



The Internet Corporation for Assigned Names and Numbers

22 November 2013

TRANSMITTED VIA ELECTRONIC MAIL, FACSIMILE, AND COURIER

Steve Hisey
DropLabel.com, Inc. (IANA ID# 1073)
515 Arbolada Drive
Arcadia CA 91006
United States

Email: steve@blackforestdata.com
Fax: 1 626.463.7326

RE: NOTICE OF BREACH OF REGISTRAR ACCREDITATION AGREEMENT

Dear Mr. Hisey,

Please be advised that as of 22 November 2013, DropLabel.com, Inc. ("DropLabel") is in breach of its Registrar Accreditation Agreement ("RAA") with the Internet Corporation for Assigned Names and Numbers ("ICANN") dated 30 September 2009 ("RAA"). These breaches result from:

1. DropLabel'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 DropLabel'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.

Please refer to the attachment for details regarding these breaches.

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ICANN requests that DropLabel cure the breaches by 17 December 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.

If DropLabel fails 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", is written over a light blue circular watermark.

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 DropLabel, as part of any reasonable contractual compliance audit, to timely provide the documents and information known by DropLabel necessary to demonstrate compliance with the terms of this Agreement. Section 3.4.2 of the RAA requires DropLabel 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 DropLabel's management. Section 3.4.3 of the RAA requires DropLabel to make these records and data available to ICANN upon reasonable notice.

As detailed in the chronology below, since 1 October 2013 ICANN sent DropLabel three notices regarding the requirements of ICANN's Audit Program. To date, DropLabel has not responded to any Audit Program communication and has not contacted ICANN regarding the Audit Program.

Chronology:

Date of Notice	Deadline for Response	Details
1 Oct 2013	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
14 Oct 2013	4 Nov 2013	ICANN sent 1 st Notice via email to steve@blackforestdata.com . No response received.
4 Nov 2013	10 Nov 2013	ICANN sent 2 nd Notice via email to steve@blackforestdata.com . No response received.



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Date of Notice	Deadline for Response	Details
11 Nov 2013	18 Nov 2013	ICANN sent 3 rd (FINAL) Notice via email to steve@blackforestdata.com . No response received.
11 Nov 2013	N/A	ICANN called Registrar at +1 626 390 0360 and spoke with primary contact regarding the notices sent for the audit. Registrar stated they were not aware of the audit prior to the phone call and they would now take a look.
Other: 18 Nov 2013	N/A	ICANN notes that registrar never logged on within compliance.icann.org tool.