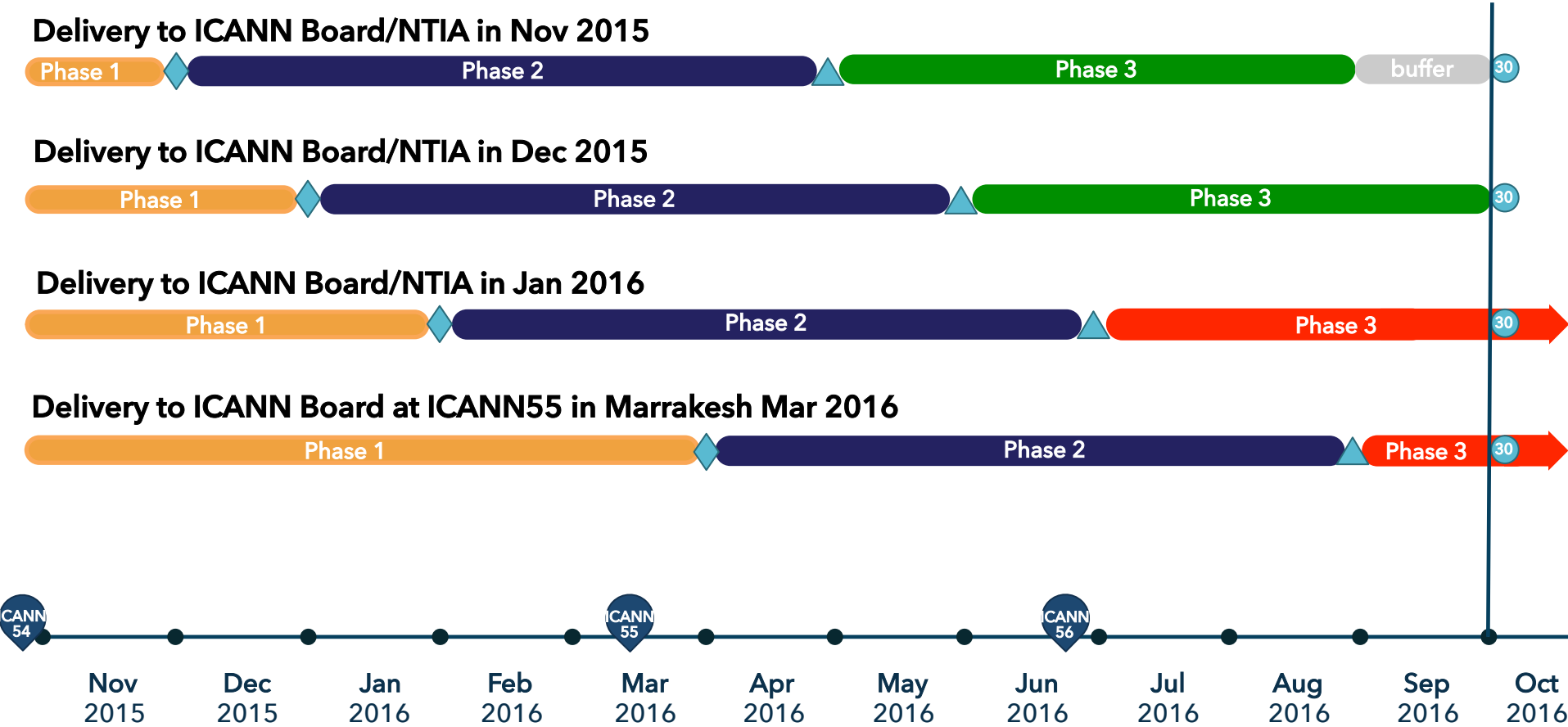


Effect of Possible Delays on Overall Timeline

Phase 1: Community Proposal & Public Comment - Phase 2: NTIA Review/Evaluation & Implementation Planning - Phase 3: Impl. Execution



◆ Multistakeholder Community Delivers to ICANN Board ▲ NTIA Certification and USG Approval ③ NTIA Contract Expiration - 30 Sep 2016

5 Risks we face if the IANA Stewardship Transition is Delayed/Fails:

- I. ICANN's community may fracture or fray slowly, becoming divided, acrimonious, bitter - potentially risking ICANN's stability, effectiveness - and impacting the participation of global stakeholders
- II. The technical operating communities using IANA may go separate ways, with the IETF and the Numbering communities choosing to take their business elsewhere - ending the integrity of the Internet's logical infrastructure
- III. Governments (spurred by G77) may lead an effort starting at this year during the WSIS review to shift Internet Governance responsibilities to a more stable and predictable inter-governmental platform
- IV. Key economies that shifted positions since NTIA's announcement in March 2014 may reverse their support for 'one Internet' logical infrastructure coordinated by ICANN
- V. The resilience and effectiveness of the multistakeholder model will be questioned by those seeking solutions to the emerging Internet Governance issues in the economic and societal layer (e.g. cyber security, trade, privacy, copyright protections, etc.)

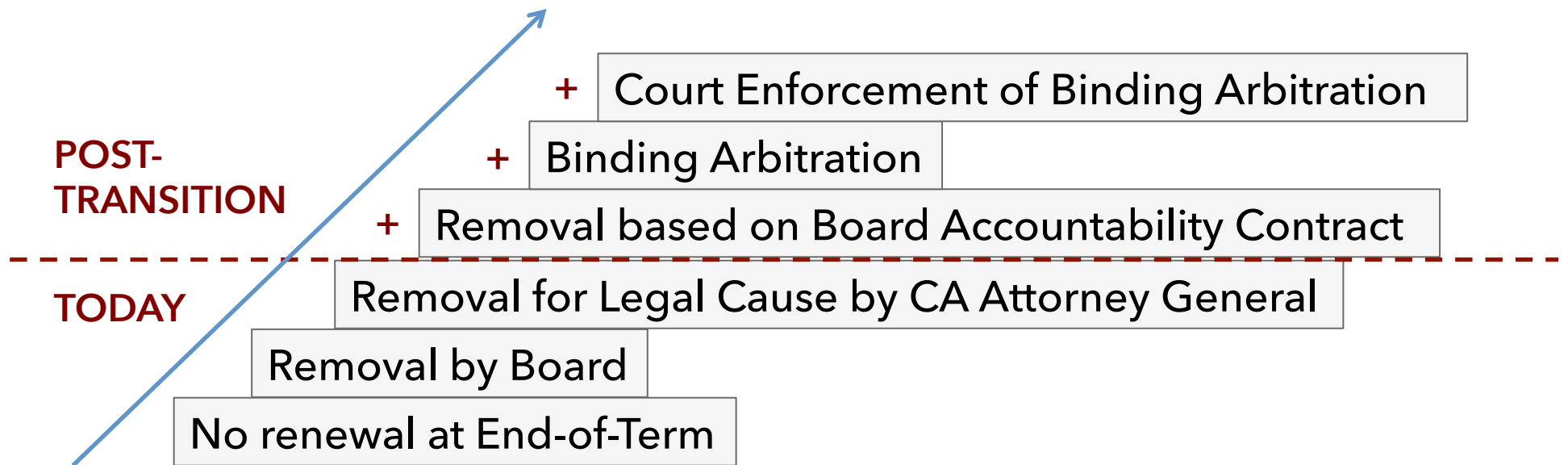
Elements to enhance ICANN accountability for a successful IANA Stewardship Transition	Broad community agreement on elements replacing USG backstop role in IANA Contract	Broad community agreement on additional elements	Broad community agreement on requirements but not on implementation approach	No broad community agreement on requirement or implementation approach
Oversight of IANA operations by operational communities	✓			
Assurance of IANA service levels	✓			
Guarantee of continued IANA funding	✓			
Community right to remove Board Directors	✓			
Community power to appeal IANA decisions	✓			
Establish higher thresholds to modify Bylaws deemed 'Fundamental'	✓			
Reaffirm in Bylaws current requirement of Board/GAC consultation on consensus advice.	✓*			
Include AOC reviews into Fundamental Bylaws	✓			
Strengthen, make binding, and improve timeliness and effectiveness of IRP		✓		
Broaden scope and improve effectiveness of Reconsideration process		✓		
Promote diversity within ICANN's community and activities		✓		
Adhere to Mission and Core Values and new Commitments (all within remit)		✓		
Community consent to change all Bylaws		✓		
Continue accountability improvements post IANA Stewardship Transition		✓		
Empower community role in developing and objecting to Strategic and Operating Plans and Budget			○	
Empower community with new legal enforcement (statutory rights under California law or binding arbitration)			○	
New structure with legal authority to change any and all Bylaws				?
New structure with legal authority to freeze annual Budget				?
New structure with legal authority to directly appoint and remove Directors without cause				?



Elements addressing all CWG-Stewardship dependencies on the CCWG-Accountability
** GAC has not taken a position*

Date: 24 September 2015

Right to Remove Board Director



Accountability Improvements & Governance Structure *post IANA Stewardship Transition*

ICANN must assure the community of its commitment to continuously improve our accountability and, if necessary, evolve our governance structure. Such commitments may be embedded into ICANN's Fundamental Bylaws.

On Improving Accountability:

Board will accept and implement consensus recommendations unless ___% of board objects -- and the only basis for objection is that the 5 NTIA criteria are not upheld, or if the recommendations are deemed not in the public interest. When the Board objects, it must enter into a dialogue/consultation with the community. After the dialogue, it will take ___% of the board to continue objecting to consensus recommendations. If the Board does not adhere to this process, the community may pursue a binding arbitration. At any time, the community may also choose to remove the directors.

On Evolving Governance Structure:

___ years after the transition, the community has the sole discretion (without Board consent) to review whether ICANN's governance structure must be changed. This review may only be started by ___% of SOs/ACs, or if there is a demonstrated gap in enforceability. In addition to the SOs/ACs, such a governance review must also include ICANN (Board/Staff) as well as the Operational Communities (since this will affect them). The outcome of this review must uphold the Multistakeholder Model and avoid capture by any special interest(s) or group(s). The recommendations resulting from this review are subject to the same acceptance process for Improving Accountability (detailed above).

4



On The Road to Complete Transition



Do we have broad agreement on the requirements and enforceability of the five community powers?



Do we have broad agreement on ALL the elements to address the CWG Dependencies?



Are the above areas of broad agreement consistent with NTIA criteria and do they meet the requirements for a safe/secure transition of U.S. Government stewardship?



Do we have broad agreement on an assured process to continuously improve ICANN's accountability and evolve its governance structure?