

| Bucket | Point | Candidate Principle  | Description (in context)   | Congruent views: Necessary revisions or conditions to achieve support  | Candidate Principle from ICANN76 for April 2023 Workshop | Proposed Description from ICANN76 for April 2023 Workshop  | Considerations for implementation                       |
|--------|-------|--|--|--|--|--|---|
| 1      | 0     | <b>SEPARATION AND BALANCE OF POWERS</b>                                      |  |  |  |  |   |
| 1      | 10    | Financial self-determination (see also Basket 3)                             | The entity that collects money for RSS support is not necessarily the entity that [defines the rules on] how to [disburse] [allocate] that same money. Critical to avoid accidental “capture” as a result of loss of control over financial decisions. | [Language remains subject to post-meeting discussion]  |  | The entity that collects funds for RSS support is not necessarily the entity that defines the oversight for allocation of those same funds. Critical to avoid accidental “capture” as a result of loss of control over financial decisions |   |
| 1      | 20    | RSO has no authority to publish an altered or alternative root zone          | An RSO must only publish from its designated root server identities IANA root-related data exactly as received from the IANA through the root zone maintainer.   | Balancing power between:<br>(1) RSOs & RSS GS; and (2) IANA/RZM<br><br>The delineation of authority between RSS GS and RZM is worthy of further study. Edge cases seem to arise with regulatory and perhaps a stronger definition of the demarcation would assist.   |  | No change  |   |
| 1      | 30    | Prescriptive Authority distinct from Executive Authority                     | The act of making policy (Prescriptive Authority) should be distinct and separate from the acts of implementing and enforcing policy (Executive Authority)   | Balancing power between:<br>(1) RSS GS; and (2) RSOs<br><br>When people act COLLECTIVELY to make policy, they might then be expected to comply with it INDIVIDUALLY. Although RSSAC058 makes clear the idea that RSOs have, and should continue to have, a significant voice in governance, this does not excuse them individually from acting in accordance with policy that has been adopted collectively by the RSS GS. |  | No Change  | ??<br>You would have to comply individually to policies |
| 1      | 40    | RSS Policy arises through collaboration between RSO and non-RSO stakeholders | To maintain and continue to build trust in the RSS, non-RSO stakeholders must have a strong voice in RSS governance, and RSOs (as stakeholders) must continue to have a strong voice in RSS governance.  | Balancing power between:<br>(1) non-RSO stakeholders; and (2) RSO stakeholders   |  | To maintain and continue to build trust in the RSS: (1) stakeholders outside of the RSS must have a strong voice in RSS governance; and (2) RSOs must continue to have a strong voice in RSS governance. See RSSAC058 Section 1.2.         |   |

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|   |     |  |  |  |  | Balancing power between:<br>(1) non-RSO stakeholders; and (2)<br>RSO stakeholders  |  |
| 1 | 50  | Policymaking: No single controlling person or entity | No single person (whether a natural person or an entity) should be in a position to set or block RSS policy.   |  |  | No SINGLE person should be in a position to set RSS policy (no Policy Dictator or Policy Czar)   |  |
| 1 | 60  | Accountability                                       | Maintaining and building trust in the RSS GS requires that compliance with these principles should be subject to some form of audit/confirmation/review.   | Amended language "adherence to..." following suggestion from Erum Welling to avoid "compliance" focus  |  | Maintaining and building trust in the governance structure requires that adherence to these Principles should be subject to some form of audit/confirmation/review.  |  |
| 1 | 70  | Transparency   | Maintaining and building trust in the RSS GS requires that exercise of enumerated powers should be open and transparent.   |  |  | Maintaining and building trust in the governance structure requires that exercise of enumerated powers should be open and transparent.   |  |
| 1 | 80  | Flexibility  | To accommodate changes driven by technical necessity, it must remain possible to change the governance structure itself.   | Redraft based on observation from Peter Koch et al to clarify that it is not yet decided how and who will be able to amend the constitution of the new governance organization   |  |  |  |
| 1 | 90  | No unilateral veto                                   | No single stakeholder can take the governance system itself hostage. While decision-making thresholds may be based on majority or supermajority requirements, unanimity requirements are generally a hindrance to a well-functioning governance structure. | [RC: suggest adopting ICANN proposed redraft:<br><br>"No decision-making threshold within the RSS GS shall require unanimity. Decision-making thresholds based on majority, super- or supra-majority thresholds remain available. Unanimity requirements are generally a hindrance to good governance and promote the ability for any single voice or entity to stall or block progress."]                         |  | No decision-making threshold within the RSS GS shall require unanimity. Decision-making thresholds based on majority, super- or supra-majority thresholds remain available. Unanimity requirements are generally a hindrance to good governance and promote the ability for any single voice or entity to stall or block progress. |  |
| 1 | 100 | Dissent is welcome                                   | There should be no requirement for those who disagree with a policy or enforcement decision to refrain from public comment if that is what they wish to do.  | [Suggestion to replace with Kurt Pritz alternative language: "Disparate viewpoints will be encouraged during the policy-making process. Dissenting views from proposed or approved policies will be published. However, dissenting views or opinions that do not garner {consensus}? support, will not be allowed to derail or unnecessarily delay the policy development process"] Discussion of "consensus" TBD. |  | Disparate viewpoints will be encouraged during the policy-making process and all viewpoints on proposed or approved policies will be published.  |  |

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|          | 101      | Obstructive Dissent is unacceptable    |   |   | Obstructive dissent is unacceptable                                   | Dissenting opinions that unnecessarily delay or obstruct the policy development process will not be accepted.                               |   |
| 1        | 110      | Direct Participation of RSOs in RSS GS | Exercise of governance authority by the RSS GS should involve direct participation of RSOs rather than requiring RSOs to rely upon representation of their interests. | <p>Jim Reid: RSOs should not be compelled to participate in GS Bodies (policy forums etc.)</p> <p>Multiple participants: Participation in governance should be a requirement for entities that want to act as an RSO.</p> <p>Sam E: Among other things we will confront things like quorum requirements, and we will need clarity about what it takes to assemble a governance body.</p> <p>G Huston: this freezes situation and can result in "crowding"</p> | Effectuation of policy decisions require Direct participation of RSOs | Effectuation of governance decisions by the RSS GS must involve direct participation of RSOs  |   |
|          | 111      |  |   |   | RSO Representation in RSS GS  | Development of governance policy by the RSS GS may include both direct and representative participation by the RSOs                         |   |
| 1        | 210      | Survivability                          | The RSS GS and the RSS must be sufficiently robust to survive any legal process attack by a (non-state) bad faith actor   | Proposal from Ash/ICANN w slight mod: "In building the RSS GS and the RSS, risks should be identified, and mitigation measures implemented to support both the RSS GS and the RSS against legal process attacks by bad faith actors."   |   | The RSS GS and the RSS must make best effort to be sufficiently robust to survive any legal process attack by a (non-state) bad faith actor | "In building the RSS GS and the RSS, risks should be identified, and mitigation measures implemented to support both the RSS GS and the RSS against legal process attacks by bad faith actors." |
| <b>2</b> | <b>0</b> | <b>DESIGNATION AND REMOVAL OF RSOs</b> |   |   |   |   |   |
| 2        | 10       | Maintain and Enhance Trust in the RSS  | Decision-making framework used to establish the number and identities of RSOs must preserve and enhance trust in the RSS.   | TRUST is in the eye of the beholder - there is a serious risk in bending too far to accommodate issues badged as "trust" that are not founded on logic [and engineering reality]. This is a cautionary note against politicizing the  |   | No Change   | The "equation" that defines how many RSOs is an implementation artifact that supports the engineering reality.  |

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|   |    |  |   | selection process and size determinations.   |  |   |   |
| 2 | 11 | Maintain and enhance trust in RSS performance        | The decision-making framework used to establish the number and identities of RSOs must preserve and demonstrate competence, consistency, commitment, and care for the RSS.  |  |  | No Change   |   |
| 2 | 20 | Move Cautiously                                      | Changes to the composition/identity of the RSOs must be undertaken with caution. Extreme or rapid change to identities or numbers of RSOs creates unnecessary operational risk and is to be avoided.                                    | See for example RSSAC058 Criteria A.7.3 (designation or removal will require, at minimum, approval by a super majority of RSOs)  |  | No Change   | See for example RSSAC058 Criteria A.7.3 (designation or removal will require, at minimum, approval by a super majority of RSOs)   |
| 2 | 30 | RSS Service Mission is Global and Universal in Scope | The RSS as a whole is a service that is provided to the world as a whole without regard to the identity or affiliation or location of the user. RSOs hold a position of global trust and must maintain a global service delivery focus. | "... or location..." addition suggested by Duane Wessels   |  | The RSS as a whole is a service that is provided to the world as a whole without regard to the identity or affiliation or location of the user. |   |
| 2 | 31 | RSO service mission is global and universal in scope | Each RSO holds a position of global trust and must maintain a global service focus  | <p>"Each RSO must maintain their root service as a globally trusted service" - suggested replacement language by Wes Hardaker.</p> <p>"Each RSO holds a position of global trust and must maintain a global service focus while it may have additional focuses as an RSO" - suggested replacement language by Hiro Hotta (in Questionnaire response).</p> <p>[Wes - does this suggest the need to change the headline? Do you have a proposal for a new headline?]</p> |  | RSOs hold a position of global trust and must maintain a global service delivery focus in aggregate.  | RSOs must provide a global service. RSS GS must ensure that the aggregate of all 12 RSOs deliver on a globally architected solution.  |
| 2 | 40 | Criteria Objectivity and Transparency                | Designation and removal decisions must be based on criteria that are both objective and transparent. [Inspired by post-meeting comment.]  | Kurt Pritz suggestion: we need to tease out the distinction between Designation and Removal as they are two different matters that may need to be addressed by different standards. [see his proposal for additional lanague in response]  |  | No Change   | we need to tease out the distinction between Designation and Removal as they are two different matters that may need to be addressed by different standards. [see his proposal for additional language in response] |

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| 2 | 41 | Impartiality of decision-making                    | Designation and removal decisions must be made in a manner that is impartial.  |  |  | No Change  |   |
| 2 | 50 | Necessity  | Do not designate any additional RSO unless the designation is objectively necessary to [demonstrably continue improvement of] [maintain] RSS stability, security, and resilience.  | <p>As the number of RSOs increases above a certain level, the marginal utility of each additional RSO decreases and may actually become negative. E.g., increasing the number of RSOs from two to three appears to reduce risk to the operation of the RSS, but increasing the number of RSOs from 20 to 20,000 seems to create increased risk to the good operation of the RSS.</p> <p>Implementing this principle depends significantly on being able to deconstruct the definition of "necessary."</p> <p>The shift to "maintain" is based on the suggestion by Kurt Pritz that "maintain" is actually a better way to define this than "improve" - especially as the RSS already appears to be operating at 9-sigma.</p> |  | Any additional RSO designations must be objectively necessary to maintain RSS stability, security, and resilience at or above its current 9-sigma.   | Politically driven  |
| 2 | 60 | Technical Necessity                                | The predominant factor to be considered when assessing necessity for new RSOs is technical necessity (e.g., engineering efficiency, etc.) to demonstrably continue to improve the stability, security, and resilience.                       | <p>This seems to be an extended discussion that fits within the general "necessity" principle above. It is one of several possible answers to the necessity definition question.</p> <p>[See discussion above on 2.50]</p>   |  | The predominant factor to be considered when assessing necessity for new RSOs is technical necessity (e.g., engineering efficiency, etc.) to demonstrably continue to improve the stability, security, and resilience at or above its current 9-sigma. | Technical (Engineering) driven  |
| 2 | 70 | Due Diligence                                      | The RSS GS must conduct appropriate due diligence to assess the technological and non-technological characteristics of a candidate RSO and to assure the RSS stakeholders that the candidate RSO complies with adopted designation criteria. |  |  | No Change  |   |
| 2 | 80 | Differentiate Treatment of Designation and Removal | Decisions on designation are different from decisions on (involuntary) removal and should be subject to different frameworks.  | [Note from discussion of 2.40 and comment from Kurt Pritz that this is relocated earlier in this list.]  |  | No Change  | we need to tease out the distinction between Designation and Removal as they are two different matters that may need to be addressed by different standards. [see his |

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|          |          |  |  |  |  |   | proposal for additional language in response]<br>When finalized 2.80 should move up in order of 2.40, 2.41 and X.XX   |
| 2        | 90       | RSO designation is not a “concession” to be sold             | The RSS is a public good, intended to be supplied free of charge at the point of consumption by downstream resolver operators. Attempting to sell off or auction RSO designations (either newly created by the RSS GS or existing and transferred by an incumbent RSO) creates perverse incentives for both the RSS GS and RSOs to act in a manner that causes their interests to diverge from the interests of service users. |  |  | No Change   |   |
| 2        | 100      | Funds received from RSO designation are dedicated to the RSS | If the RSS GS receives funds in the process of assessing and granting a new RSO designation (whether in the form of an application/transaction fee as consideration for the designation or otherwise), such funds must be placed at the disposal of the RSS GS and used to benefit the RSS.  | If the principle above (that RSO designation is not a concession to be sold) is supported, then this principle may be less significant.<br><br>[Discussion raises concern that application should be undertaken on a cost-recovery basis - not done for profit making purposes. This seems to be non-contentious (especially given support for 2.90) and perhaps the language can be shifted.] |  | If the RSS GS receives funds in the process of assessing and granting a new RSO designation (i.e. application/transaction fee), such funds must be placed at the disposal of the RSS GS and used to benefit the RSS | Cost recovery needs more discussion as this doesn't seem to be understood by the group. Example provided was new gTLDs where there was a \$187K non-refundable application fee. |
| 2        | 210      | Voluntary Resignation  | Each RSO should have a path available that enables it to voluntarily resign its designation as an RSO.   | [Avoid situations where too many can resign too quickly]   |  | Each RSO should have a path available that enables it to voluntarily resign its designation as an RSO in a controlled manner.   | Avoid situations where too many can resign too quickly  |
| <b>3</b> | <b>0</b> | <b>FINANCES</b>  |  |  |  |   |   |
| 3        | 10       | Financial stability: governance                              | A trusted and stable RSS GS requires recurring, predictable sources of finance sufficient to operate.  | [Reminder that this principle relates only to governance structure and governance process. The principle is agnostic about source.]<br><br>[Wes: What are we focusing on? Amount, source, or both?]<br><br>[Amendment based on suggestion from Ash]  |  | A trusted and stable RSS GS requires an equally trusted source of recurring, predictable finance sufficient to operate.   |   |

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| 3 | 20 | Financial stability: operations               | A trusted and stable RSS GS requires that RSOs have recurring, predictable sources of finance sufficient to maintain stable root server operations.  | How can/should the world trust the stability of this important system if it has no stable recurring source of funding?<br><br>[Deleted text GS suggested by Duane - careful to focus this on the RSS not just RSOs. This appears to be a copy/paste artifact.]   |                                      | A trusted and stable RSS requires that RSOs have recurring, predictable sources of finance sufficient to maintain stable root server operations.   |  |
| 3 | 30 | RSS Governance is a not-for-profit activity   | The focus of the RSS GS must not be allowed to drift away from the sole purpose of assuring the proper functioning of the RSS. The RSS GS must operate on a not-for-profit basis.  | Of course, the act of operating a governance body requires financial support. See stability principle.<br><br>[Revision proposed by R Carolina to pull focus away from tax and charity and instead just avoiding profit motive.]   |                                      | [Because the] focus of the RSS GS must not be allowed to drift away from the sole purpose of assuring the proper functioning of the RSS, the RSS GS must operate on basis other than a profit motive.  |  |
| 3 | 40 | Operating an RSO is a not-for-profit activity | The focus of each RSO individually, in the context of operating a root server network, must not be allowed to drift away from the sole purpose of assuring the proper functioning of the RSS. Operating a root server network must be done on a not-for-profit basis.<br><br>Note: This candidate principle applies only to the business process of operating a root server. The candidate principle does not restrict the RSO from profit making activity outside the scope of operating a root server. | Of course, the act of operating a governance body requires financial support. See stability principle.<br><br>This principle does not stand for the proposition that all RSOs must be not-for-profit entities. A for-profit company can act as an RSO, so long as the root server operation itself is not a source of profit to the company.<br><br>[Revision proposed by R Carolina to pull focus away from tax and charity and instead just avoiding profit motive.] |                                      | [Because the] focus of each RSO individually, in the context of operating a root server network, must not be allowed to drift away from the sole purpose of assuring the proper functioning of the RSS, operating a root server network must be done on a basis other than a profit motive.<br><br>Note: This candidate principle applies only to the business process of operating a root server. The candidate principle does not restrict the RSO from profit making activity outside the scope of operating a root server. |  |
| 3 | 50 | No data commercialization                     | An RSO should not have any incentive to monetize data collected while operating its root server network. Each RSO should be prepared to disclose operational data (as appropriate) to the RSS GS in support of security, stability, and resilience goals.  | A blanket prohibition on commercialization of such data should perhaps form part of the governance structure "constitution."<br><br>[Deletion based on comments from Duane W & others]   |                                      | An RSO should not monetize data collected while operating its root server network. Each RSO should be prepared to disclose operational data (as appropriate) to the RSS GS in support of security, stability, and resilience goals.  |  |
| 3 | 60 | Financial accountability                      | The RSS GS and RSOs must be accountable for funds provided to them.  | This principle would not require disclosure of operational details such as specifics of equipment purchase and roll-out.<br><br>[Suggested amendments based on discussion - awaiting confirmation that   | Financial Accountability: Governance | The RSS GS must be accountable [to the funding source] for funds provided to them [for purposes of supporting root server governance].<br><b>**suggest**</b> in support of the public good each is servicing   |  |

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|   |    |                                 |   | these are the right limiting and clarifying ideas]   |  |   |  |
| 3 | 61 |                                 |   |  | Financial<br>Accountability:<br>Operations | The RSOs must be accountable [to the funding source] for funds provided to them [for purposes of supporting root server operations].  |  |
| 3 | 69 |                                 |   | [Suggested split into 69-70 to clarify that both levels have transparency requirements.]   | Financial<br>Transparency:<br>Governance   | The RSS GS must be transparent regarding all use of finances. This is a crucial element of building and maintaining trust with the broader community of RSS stakeholders.   |  |
| 3 | 70 | Financial<br>transparency       | Each RSO must be transparent regarding finances used in connection with root server operations. This is a crucial element of building and maintaining trust with the broader community of RSS stakeholders.   | <p>This principle almost would require RSOs to maintain clear accounting records that explain receipts and expenditures attributed to root server operations. This might include cross-subsidy from other parts of the organization (i.e., benefits in kind).</p> <p>[Ash: we need to clarify - transparency of revenue source (to avoid dark money); transparency about disbursements; etc]</p> <p>[Wes: suggests that avoiding dark money should be its own principle that stands alone.]</p> <p>[Paul V &amp; others: this should be limited only to RSOs that take money from RSS - not to those that are otherwise-funded.]</p> | Financial<br>Transparency:<br>Operations   | Each RSO must be transparent regarding finances received from the RSS GS for use in connection with root server operations. This is a crucial element of building and maintaining trust with the broader community of RSS stakeholders. |  |
| 3 | 80 | Financial<br>self-determination | <p>Decision-making concerning funding policy (specifically funds raised or disbursed by the RSS GS) should rest within the RSS GS itself. This should not be controlled by an outside entity.</p> <p><i>Note:</i> This candidate principle does not apply to funds raised directly by RSOs outside the scope of RSS GS involvement.</p> | <p>Funding for RSS [debate/discuss/choose]: (1) [may not rely solely on a single payer because of risk of capture, payer failure, etc]; or (2) [may rely on a single payer, so long as governance over allocation and disbursement sits outside the control of that single payer and within the RSS governance structure itself, and the system meets other criteria concerning stability, etc]</p>  |  |   |  |

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| 3                                     | 90  | Representation of committed funders in financial decisions | In any funding model for support of the RSS, there must be a mechanism for stakeholders who are committed to provide funding to have a significant voice in funding discussions. | [this is intended to apply only to people who are "compelled" to provide funding for RSS, to the extent that there are any such persons]   |                                |   |   |
| 3                                     | 100 |  | For the RSS and RSS GS as a whole to function properly, there must be a system of ongoing commitment to provide financial support for RSS operations and the RSS GS.             | The RSS is a public good that should remain free at point of use. See RSSAC058 Criteria A.3.4.3.<br><br>Public goods must nonetheless be paid for by someone. At the moment, domain name registration payments appear to be the only predictable recurring and stable source of revenue that correlates closely with the purpose of the RSS. | Funding commitment: Governance | For the RSS GS to function properly, there must be a system of ongoing commitment to provide financial support for the RSS GS.  |   |
| 3                                     | 101 |  |  |  | Funding commitment: Operations | For the RSS to function properly, there must be a system of ongoing commitment to provide financial support for RSS operations. |   |
| 3                                     | 110 | RSOs remain free to seek external sources of funding       | RSOs remain free to raise funds to support RSO activity as they see fit.   |  |                                | No change   |   |
| <b>POTENTIAL CANDIDATE PRINCIPLES</b> |     |  |  |  |                                |   |   |
| 2                                     | 500 |  |  |  | Minimum RSO makeup of RSS      | There should be a minimum of (??) RSOs  | Seems like an implementation artifact rather than a principle; look to IETF and tech community to make recommendations about size of the RSS. |
| 3                                     | 500 |  |  |  | Term funding                   | Funding should be predictable over a known period of time. (Geoff Huston)   |   |
| 3                                     | 510 |  |  |  | Uniform funding                | Funding should be uniformly available to all RSOs, and it is an option for each RSO to accept funding support (Geoff Huston)    |   |
| 3                                     | 520 |  |  |  | Funding sources provide        | Funding sources should preferably provide a rolling forward commitment  |   |

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|   |     |  |  |  | commitment terms             | over a known period of time (Geoff Huston)  |   |
| 3 | 530 |  |  |  | Funding dedicated to RSS     | Funding will be made available to RSOs only for RSO work in support of the RSS, not other lines of business (Jeff Osborn, Ash Rangan)   |   |
| 3 | 540 |  |  |  | RSO financial sustainability | An RSO should request funding for incremental services, with a path to forward financial sustainability (Jeff Osborn, Ash Rangan)   |   |
| 3 | 550 |  |  |  | Funding request transparency | Funding requests will be vetted by the RSS GS prior to the request being addressed. Vetting will include a test for 'reasonableness'. (Ash Rangan)  | This goes hand in hand with the Financial Transparency principle.<br><br>Seems like an implementation artifact rather than a principle. |
| 3 | 560 |  |  |  | Financial safety buffer      | A sufficient funding reserve must be available such that funded RSOs can be assured of continued financial support for a period of time after the collapse of a primary funding source for RSOs. (Wes Hardaker) |   |
| 3 | 570 |  |  |  |                              | The RSS requires funding to operate. (Wes Hardaker)   |   |
| 3 | 580 |  |  |  |                              | RSOs require funding to operate. (Wes Hardaker)   |   |
| 3 | 590 |  |  |  |                              | Some RSOs should be funded from a common budgeting source, such as the RSS GS. (Wes Hardaker)   |   |
| 3 | 600 |  |  |  |                              | Funds should come from a predictable, stable budget. (Wes Hardaker)   |   |
| 3 | 610 |  |  |  |                              | A reserve should be available to ensure stable operation of the RSS GS if the primary source of funding goes away. (Wes Hardaker)   |   |

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| 3 | 620 |  |  |  |  | A reserve should be available to ensure stable operation of the RSOs receiving funding if the primary source of funding goes away. (Wes Hardaker) |  |
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