



TRANSMITTED VIA FACSIMILE, COURIER SERVICE & ELECTRONIC MAIL

11 September 2009

Mr. Daniel Sundin
Red Register, Inc. (IANA ID 962)
8025 Excelsior Drive Suite 200
Madison WI 53717

RE: NOTICE OF TERMINATION OF REGISTRAR ACCREDITATION AGREEMENT

Dear Mr. Sundin:

Be advised that the Internet Corporation for Assigned Names and Numbers ("ICANN") is terminating the Registrar Accreditation Agreement ("RAA") with Red Register, Inc. ("Red Register"). As explained in greater detail below, this termination is based on Red Register's failure to cure financial breaches as set forth in ICANN's notices of breach dated 2 December 2008 and 20 April 2009. Red Register has failed to maintain current primary contact information and it is currently in violation of its obligation to maintain a working website pursuant to the RAA. ICANN is concerned that Red Register is either insolvent or has been abandoned by its business principals. In the interest of protecting domain name registrants, this termination shall be effective fifteen (15) calendar days from the date of this notice, on 26 September 2009, after ICANN has had an opportunity to solicit qualified bulk transfer recipients to manage the domain names currently managed by Red Register.

I. 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. Red Register currently owes ICANN \$15,662.51 in past due accreditation fees. Notices regarding Red Register's past due accreditation fees, including detailed customer statements, were transmitted via courier service to Red Register on 23 September 2008, 23 October 2008, 22 January 2009, 24 April 2009 and 24 July 2009.

On 2 December 2008 and 20 April 2009, ICANN sent Red Register, via courier service, Notices of Breach of Registrar Accreditation Agreement for failure to pay accreditation fees along with detailed customer statements reflecting \$7,152.05 and \$8,415.27 in past due accreditation fees. Red Register failed to cure these breaches in the time period allowed by the RAA.

Based on Red Register's failure to cure the breach of Section 3.9, and in accordance with Section 5.3 and 5.3.4 of the RAA, ICANN hereby gives Red Register notice that Red Register's accreditation will terminate on 26 September 2009.

II. Additional ICANN Concerns

1. Failure to Maintain Accurate Primary Contact Information

Pursuant to Section 5.11 of the RAA, all notices to be given under the RAA by Red Register and ICANN must be given in writing at the addresses provided in the RAA, unless a change of address has been provided by the parties to the contract. This Section of the RAA further provides that notices required by the RAA are deemed properly given when delivered, "in person, when sent by electronic facsimile with receipt confirmation of delivery or when scheduled for delivery by internationally recognized courier service."

The information provided pursuant to Section 5.11 of the RAA is commonly referred to as "primary contact information" by ICANN and the registrar community. It is essential that registrars maintain accurate primary contact information, as this is ICANN's source for contacting its contracted parties. Registrar failure to maintain accurate primary contact information undermines the basic principles of contract law and thwarts ICANN's efforts to enforce the terms of the RAA.

On 5 December 2007, consistent with Section 5.11 of the RAA, Red Register provided the following change of primary contact information:

Daniel Sundin
8025 Excelsior Drive
Suite 200
Madison, WI 53717
Phone: +44 207 839 1539
Fax: +44 207 681 3860
E-Mail: Daniel@globedat.com

ICANN successfully used the above primary contact information to transmit electronic, facsimile and postal correspondence and to contact Red Register via telephone in 2008. As example, in May 2008, ICANN transmitted a notice of breach via facsimile, e-mail and courier service to Red Register for failure to comply with the RAA and the Uniform Domain Name Dispute Resolution Policy (UDRP) using the above primary contact information.

(See <http://www.icann.org/correspondence/burnette-to-sundin-15may08.pdf>.) Red Register cured the cited breaches within 15 business days, and did not inform ICANN of any correspondence transmission failures at that time. ICANN was also successful in contacting Red Register several times via telephone approximately four weeks before sending the May 2008 breach notice and for approximately two weeks after sending the

same notice. Accordingly, Red Register's primary contact information was valid at that time.

ICANN has since observed that Red Register's primary contact information is no longer valid. Specifically, when ICANN staff attempted to send correspondence to Red Registrar via postal mail, ICANN received a notice that the addressee was no longer at the address. When ICANN staff attempted to contact Red Register via e-mail, the e-mail correspondence bounced back. When ICANN staff attempted to contact Red Register via facsimile, the facsimile transmissions failed. When ICANN staff attempted to contact Red Register via telephone, the telephone number was disconnected.

As of the date of this letter, Red Register's primary contact information remains invalid. ICANN has not received any change of primary contact information from Red Register since 5 December 2007. As noted in the RAA, Red Register's failure to maintain valid primary contact information with ICANN does not preclude ICANN's ability to provide all required notices under the RAA.

2. Failure to Provide Public Access to Data on Registered Names Pursuant to Section 3.3 of the RAA

Section 3.3.1 of the RAA requires Red Register to "provide an interactive web page and a port 43 Whois service providing free public query-based access to up-to-date (i.e., updated at least daily) data concerning all active Registered Names sponsored by Registrar for each TLD in which it is accredited," such data to include:

- 3.3.1.1 The name of the Registered Name;
- 3.3.1.2 The names of the primary nameserver and secondary nameserver(s) for the Registered Name;
- 3.3.1.3 The identity of Registrar (which may be provided through Registrar's website);
- 3.3.1.4 The original creation date of the registration;
- 3.3.1.5 The expiration date of the registration;
- 3.3.1.6 The name and postal address of the Registered Name Holder;
- 3.3.1.7 The name, postal address, e-mail address, voice telephone number, and (where available) fax number of the technical contact for the Registered Name; and
- 3.3.1.8 The name, postal address, e-mail address, voice telephone number, and (where available) fax number of the administrative contact for the Registered Name.

ICANN attempted to access Red Register's web-based Whois service several times during the past two months, including an attempt today. ICANN's attempts have been unsuccessful; Red Register does not have a working interactive web page and port 43 Whois service. Red Register's failure to provide a working interactive web page is a violation of Section 3.3 of the RAA. As Red Register has already failed to cure its violations of Section 3.9 within the time allowed under the RAA, Red Register's RAA will be terminated independent of any period of time to cure this separate breach of Section 3.9.

III. Conclusion

Based on Red Register's failure to cure the breaches set forth in ICANN's notices of breach dated 2 December 2008 and 20 April 2009, ICANN is terminating the RAA with Red Registrar, effective 26 September 2009. Based on Red Register's failure to maintain accurate primary contact information, failure to maintain a working website and Red Registrar's escalating delinquent fees balance, ICANN is concerned that Red Registrar is either insolvent or its business principals have abandoned the business. ICANN's has also been notified that Red Register is in breach of its Registry Registrar Agreement with VeriSign, which is further evidence that Red Register is insolvent or the business principals have abandoned the business. 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 Red Register.

To facilitate the transition of the domain names currently managed by Red Register, 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 Red Register to read the Procedure in its entirety. Consistent with the Procedure, we are requesting that Red Register designate a transfer recipient on or before 16 September 2009. Please contact ICANN's Registrar Liaison Manager, Mike Zupke (mike.zupke@icann.org), to designate a bulk transfer recipient. We anticipate the full cooperation of Red Register during the transition. ICANN reserves the right to shorten the 15-day period set forth in this letter to effectuate the termination of Red Register's accreditation if deemed necessary under Section 5.3.7 of the RAA.

Please note that termination of Red Register's RAA does not relieve Red Register of the obligation to pay accreditation fees thereunder, which should be paid immediately. ICANN reserves the right to pursue all means available to collect all accreditation fees owed by Red Register, including the past due amount of \$15,662,51.

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 termination. Please feel free to contact me at 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,



Stacy Burnette
Director
Contractual Compliance
+1(310) 301-3860

Enclosures: 2 December 2008 Notice of Breach of Registrar Accreditation Agreement
20 April 2009 Notice of Breach of Registrar Accreditation Agreement
Current Customer Financial Statement