The reason I ask this is because there is a possible risk of things coming apart if the other operational communities need to be engaged in a new negotiation. If PTI just takes the existing agreements and does a global search and replace for ICANN with PTI, that's nice, but it</p>	Legal (with CWG input)	<p>We would need to review the existing agreements to respond definitively. We also need a better understanding of how those arrangements are organized currently (e.g., binding agreements, MoUs, etc.). However, the typical approach to a separation of a new entity from a parent entity would be to assign agreements to the new entity and have the new entity assume those agreements. If the agreements permit assignment (or if they require consent to assign, then if consent of the counterparty to the agreement is obtained),</p>

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<p>doesn't solve everything. For instance, the IETF would have to publish a new version of RFC 2860. It's worth remembering that every grievance everyone has with an existing document comes into play once the document is opened for editing.</p>		<p>the agreements could be assigned to PTI. Alternatively, PTI could enter into new agreements with the various counterparties and the existing ICANN agreements could be terminated.</p>
<p>8. <i>[Andrew Sullivan]</i> By way of comparison, in II.B, does using Functional Separation permit ICANN to continue working under its existing MoUs? I'd assume yes, because AFAIK none of the existing agreements specify the internal arrangements of how ICANN delivers the service. [Notwithstanding Milton's point about getting it "right", given the timeline there is a significant advantage to not having to negotiate, I think, no?]</p>	<p>Legal</p>	<p>Under the functional separation variant, the agreements/MoUs would remain with ICANN. There would be no assignment.</p>
<p>9. <i>[Milton Mueller]</i> If the PTI is an affiliate of ICANN and is created by means of a transfer of the assets of the existing IANA department to the PTI affiliate, why couldn't ICANN's IANA department's existing contracts go along with it? Corporations with contracts change ownership all the time, and divest entities all the time; I suspect that this does not require them to re-negotiate every contract they have. But let's let the lawyers answer that.</p>	<p>Legal</p>	<p>We agree. See response to #7 above.</p>
<p>10. <i>[Avri Doria]</i> One of my comments for the Sidley report is this assumption that the contracts would move to IANA.</p> <p>I see no reason for this to happen unless the IETF/IAB &amp; RIRs/CRISP want them to. It seems to me that the contracts could remain with ICANN and that ICANN would use the affiliate to do the work.</p>	<p>Legal (with CWG input)</p>	<p>The contracts could remain with ICANN and ICANN could subcontract with PTI/IANA to perform the work. We would like additional input on why this would be preferable to legally moving the contracts to PTI.</p>
<p>11. <i>[Milton Mueller]</i> Let me reiterate an important detail that many seem to be overlooking.</p> <p>The RIRs CRISP team proposed the following:</p> <p>“The Internet Number Community proposes that a new contract be established between the IANA Numbering Services Operator and the five RIRs. The following is a proposal to replace the</p>	<p>Legal</p>	<p>In lieu of assigning contracts, it would also be possible to structure new contracts and terminate the existing ICANN contracts.</p>

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<p>current NTIA IANA agreement with a new contract that more directly reflects and enforces the IANA Numbering Services Operator's accountability to the Internet Number Community . It is expected that the RIRs, as the contractual party of this agreement, will draft the specific language of this agreement."</p> <p>New. Contract. Therefore it would not be difficult at all for the RIRs to develop this new contract in a way that named PTI, rather than ICANN Inc., as the contractor. Since the proposed PTI is the same unit as the current ICANN IANA department, and they are happy with that service, I see no reason why the RIRs would have a problem with this.</p>		
<p>12. <i>[Andrew Sullivan]</i> The IETF, however, is in a different boat, as it doesn't think it needs such an agreement, so that is a cost of some forms of the legal separation that are not present for other forms. I made this argument about some of the different hybrid-model proposals before, and it still seems to me to be a factor worth considering. To some extent, a proposal has to present both low risk to transition and low risk to the long-term goals. Balancing this is a delicate act, I think.</p>	CWG (with legal input)	How does IETF currently operate relative to ICANN?
<p>13. <i>[Greg Shatan]</i> I think that any of the following are legally possible:</p> <ol style="list-style-type: none"> <li>1. ICANN retains the contracts with the RIRs and IETF, with a minor amendment allowing ICANN to offer the service, but have the service fulfilled by its wholly-controlled affiliate (or wholly-owned subsidiary) PTI.</li> <li>2. ICANN enters into an "assignment and assumption" agreement whereby PTI takes over ICANN's position in the agreements.</li> <li>3. ICANN and the RIRs/IETF terminate the current agreements, and IANA enters into new agreements with the RIRs and IETF.</li> </ol> <p>The first option fits the principle of "change as little as possible (and explain any change you make".</p>	Legal (with CWG input)	We agree that all of these are options.

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<p>The second option fits the principle of "make PTI as easily separable from ICANN as possible."</p> <p>The third option fits the principle of "let's make everything messy and complicated."</p>		
<b><u>CSC and PRF</u></b>		
<p>14. <i>[Andrew Sullivan]</i> III.C talks about CSC. In the case of a full legal separation with independent governance, would the CSC be needed at all? Presumably the arrangements between PRI and their customers would be a contractual one, and as such the management of such contractual disputes ought to be via those contracts, and not through an extra body. Or is the point that the way such a contractual arrangement would solve such disputes ought to be along the lines of the CSC?</p>	CWG	
<p>15. <i>[Elise Lindeberg]</i> Regarding the question from Andrew Sullivan <i>III.C talks about CSC. In the case of a full legal separation with independent governance, would the CSC be needed at all? Presumably the arrangements between PRI and their customers would be a contractual one, and as such the management of such contractual disputes ought to be via those contracts, and not through an extra body. Or is the point that the way such a contractual arrangement would solve such disputes ought to be along the lines of the CSC ?</i></p> <p>Do you mean PTI? It's fundamental from a governmental perspective (and also for the ccTLDs I think..) that we don't create a model with requirements for establishing a contractual relationship between the IANA functions operator (PTI) and the ccTLDs. This is an absolute no go.</p>	CWG	
<p>16. <i>[Andrew Sullivan]</i> On III.I, I'm not sure what the difference is between CSC and IRP. Why are both things needed?</p>	CWG (with legal input)	<p>The IRP refers to a general mechanism of redress being created by the CCWG. An open question is under what circumstances will the CWG recommend an IRP process. For example, the CSC work appears to be one area. Are</p>

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		there others?
17. <i>[Greg Shatan]</i> Page 6, Section 1.D.2: The document states that "in the first instance, customers would seek to resolve issues directly with PTI and, only if unresolved, take the matter up to the CSC." This would be true of issues that individual customers were experiencing. However in the event of systemic issues (i.e., issues affecting many or all customers), I would expect that the CSC would be used to try and resolve issues in the first instance.	CWG	Is the role of the CSC primarily as a facilitator to resolve customer issues or as a decider (perhaps subject to appeal)?
18. <i>[Chuck Gomes]</i> It might be helpful to review the recommendations to be proposed by DT-M. A final version should be available this coming Friday.	CWG	
19. <i>[Greg Shatan]</i> Page 6, Section 1.D.3: I did not expect that the CSC would be the "escalating party" for stakeholders at each level of escalation. Rather, I expected/thought that at some level, a multistakeholder body would step into the escalation process. One of the reasons the multistakeholder model works, in my opinion, is that different stakeholder groups, each representing the interests of their stakeholders, tend to balance each other out and bring about the need for compromise and consensus. The corollary of this is that each "uni-stakeholder" group tends to act like an "interested party" and act as an advocacy group (because it needs to do so and because it was created to do so). The danger is that in creating a "uni-stakeholder" group with operational responsibilities, like the CSC, it may still tend to act like an advocate for its constituents, rather than acting in the greater good. In other words, the CSC runs the risk of being "captured" at birth, by the "customers." Given the likely makeup of the CSC, oversight over the CSC, as a uni-stakeholder body without internal checks and balances, is critically important.	CWG (with legal input)	Further discussion is needed on oversight of CSC. Also, will depend on response to #17 above.
20. <i>[Milton Mueller]</i> You describe an escalation path for CSC that starts with PTI itself, goes to CSC, then to the PTI board, and then the ICANN board. If the PTI board was independent of ICANN, would it make sense to have the ICANN board as the	CWG (with legal input)	

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ultimate escalation point? Shouldn't the final step of this escalation be the PRF and the possibility of a RFP to change providers?		
21. <i>[Milton Mueller]</i> Are any legal issues raised by combining the functions of the CSC and PRF in order to streamline the proposal? e.g., by making the CSC automatically part of the PRF or a fixed proportion of the PRF?	Legal (with CWG input)	There are no legal issues with combining the CSC and the PRF. A question for the CWG is whether the composition of those groups would be similar or different – for example, would CSC be comprised of customers, while the PRF would be comprised of multi-stakeholders?
22. <i>[Milton Mueller]</i> In the internal option, you say the PRF would conduct periodic reviews of the IANA functions "in the same manner" as in the legal separation variant. But what would the boundaries of the review function be when IANA was part of ICANN and lacked its own governance structure? Would PRF be reviewing any and every part of ICANN that touched upon the IANA functions? E.g., since primary oversight of IANA would rest with the ICANN board, would the PRF be empowered to investigate any and every board member, the CEO or the board as a whole? Isn't it possible that such a review could stray into dissatisfactions caused by policy disagreements rather than IANA performance per se?	CWG (with legal input)	In either variant the PRF scope of review would need to be carefully defined to ensure that it is appropriately focused on the IANA function. This may be marginally easier in the legal separation variant, but it should be achievable under either variant.
23. <i>[Elise Lindeberg]</i> In regards of roles of CSC and MRT/"members group"  I think it is crucial to have a very clear understanding and description of what we define as <u>escalation</u> , and that this is not only used as a term relating to the role of the CSC. In our CWG discussions Escalation has been referring to the Multistakeholder component of the oversight function, - what used to be called the MRT. In the current structure the MRT function has been merged with the work of the CCWG - referred to as «members group" with legal personhood. It might look like necessary detailing, but I think we should keep the wording clear and underline that the escalation happens when it is sent over to MRT/"members group"/Multi-Stakeholder community Organisation.	CWG (with legal input)	



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<b><u>Arbitration</u></b>		
<p>24. [Greg Shatan] Page 12, Section III.F.3: You raise a question about the "fiduciary obligations" of the "person/body doing the compelling." Based on the prior sentence, this "person/body" would appear to be an independent arbitrator. I'm no expert on arbitration, but I would think that the duties (fiduciary or otherwise) of arbitrators are fairly well settled. Am I missing something?</p>	Legal	The arbitrator will have to enforce the rights underlying the specific cause of action or matter being reviewed. For example, if the claim is a breach of a fiduciary duty by a board member, the arbitrator is assessing the performance against that duty, not the merits of the decision. We will clarify the language.
<b><u>Accountability</u></b>		
<p>25. [Milton Mueller] After reviewing these pros and cons, I think the only substantive advantage of functional separation is this one:</p> <p>“Avoids the need to create another layer of governance and accountability at the IANA level and associated complexity; the focus can be on ICANN governance and accountability.”</p> <p>But this alleged advantage is a mirage. It would be nice to avoid governance problems. But of course, the easiest way to avoid complexity and governance would be to have no accountability at all.</p> <p>This ‘disadvantage’ of legal separation is really its chief advantage. The reforms of ICANN governance and accountability that come from the CCWG will be reforms oriented to its policy making process, not IANA operations. ICANN is dominated by the policy making process for domain names and the administration of its contracts with registries and registrars – it accounts for 95% of its budget. IANA is a tiny part of ICANN’s overall enterprise. Internal reforms of ICANN governance and accountability are going to be focused on making sure that the policies passed by the board reflect the preferences of its stakeholder groups. Unless there are governance and accountability reforms <i>_specifically targeting IANA operations_</i> the general ICANN CCWG process will do nothing for IANA. And if those specific governance and accountability reforms for IANA</p>	CWG (with legal input)	

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<p>are put into place in an internal solution – voila – you have the same additional “complexity” and additional layers of governance that you have in the legal separation. So there is really no gain in simplicity from an internal option.</p> <p>Let’s bite the bullet and do it right. Legal separation is a requirement.</p>		
<p>26. <i>[Milton Mueller]</i> You say the PRF group could recommend to “terminate or initiate” an RFP for the IANA functions contract. I do not understand what is meant by “terminating” an RFP - do you mean terminate the IANA contract?</p>	Legal	That is correct: the concept is a recommendation to terminate the IANA functions contract or initiate an RFP.
<p>27. <i>[Elise Lindeberg]</i></p> <p><i>H. Fundamental bylaws</i></p> <p><i>What will these be?- While this is primarily an issue for CCWG, considerations should be given by CWG to whether there are any bylaws matters upon the model is conditioned.</i></p> <p>YES, - any model based on sort of “golden bylaw” arrangements as the last sort of action towards IANA function operator (PRI) <u>must</u> be based on the CWG giving clear conditions on bylaws and how they should work in regards of decisions in the ICANN community and inside the ICANN company. We can’t push this bylaws arrangements to be solved by the CCWG - even if the link between the CWG and the CCWG is strong, and the communications between the chairs are very good, we are working in parallel and aim to finish at the same time, - so CCWG haven’t got the time or detailed knowledge to design specific bylaws that will fit a new company structure for the IANA function and the oversight/stewardship of IANA.</p>	CWG (with legal input)	We agree that whatever fundamental bylaws are required to for the CWG model, those should be identified with specificity and those requirements integrated with the CCWG work stream.
<p><b><u>Other structural considerations</u></b></p>		
<p>28. <i>[Paul Kane]</i> Yes we want better functional separation, a dedicated budget and improvements to the reporting given to the community .... yes we all want ICANN's current IANA staff to</p>	CWG (with legal input)	More discussion is needed around the steps that would be taken if the IANA function ceases to operate properly and remedial steps have not been effective to resolve the issue.

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<p>deliver service but things change, especially when people/performance change..... hence.....</p> <p>I would like to specifically ask Sidley to give formal advise on how best to ensure an affiliate company (as part of ICANN Community) can be the custodian for the Stewardship role currently undertaken by NTIA.</p> <p>Specifically, a limited scope multi-stakeholder company with a CSC style body that in the event of ICANN's IANA staff being unable to perform to the prescribed SLE, or ICANN corporate deciding that they no longer wish to deliver the IANA service that triggers the affiliated company to:</p> <ul style="list-style-type: none"> <li>• publish an objective service orientated RFP;</li> <li>• invite interested parties to deliver IANA service(s) and respond to the RFP;</li> <li>• to select and contract with the operator best able to serve IANA's customers.</li> </ul>		<p>See response to #6 above.</p>
<p>29. <i>[Chuck Gomes]</i> Are there any legal issues that the CWG should be concerned with if it considered proposing a functional separation model for the initial transition and a legal separation model if needed at a later date?</p>	<p>Legal</p>	<p>If no legal separation is implemented now, the separation later could be more difficult. For example, if there are ICANN contracts that cover more than the IANA Function, those shared contracts would need to be dealt with at the future time of legal separation. The advantage of separating now is that it allows the working group to address a known set of facts. In the future, the facts could change and separation could be more cumbersome. To mitigate this, in the functional separation variant approach, ICANN could attempt to compartmentalize IANA contracts, assets and resources so that any later separation would be easier.</p>
<p>30. <i>[Greg Shatan]</i> Page 7-8, Section II,B &amp; C: I think you should create a list of advantages and disadvantages of the Legal Separation Variant to parallel this list of advantages/disadvantages. It creates an odd imbalance to have this analysis of the Functional Separation Variant, but none for the Legal Separation Variant.</p>	<p>Legal</p>	<p>Our approach in the memo was to start with the legal separation variant and then compare the functional separation variant to that base. Therefore, the advantages and disadvantages of the legal separation variant are generally the mirror image of those of the functional separation variant. If it's helpful though, we can include a</p>

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		discussion in both places.
<p>31. <i>[Seun Ojedej; with comments from Milton Mueller inline]</i> A quick observation; the legal separation option does not seem to include advantages/disadvantages like the functional separation.</p> <p><i>[Milton Mueller]</i> Actually it does. The discussion draft makes it clear that the legal separation is used as the benchmark, and then compared to functional separation. Thus, the “advantages” of functional separation are the “disadvantages” of legal separation, and the “disadvantages” of functional separation are the “advantages” of legal separation.</p>	Legal	See response to #30 above.
<p>32. <i>[Milton Mueller]</i> Are we mincing words when we call the second option “functional separation?” Is there a clear and robust definition of “functional separation?” How, exactly, is the “functional” separation contemplated by the discussion draft different from what we now have (IANA as a department of ICANN)? Would it be more accurate to continue to call this an “internal to ICANN” option?</p>	Legal (with input from CWG)	The functional separation could be similar to a division of a large operating company. While there would be no legal entity to house the IANA function, the operations would be treated as separate, with a separate budget and separate personnel. However, without a clear legal separation it may be harder to maintain separation. In a legal sense, the functional separation model is an “internal to ICANN” option.
<p>33. <i>[Milton Mueller]</i> I still do not understand how the principle of separability would be achieved with the so-called functional separation. Unless IANA is already structurally and legally divested, the political resistance to and economic disruptiveness of divestiture would essentially eliminate separation as a viable option. Can S-A provide examples of organizations that have agreed to surrendered critical functions to a competitor at the behest of their stakeholders?</p>	Legal	<p>The separation would be similar to the manner in which a large corporation sells a division that is not a separate legal entity. This is typically done as an asset sale transaction. These types of transactions require careful determination of what assets belong to the division and should be transferred and which do not. Often assets are shared by the division and other divisions or the parent, further complicating separation.</p> <p>If instead the legal separation were performed now, the work of separation would be done in advance. If there were a need to separate the IANA functions in the future, the legal entity could be transferred as a whole.</p> <p>From an enforceability standpoint, in either variant the separation would need to be mandated in the ICANN governance documents so that it would not be optional once</p>

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<p>34. <i>[Greg Shatan]</i> Page 8, Section III.A.1(a): You state that an LLC "would not be a formally incorporated entity, but is a legally cognizable entity." While this is technically true, it may give the wrong impression. Specifically, although an LLC is not "formally incorporated," it is formally brought into being by filing formative documents with the state (very similar to a corporation). Thus the difference between "incorporation" and "formation."</p>	<p>Legal</p>	<p>an agreed upon triggering event occurred.</p> <p>We agree with the comment and will clarify.</p>
<p><b><u>Remedies for Failure</u></b></p>		
<p>35. <i>[Greg Shatan]</i> Page 11, Section III.E.1: These consequences of failure all seem fairly dramatic, and are some version of "firing" the offending party. Here, as elsewhere, I expect that actions short of firing would be more common. I would think that it is more likely that the consequence of most functional failures would be and agreed-to remedial action taken by PTI/IANA, likely with heightened oversight by ICANN/CSC/some multistakeholder thing.</p>	<p>CWG (with legal input)</p>	<p>Remedial action could be initiated by the CSC or through the PRF.</p>