



The Internet Corporation for Assigned Names and Numbers

TRANSMITTED VIA FACSIMILE, ELECTRONIC MAIL AND COURIER

23 July 2010

Mr. James Fellers  
!#1 Host Brazil, Inc. – (IANA ID 969)  
3212 Harris Park Avenue  
Austin, Texas 78705

Mr. Carlo Hakopian  
!#1 Host Brazil, Inc. – (IANA ID 969)  
701 Brazos Street Suite #500  
Austin, Texas 78701

**RE: NOTICE OF EXPIRATION OF REGISTRAR ACCREDITATION AGREEMENT AND NON-RENEWAL OF ACCREDITATION**

Dear Messrs. Fellers and Hakopian:

Please be advised that as of 23 July 2010, ! #1 Host Brazil, Inc. (#1 Host Brazil) remains in breach of its Registrar Accreditation Agreement (RAA) with the Internet Corporation for Assigned Names and Numbers ("ICANN"). These breaches results from #1 Host Brazil's failure to: (1) pay accreditation fees pursuant to Section 3.9 of the RAA, and (2) provide a copy of the certificate of insurance pursuant to Section 3.10 of the RAA.

Section 5.4 of the RAA provides that upon the expiration of the #1 Host Brazil's RAA, #1 Host Brazil may apply for and shall be entitled to renewed accreditation, if #1 Host Brazil is in compliance with its obligations under the RAA. Based on #1 Host Brazil's failure to comply with Sections 3.9 and 3.10 of the RAA, ICANN does not intend to renew #1 Host Brazil's accreditation upon the expiration of its RAA on 24 August 2010.

Failure to pay accreditation fees pursuant to Section 3.9 of the RAA

Section 3.9 of the RAA requires registrars to timely pay accreditation fees to ICANN, consisting of yearly and variable fees. #1 Host Brazil currently owes ICANN \$8,821.56 in past due accreditation fees.

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On 14 January 2010, ICANN sent #1 Host Brazil a notice of breach of its RAA based on #1 Host Brazil's failure to pay past due accreditation fees. #1 Host Brazil failed to cure this breach in the time period specified in the notice of breach, as allowed by the RAA.

#### Failure to provide the certificate of insurance pursuant to Section 3.10 of the RAA

Section 3.10 of the RAA requires registrars to maintain commercial general liability insurance with policy limits of at least US\$500,000 during the term of #1 Host Brazil's agreement. #1 Host Brazil's failure to provide a copy of its certificate of insurance, after repeated requests from ICANN, constitutes a breach of Section 3.10 of the RAA.

#### Conclusion

ICANN previously notified you on 18 May 2010 and 29 June 2010 via electronic mail, facsimile and courier that if the breaches described above were not cured, your registrar would be ineligible to renew its accreditation. Accordingly, because these breaches have not been cured, the RAA will expire on 24 August 2010 and ICANN will not renew #1 Host Brazil's accreditation.

In the interest of protecting domain name registrants, ICANN must immediately commence the domain name transition process and solicit bids for a qualified ICANN accredited registrar to manage the domain names currently managed by #1 Host Brazil. To facilitate the transition of the domain names currently managed by #1 Host Brazil, ICANN will follow its De-Accredited Registrar Transition Procedure (Procedure) <http://www.icann.org/en/processes/registrars/de-accredited-registrar-transition-procedure-01oct08.pdf>. ICANN encourages #1 Host Brazil to read the Procedure in its entirety. Please contact the ICANN Registrar Liaison Team at [RegTransition@icann.org](mailto:RegTransition@icann.org) to designate a bulk transfer recipient by 30 July 2010. We anticipate the full cooperation of #1 Host Brazil during the transition.

Kindly note, however, that your designation of a bulk transfer recipient does not prejudice ICANN's right to the Registration Data Escrow data and other rights under the RAA, as well as ICANN's right to transfer domain names to a registrar of our choosing pursuant to the Procedure.

Be advised that the non-renewal of #1 Host Brazil's RAA does not relieve #1 Host Brazil of the obligation to pay accreditation fees thereunder, which should be paid



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immediately. ICANN reserves the right to pursue all means available to collect all accreditation fees owed by #1 Host Brazil, including the past due amount of \$8,821.56.

It is ICANN's goal to protect registrants from unnecessary harm and we look forward to amicably resolving any domain name transition issues that may arise from this non-renewal. Please feel free to contact me at [stacy.burnette@icann.org](mailto:stacy.burnette@icann.org) if you have any questions or if I can be of assistance to you.

Very truly yours,

A handwritten signature in blue ink that reads "Stacy Burnette".

Stacy Burnette  
Director, Contractual Compliance

Enclosure: Customer Statement