



The Internet Corporation for Assigned Names and Numbers

11 January 2013

TRANSMITTED VIA ELECTRONIC MAIL, FACSIMILE AND COURIER

Chris Jeske
Cheapies.com Inc. (IANA ID# 1039)
599-B Yonge Street Suite 511
Toronto, Ontario M4Y 1Z4
Canada

E-mail: chris@cheapies.com
Fax Number: +1 905 668 5080

RE: NOTICE OF BREACH OF REGISTRAR ACCREDITATION AGREEMENT

Dear Mr. Jeske,

Please be advised that as of 11 January 2013, Cheapies.com Inc. ("Cheapies.com") is in breach of its Registrar Accreditation Agreement ("RAA") with the Internet Corporation for Assigned Names and Numbers ("ICANN") dated 15 February 2011 ("RAA"). These breaches result from:

1. Cheapies.com's failure to timely respond to ICANN's Contractual Compliance Audit Program ("Audit") notices, specifically:
 - a. Failure to provide documents and information as required by the terms of Section 3.14; and
 - b. Failure to maintain records relating to Cheapies.com's dealings with Registry Operator(s) and Registered Name Holders and to make such records available to ICANN for inspection, pursuant to Sections 3.4.2 and 3.4.3 of the RAA.
2. Cheapies.com's failure to pay past due accreditation fees pursuant to Section 3.9 of the RAA.

Please refer to the attachment for details regarding these breaches.



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ICANN requests that Cheapies.com cure the breaches by 1 February 2013, 15 working days from the date of this letter, by taking the following actions:

1. Complete the Audit Request for Information (RFI) Phase, by:
 - a. Contacting complianceaudit@icann.org to receive your registrar's login credentials for the ICANN Compliance Site ("Site"); and
 - b. Completing the RFI and providing all supporting documentation through the Site.

2. Pay all past due accreditation fees of \$1,000.00.

Failure to timely cure the breaches and provide the information requested, ICANN may commence the termination process.

If you have questions or require assistance, please contact Owen Smigelski at owen.smigelski@icann.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "M Serad".

Maguy Serad
Vice President
Contractual Compliance

Cc: John O. Jeffrey, General Counsel and Secretary



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ATTACHMENT

Failure to Provide Documents and Information for Audit and to Make Records Relating to Registered Name Holders Available to ICANN

Section 3.14 of the RAA requires Cheapies.com, as part of any reasonable contractual compliance audit, to timely provide the documents and information known by Cheapies.com necessary to demonstrate compliance with the terms of this Agreement. Section 3.4.2 of the RAA requires Cheapies.com to maintain registration data and records relating to its dealings with Registered Name Holders and with the Registry Operator(s) for every domain name under Cheapies.com's management. Section 3.4.3 of the RAA requires Cheapies.com to make these records and data available to ICANN upon reasonable notice.

As detailed in the chronology below, since 13 November 2012 ICANN sent Cheapies.com six notices regarding the requirements of ICANN's Audit Program. To date, Cheapies.com has logged into the Site, but has not completed and submitted the RFI and has not provided the supporting documentation.

Failure to Pay Accreditation Fees

Section 3.9 of the RAA requires registrars to timely pay accreditation fees to ICANN, consisting of yearly and variable fees. Cheapies.com owes ICANN \$1,000.00 in past due accreditation fees, in breach of Section 3.9 of the RAA.



Chronology:

Date of Notice	Deadline for Response	Details
13 Nov 2012	N/A	ICANN sent all Registrars and Registries a Pre-Audit Notification Letter with Dates of future Notifications. This letter was immediately published on icann.org
26 Nov 2012	17 Dec 2012	ICANN sent 1 st Notice via email to chris@cheapies.com . In addition, the notice was faxed to: 905 668 5080
4 Dec 2012	N/A	Reminder Email sent to chris@cheapies.com reminding registrar to login and comply with the RFI.
10 Dec 2012	N/A	ICANN sent Frequently Asked Questions to chris@cheapies.com , which included the dates for compliance. The FAQ was published on icann.org.
10 Dec 2012	N/A	ICANN published the Contractual Compliance Newsletter for November. This newsletter outlined the due dates, as well as the phases for the audit program. http://www.icann.org/en/resources/compliance/newsletter/newsletter-nov12-en.htm
17 Dec 2012	27 Dec 2012	ICANN sent 2 nd Notice via email to chris@cheapies.com . In addition, the notice was faxed to: 905 668 5080
28 Dec 2012	7 Jan 2013	ICANN sent 3 rd (FINAL) Notice via email to chris@cheapies.com . In addition, the notice was faxed to: 905 668 5080
3 Jan 2013	N/A	Reminder Email sent to chris@cheapies.com indicating there has been no login and to comply with the RFI.



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Date of Notice	Deadline for Response	Details
Other: 7 Jan 2013	N/A	ICANN notes that 7 January 2013 was the last login date by this Registrar within compliance.icann.org
7 Jan 2013	N/A	ICANN received on 7 January 2013 from Chris Jeske. ICANN informed him that the due date is 7 January 2013.