



**TRANSMITTED VIA FACSIMILE, ELECTRONIC MAIL & COURIER SERVICE**

30 September 2010

Mr. Chuck Steinberger  
4Domains, Inc. (IANA ID# 278)  
28562 Oso Parkway Suite 519  
Rancho Santa Margarita, California 92688

Copy to: 11523 Palm Brush Trail, #404  
Bradenton, Florida 92688

**RE: NOTICE OF TERMINATION OF REGISTRAR ACCREDITATION AGREEMENT**

Dear Mr. Steinberger:

Be advised that the Internet Corporation for Assigned Names and Numbers (ICANN) Registrar Accreditation Agreement (RAA) with 4Domains, Inc. (4Domains) is terminated effective 30 September 2010. As explained in greater detail below, this termination is based on 4Domains' insolvency. Consistent with Section 5.3 of the RAA, no advance notice of termination is required.

4Domains is further advised that the logo license Appendix to the above mentioned RAA is revoked. ICANN demands that 4Domains remove all ICANN Trademarks immediately from 4Domains' website and business materials that have been licensed to 4Domains under the terms of that appendix.

**GROUND FOR TERMINATION**

Section 5.3 of the RAA allows ICANN to terminate the RAA immediately, upon notice to the registrar, when the registrar becomes insolvent.

On 24 September 2010, 4Domains (through you) contacted ICANN and informed ICANN representatives that 4Domains would be unable to fund its accounts with gTLD Registries after 27 September 2010, and no further funding would be available until the first week of October. On 27 September 2010, 4Domains told ICANN that all of 4Domains' registry accounts, other than the account with Neustar, are "dry." Failure to maintain 4Domains' account with VeriSign or any other Registry will result in the eventual termination of



4Domains' Registry-Registrar Agreement with that Registry and restrict 4Domains' ability to manage domain names sponsored therein.

4Domains also indicated that the lack of funding may also imminently impact 4Domains' ability to pay its limited staff, who already are facing backlogs of consumer requests and tickets, with issues including server IP address blocks and issues processing transfer and renewal requests.

4Domains' inability to fund registry accounts and staff sufficient to resolve consumer requests demonstrates registrar insolvency. Further evidence of insolvency is demonstrated through 4Domains' delinquency to ICANN for accreditation fees in the amount of \$6,110.31.

#### **OTHER RAA VIOLATIONS AND ICANN CONCERNS**

On 2 September 2010, ICANN sent notice to 4Domains of a breach of the RAA for failure to escrow registration data in a manner compliant with RAA Section 3.6 and the Registrar Data Escrow Agreement (RDEA). ICANN received no response to the 2 September 2010 letter. On 24 September 2010, 4Domains, through you, indicated that it could not comply with escrow requirements or RDEA due to an inability of the 4Domains programmer to resolve the escrow deposit issues. As a result, on 24 September 2010, ICANN issued a demand, under RAA Section 3.6, for a copy of the required electronic database of registration. Though ICANN demanded deposit on 27 September 2010, the database was not delivered until 28 September 2010. Although ICANN is now able to access the required registration data, 4Domains' stated inability to comply with the RDEA will result in a recurrent breach of 4Domains' obligations to ICANN.

4Domains' reported failure to process registrant requests for domain name transfers in violation of the Inter-Registrar Transfer Policy, as well as failure to process renewals will result in numerous independent breaches of the RAA. Over the past weeks, ICANN has been receiving consumer complaints, each forwarded to 4Domains consistent with ICANN's compliance processes. ICANN did not receive any response from 4Domains until the 24 September 2010 phone call, in which 4Domains detailed its backlog of consumer requests and represented that it cannot process consumer transfer requests. Additionally, 4Domains' failure to comply with ICANN's registration data escrow requirements puts all of 4Domains' registrants at risk, as ICANN has limited resources for protecting these registrants in the event of 4Domains' failure. 4Domains is acting in manner that endangers the stability and operational integrity of the Internet, which is a separate grounds to support ICANN's termination of the 4Domains RAA.



## CONCLUSION

Based on 4Domains' status as an insolvent registrar, ICANN hereby provides notice that 4Domains' RAA is terminated, effective immediately.

To facilitate a smooth transition of the domain names currently managed by 4Domains, ICANN will follow its De-Accredited Registrar Transition Procedure (Procedure) <http://www.icann.org/en/processes/registrars/de-accredited-registrar-transition-procedure-01oct08.pdf>. We encourage you to read the Procedure in its entirety. Pursuant to the Procedure, you may designate a bulk transfer recipient. We anticipate the full cooperation of 4Domains during the transition process.

Please note that termination of 4Domains' RAA does not relieve 4Domains of the obligation to pay delinquent accreditation fees, which should be paid immediately. ICANN reserves the right to pursue all means available to collect all fees owed by 4Domains.

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 as a result of this termination. Please feel free to contact me at [stacy.burnette@icann.org](mailto:stacy.burnette@icann.org) or at the telephone number below 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  
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Contractual Compliance  
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