The Internet Corporation for Assigned Names and Numbers

ICANN

13 August 2014

TRANSMITTED VIA ELECTRONIC MAIL, FACSIMILE, AND COURIER

Carrie Arden
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RE: NOTICE OF BREACH OF REGISTRAR ACCREDITATION AGREEMENT

Dear Ms. Arden,

Please be advised that as of 13 August 2014, OnlineNIC, Inc. ("OnlineNIC") is in breach of its Registrar Accreditation Agreement ("RAA") with the Internet Corporation for Assigned Names and Numbers ("ICANN") dated 10 April 2014 ("RAA"). These breaches result from:

1. OnlineNIC's failure to maintain and make available to ICANN registration records relating to dealings with Registered Name Holder ("RNH") of the domain name <mtt-indonesia.com>, pursuant to Sections 3.4.2 and 3.4.3 of the RAA;

2. OnlineNIC's failure to allow the RNH of <mtt-indonesia.com> to transfer its domain name registration to another registrar, pursuant to Section 1 of the Inter-Registrar Transfer Policy ("IRTP");

3. OnlineNIC's failure to provide the AuthInfo code within five calendar days to the RNH of the domain name <mtt-indonesia.com>, pursuant to Section 5 of the IRTP;

4. OnlineNIC's failure to use commercially reasonable efforts to enforce compliance with the provisions of the Registrar-reseller agreement ("Reseller Agreement") that relate to the provisions of Registrar Services, pursuant to Section 3.12 of the RAA;

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5. OnlineNIC's failure to ensure that the registration agreement used by its reseller Syrianmonster.com ("Reseller") with RNHs includes all registration agreement provisions and notices required by the RAA and any ICANN Consensus Policies, and identifies or provides a means for identifying the sponsoring registrar, pursuant to Section 3.12.2 of the RAA;

6. OnlineNIC's failure to take reasonable steps to enforce its Reseller Agreement with Reseller to cure and prevent instances of non-compliance (and causing OnlineNIC to be in breach of the RAA), pursuant to Section 3.12.6 of the RAA;

7. OnlineNIC's failure to ensure that renewal fees, post-expiration renewal fees (if different) and redemption/restore fees are reasonably available to RNHs and prospective RNHs at the time of registration are displayed on Reseller's website, pursuant to Section 4.1.2 of the Expired Registration Recovery Policy ("ERRP"); and

8. OnlineNIC's failure to ensure the methods used to deliver pre- and post-expiration notifications are described on Reseller's website, pursuant to Section 4.2.3 of the ERRP.

Please refer to the attachment for details regarding these breaches.

<u>Additional Considerations</u>

OnlineNIC received a notice of breach on 24 July 2014 ("Breach 1"). OnlineNIC provided an incomplete response on 11 August 2014, and the remaining items in Breach 1 noted below must be cured by 14 August 2014:

1. Failure to provide domain name data in the specified response format, as required by Section 1.4 of the Registration Data Directory Service (Whois) Specification of the RAA ("Whois Specification");

2. Failure to provide a description on OnlineNIC's website of methods used to deliver pre- and post-expiration notifications, as required by Section 4.2 of the ERRP;

3. Failure of OnlineNIC to require all Privacy/Proxy Services Providers ("P/P Provider") to follow the requirements described in the Specification on Privacy and Proxy Registrations ("P/P Specification") and abide by the terms and procedures published, as required by Section 2 of the P/P Specification; and

ICANN notes that during the complaint process: a) OnlineNIC routinely does not respond to ICANN inquiries until the final deadline of the final notice; b) ICANN staff is not able to contact OnlineNIC via telephone during business hours in the United States and China; and c) ICANN staff is unable to leave voice messages for OnlineNIC. Furthermore, the reporter for the transfer complaint in this notice of breach stated that OnlineNIC did not respond to repeated emails and telephone calls to obtain the AuthInfo code.

ICANN requests that OnlineNIC cure the breaches by 3 September 2014, 21 calendar days from the date of this letter, by taking the following actions:

1. Provide copies of all written communications, registration records, and data, including time-stamped communications, between OnlineNIC and the RNH of the domain <mtt-indonesia.com>, including a copy of the registration agreement entered between OnlineNIC and the RNH of the account, as required by Section 3.4.3 of the RAA;

2. Provide the AuthInfo code to the RNH of the domain <mtt-indonesia.com>, and unlock the domains for transfer;

3. Provide ICANN with corrective and preventive action(s), including implementation dates and milestones, to ensure that OnlineNIC will use commercially reasonable efforts to enforce compliance with the provisions of the Reseller Agreements(s) that relate to the provisions of Registrar Services (as defined in the RAA), as required by Section 3.12 of the RAA;

4. Ensure that the registration agreement used by Reseller includes all registration agreement provisions and notices required by the RAA and any ICANN Consensus Policies, and identifies the sponsoring registrar or provides a means for identifying the sponsoring registrar, as required by Section 3.12.2 of the RAA;

5. Provide ICANN with corrective and preventive action(s), including implementation dates and milestones, to ensure that OnlineNIC will take reasonable steps to enforce its Reseller Agreement with its Reseller so as to cure and prevent instances of non-compliance (and causing OnlineNIC to be in breach of the RAA), as required by Section 3.12.6 of the RAA;

6. Clearly display a link to renewal fees, post-expiration renewal fees (if different), and redemption/restore fees on Reseller's websites; and

7. Provide a description of methods used to deliver pre- and post-expiration notifications on Reseller's website.

8. Provide ICANN with corrective and preventative action(s), including implementation dates and milestones, to ensure that OnlineNIC will timely respond to ICANN and RNH inquiries.

If OnlineNIC fails to timely cure the breaches and provide the information requested by 3 September 2014, 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

<u>Failure to retain registered name holder and registration data and failure to make such data available for inspection and copying</u>

Sections 3.4.2 and 3.4.3 of the RAA requires registrars to maintain RNH and registration data, and to make those records available to ICANN upon reasonable notice. As detailed in the chronology below, since June 2014 ICANN sent OnlineNIC multiple notices requesting registration data and records. To date, OnlineNIC has not provided these documents.

<u>Failure to provide AuthInfo Codes within five calendar days</u>

Paragraph 5 of the IRTP requires registrars to provide the RNH with the unique AuthInfo code within five (5) calendar days of the RNH's initial request. OnlineNIC did not provide the AuthInfo codes to the RNH within 5 days from the date of the initial request for the domain name <mtt-indonesia.com>, in breach of Section 5 of the IRTP.

<u>Failure to use commercially reasonable efforts to enforce reseller agreements</u>

Section 3.12 of the RAA requires registrars to be responsible for the provision of registrar services for all domain names that it sponsors, and to comply with the RAA, regardless of whether the registrar services are provided by a registrar or reseller. A registrar must enter into written agreements with all of its resellers that enable registrar to comply with and perform all of its obligations under the RAA.

OnlineNic's responses to ICANN were incomplete, and did not address the steps OnlineNIC would take to ensure reseller compliance with the RAA, in breach of Section 3.12 of the RAA.

<u>Failure to ensure Reseller registration agreement includes all required provisions and notices</u>

Section 3.12.2 of the RAA requires that any registration agreement used by a reseller shall include all registration agreement provisions and notices required by the RAA and any ICANN Consensus Policies, and shall identify the sponsoring registrar or provide a means for identifying the sponsoring registrar, such as a link to the InterNIC Whois lookup service. OnlineNIC's failure to ensure that the registration agreement includes these required elements is a breach of Section 3.12.2 of the RAA.

<u>Failure to use reasonable steps to enforce reseller agreement</u>

Section 3.12.6 of the RAA requires, that in the event a registrar learns that a reseller is causing a registrar to be in breach of any of the provisions of the RAA, the registrar shall take reasonable steps to enforce its agreement with the reseller to cure and prevent further instances of non-compliance.

OnlineNIC's failure to take reasonable steps to enforce its reseller agreement with its reseller to cure and prevent instances of non-compliance is a breach of Section 3.12.6 of the RAA.

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

Section 4.1 of the ERRP requires registrars to make their renewal fees, post-expiration renewal fees (if different), and redemption/restore fees reasonably available to 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 agreements. Section 3.12.2 of the RAA requires that any registration agreement used by a Reseller shall include all registration agreement provisions and notices required by any ICANN Consensus Policies. OnlineNIC's reseller Syrianmonster.com website does not provide a link or clearly display these fees in breach of Section 4.1 of the ERRP.

<u>Failure to describe on their websites (if used) the methods used to deliver pre- and post-expiration notifications</u>

Section 4.2 of the ERRP requires registrars to describe on their websites (if used) the methods used to deliver pre- and post-expiration notifications for renewal of domain registrations. The website of OnlineNIC's reseller Syrianmonster.com website does not describe these notifications in breach of Section 4.2 of the ERRP.

TICKET ID: JZQ-404-11804 • <mtt-indonesia.com>

Chronology:

Date of Notice	Deadline for Response	Details
23-Jun-2014	30-Jun-2014	ICANN sent 1st compliance notice via email to icann@onlinenic.com. No response received from Registrar.
8-Jul-2014	15-Jul-2014	ICANN sent 2nd compliance notice via email to icann@onlinenic.com. No response received from Registrar.
15-Jul-2014	N/A	ICANN called Primary Contact at +86 5925 29 1694. No answer and no ability to leave a message. ICANN called Primary Contact's cell phone at [MOBILE REDACTED]. No Answer. No ability to leave a message.
17-Jul-2014	24-Jul-2014	ICANN sent 3rd compliance notice via email to icann@onlinenic.com and carrie@onlinenic.com. No response received from Registrar.
17-Jul-2014	N/A	ICANN faxed 3rd compliance notice to +86 5925 39 1808. Fax successful.
21-Jul-2014	N/A	ICANN called Primary Contact at +86 5925 29 1694. No answer. No ability to leave a message. ICANN called Primary Contact's cell phone at [MOBILE REDACTED]. Telephone was turned off. No response received from Registrar.
25-Jul-2014	N/A	ICANN conducted compliance check to determine other areas of noncompliance.

Date of Notice	Deadline for Response	Details
13-Aug-2014	N/A	To date, the Registrar has not provided ICANN with the requested information and documentation.

Chronology:

TICKET ID: HQA-785-19629 • Reseller inquiry

Date of Notice	Deadline for Response	Details
8-Jul-2014	15-Jul-2014	ICANN sent 1st compliance notice via email to icann@onlinenic.com.
16-Jul-2014	N/A	Email from Registrar (carrie@onlinenic.com) providing partial documentation and response, indicating it was requesting additional information from its reseller.
17-Jul-2014	24-Jul-2014	ICANN sent 2nd compliance notice via email to icann@onlinenic.com and carrie@onlinenic.com.
21-Jul-2014	N/A	ICANN called Primary Contact's cell phone at [MOBILE REDACTED]. Telephone was turned off. No ability to leave voice message. ICANN called Primary Contact at +86 5925 29 1694. No answer. No ability to leave voice message.
25-Jul-2014	N/A	Email from Registrar (carrie@onlinenic.com) providing partial documentation and insufficient responses from its reseller.
28-Jul-2014	4-Aug-2014	ICANN sent 3rd compliance notice via email to icann@onlinenic.com and carrie@onlinenic.com. No response received from Registrar.

Date of Notice	Deadline for Response	Details
28-Jul-2014	N/A	ICANN faxed 3rd compliance notice to +86 5925 39 1808. Fax successful.
30-Jul-2014	N/A	ICANN called Primary Contact's cell phone at [MOBILE REDACTED]. Telephone was turned off. No ability to leave voice message. ICANN called Primary Contact at +86 5925 29 1694. No answer. No ability to leave voice message.
7-Aug-2014	N/A	ICANN completed compliance check to determine other areas of noncompliance.
8-Aug-2014	N/A	Email from Registrar (carrie@onlinenic.com) providing partial documentation and insufficient responses from its reseller.
13-Aug-2014	N/A	To date, the Registrar has not provided ICANN with the requested information and documentation.