8 June 2015

RE: NOTICE OF BREACH OF REGISTRAR ACCREDITATION AGREEMENT

Dear Mr. Nicolas,

Please be advised that as of 8 June 2015, Virtucom Networks S.A. (“Virtucom”) is in breach of its Registrar Accreditation Agreement (“RAA”) with the Internet Corporation for Assigned Names and Numbers (“ICANN”) dated 17 September 2014 (“RAA”). This breach results from:

1. Virtucom’s failure to timely pay past due accreditation fees in the amount of $1,300.63, as required by Section 3.9 of the RAA.

Please refer to the attachment for details regarding this breach.

In addition, Virtucom has been deemed noncompliant in the following areas:

1. Failure to clearly display on Virtucom’s website, and include a link in its registration agreement, to its renewal fees, post-expiration renewal fees (if different) and redemption/restore fees, as required by Section 4.1 of the Expired Registration Recovery Policy (“ERRP”);
2. Failure to provide a description on Virtucom’s website or in its registration agreement of the methods used to deliver pre- and post-expiration notifications, as required by Section 4.2 of the ERRP; and

3. Failure to display Virtucom’s deletion and auto-renewal policies on Virtucom’s website, as required by Section 3.7.5.5 of the RAA.

ICANN requests that Virtucom cure this breach by 29 June 2015, 21 calendar days from the date of this letter, by taking the following actions:

1. Clearly display a link to renewal fees, post-expiration renewal fees (if different) and redemption/restore fees on Virtucom’s website and provide a link to the renewal fees, post-expiration renewal fees (if different) and redemption/restore fees in Virtucom’s registration agreement;

2. Provide a description of the methods used to deliver pre- and post-expiration notifications on Virtucom’s website, and include a description of its notification methods or a link to the applicable page(s) on its website where this information is available in Virtucom’s registration agreements;

3. Publish Virtucom’s deletion and auto-renewal policies details on Virtucom’s website; and

4. Pay all past and currently due accreditation fees of $1,528.75.

If Virtucom fails to timely cure the breach and provide the information and payment requested by 29 June 2015, ICANN may commence the RAA termination process.
If you have questions or require assistance, please contact Owen Smigelski at owen.smigelski@icann.org.

Sincerely,

Maguy Serad  
Vice President  
Contractual Compliance

Cc: John O. Jeffrey, General Counsel and Secretary
ATTACHMENT

Failure to clearly display a link to renewal fees, post-expiration renewal fees (if different) and redemption/restore fees on registrar’s website

Section 4.1 of the EPRP requires registrars to make their renewal fees, post-expiration renewal fees (if different) and redemption/restore fees reasonably available to registered name holders (RNHs) and prospective RNHs at the time of registration of a gTLD name. At a minimum, these fees must be clearly displayed on the registrar’s website and a link to these fees must be included in the registrar’s registration agreement. Virtucom’s failure to provide a link or clearly display these fees is a breach of Section 4.1 of the EPRP.

Failure to describe the methods used to deliver pre- and post-expiration notifications

Sections 4.2 of the EPRP requires registrars to describe on their websites (if used), and include a description of its notification methods or a link to the applicable page(s) on their websites where this information is available in their registration agreements, the methods used to deliver pre- and post-expiration notifications for renewal of domain registrations. Virtucom’s failure to describe these notifications on its website and in its registration agreement is a breach of Section 4.2 of the EPRP.

Failure to publish deletion and auto-renewal policies on website

Section 3.7.5.5 of the RAA requires registrars that operate a website for domain name registration or renewal to clearly display details of the registrar’s deletion and auto-renewal policies on the registrar’s website. Virtucom’s failure to clearly display its deletion and auto-renewal policies on its website is a breach of Section 3.7.5.5 of the RAA.

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. Virtucom owes ICANN $1,300.63 in past due accreditation fees, in breach of Section 3.9 of the RAA. Virtucom additionally owes $228.12 in currently due accreditation fees, due 10 June 2015.
### Chronology:

<table>
<thead>
<tr>
<th>Date of Notice</th>
<th>Deadline for Response</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>23-Mar-2015</td>
<td>N/A</td>
<td>ICANN sent detailed customer statements to Registrar regarding past due accreditation fees.</td>
</tr>
<tr>
<td>1-Apr-2015</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>13-Apr-2015</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>23-Apr-2015</td>
<td>30-Apr-2015</td>
<td>ICANN sent 1st compliance notice via email to <a href="mailto:hnicolas@towebs.com">hnicolas@towebs.com</a>. No response received from Registrar.</td>
</tr>
<tr>
<td>4-May-2015</td>
<td>11-May-2015</td>
<td>ICANN sent 2nd compliance notice via email to <a href="mailto:hnicolas@towebs.com">hnicolas@towebs.com</a>. No response received from Registrar.</td>
</tr>
<tr>
<td>7-May-2015</td>
<td>N/A</td>
<td>ICANN called Primary Contact at +54 11 5031 1111. No answer; no ability to leave message.</td>
</tr>
<tr>
<td>18-May-2015</td>
<td>26-May-2015</td>
<td>ICANN sent 3rd compliance notice via email to <a href="mailto:hnicolas@towebs.com">hnicolas@towebs.com</a>. No response received from Registrar.</td>
</tr>
<tr>
<td>18-May-2015</td>
<td>N/A</td>
<td>ICANN sent 3rd compliance notice via fax to +54 11 5031 1111. Fax unsuccessful.</td>
</tr>
<tr>
<td>19-May-2015</td>
<td>N/A</td>
<td>ICANN called Primary Contact at +54 11 5031 1111. ICANN provided Registrar representative with complaint details.</td>
</tr>
<tr>
<td>4-Jun-2015</td>
<td>N/A</td>
<td>ICANN conducted compliance check to determine other areas of noncompliance.</td>
</tr>
<tr>
<td>8-Jun-2015</td>
<td>N/A</td>
<td>To date, Registrar has not responded to ICANN with the requested information and past due fees remain unpaid.</td>
</tr>
</tbody>
</table>