

The Internet Corporation for Assigned Names and Numbers

TRANSMITTED VIA ELECTRONIC MAIL, FACSIMILE & COURIER SERVICE

9 October 2009

Mr. Russ Goodwin Naugus Limited, LLC - IANA ID 899 70 Washington Street Ste. 220 Salem, MA 01970

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

Dear Mr. Goodwin:

Be advised that as of 9 October 2009, Naugus Limited, LLC ("Naugus Limited") remains in breach of its Registrar Accreditation Agreement – May 2001 ("RAA") with the Internet Corporation of Assigned Names and Numbers ("ICANN"). This breach results from Naugus Limited's failure to escrow gTLD registration data pursuant to Section 3.6 of the RAA.

Section 5.4 of the RAA provides that upon the expiration of the Naugus Limited RAA, Naugus Limited may apply for and shall be entitled to renewed accreditation, if Naugus Limited is in compliance with its obligations under the RAA. Based on Naugus Limited's failure to comply with Section 3.6 of the RAA, ICANN does not intend to renew Naugus Limited's accreditation upon the expiration of the RAA on 9 November 2009, unless the registrar begins escrowing gTLD registration data to the elected escrow agent by 23:59 UTC or 5:00 pm PDT on 20 October 2009, in compliance with Section 3.6 of the RAA.

Failure to escrow gTLD registration data pursuant to Section 3.6 of the RAA

Section 3.6 of the RAA requires Naugus Limited, "on a schedule, under the terms, and in the format specified by ICANN" to "submit an electronic copy of the database described in Subsection 3.4.1 [of the RAA] to ICANN or, at Registrar's election and at its expense, to a reputable escrow agent mutually approved by Registrar and ICANN." ICANN notified Naugus Limited by fax on 18 December 2007 of Naugus Limited's obligation to begin escrowing certain enumerated gTLD registration data by no later than 1 April 2008 and thereafter on a weekly basis, in accordance with the Registrar



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Data Escrow Specifications document posted at, http://www.icann.org/rde/rde-specs-09nov07.pdf. Naugus Limited acknowledged its RDE obligations by entering into an RDE agreement with ICANN and Iron Mountain Intellectual Property Management, Inc effective from 15 July 2008. However, to date, no deposits were made in furtherance of Naugus Limited's escrow obligation.

Naugus Limited's failure to escrow registration data with Iron Mountain Intellectual Property Management, Inc. constitutes a breach of Section 3.6 of the RAA.

Conclusion

ICANN previously notified you on 7 July 2008 and 26 August 2009 via email of the breach described above. Additionally, ICANN notified Naugus Limited via fax and courier on 7 October 2009 that if the breach described above was not cured by 20 October 2009, your registrar would be ineligible to renew its RAA. Accordingly, if this breach has not been cured by 20 October 2009, on 9 November 2009, the RAA will expire and ICANN will not renew the Naugus Limited's accreditation.

Due to the impending expiration of Naugus Limited's RAA and ICANN's non-renewal of Naugus Limited's accreditation, it is critical that ICANN take action to protect the interests of registrants that registered domains names with your registrar. To facilitate the transition of the domain names currently managed by Naugus Limited, ICANN will follow its De-Accredited Registrar Transition Procedure ("Procedure") posted at, http://www.icann.org/en/processes/registrars/de-accredited-registrar-transition-procedure-01oct08.pdf.

We encourage you to read the Procedure in its entirety. Consistent with the Procedure, we are requesting that Naugus Limited propose a bulk transfer recipient within 7 days from the date of this letter. Please contact ICANN's Registrar Liaison Manager Mike Zupke at mike.zupke@icann.org, to designate a proposed bulk transfer recipient. Kindly note, however, that your designation of a bulk transfer recipient does not prejudice ICANN's right to the Registrar Data Escrow data and other rights under the RAA, as well as ICANN's right to transfer names to a registrar of our choosing selected pursuant to the Procedure. It is ICANN's goal to protect registrants from unnecessary harm and we look forward to the full cooperation of Naugus Limited during the transition process.

Please note that the expiration of Naugus Limited's RAA does not relieve Naugus Limited of the obligation to pay any outstanding accreditation fees, which should be paid immediately, and accreditation fees for the most recently-ended and current quarters that have not yet been invoiced. ICANN reserves the right to pursue all means



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available to collect these fees. ICANN specifically reserves the right to pursue any and all other breaches in addition to the breaches enumerated above, and nothing herein shall be deemed a waiver of that right.

You may contact me via e-mail at stacy.burnette@icann.org should you have any questions.

Very truly yours,

Stacy Burnette

Director

Contractual Compliance

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