

Internet Corporation for Assigned Names and Numbers Contractual Compliance Update

October – December 2016

<http://www.icann.org/en/resources/compliance>

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General Update

In November 2016, the Contractual Compliance team participated at ICANN57, ICANN's Annual General Meeting, in Hyderabad, India. The sessions and presentations are at <https://icann572016.sched.com/>.

Contractual Compliance Initiatives and Improvements

During this quarter, content was added to the Compliance Program on icann.org to give an overview of the contractual obligations relevant to registrars (<https://www.icann.org/resources/pages/registrar-2012-02-25-en>) and registry operators (<https://www.icann.org/resources/pages/gtld-2012-02-25-en>). The objective is to provide a guide on ICANN Contractual Compliance's role and program scope, ICANN's agreements and what information ICANN looks for or requests to validate and make fact-based decisions related to a compliance matter.

Participation in ICANN Policy Development Processes

During this quarter, ICANN's Contractual Compliance team continued to participate in the following Policy Development Process (PDP) working groups and reviews. The team provided information regarding complaints relevant to the PDPs, responded to questions and participated in discussions related to policy implementation about:

- Review of All Rights Protection Mechanisms in All gTLDs
- Translation and Transliteration of Contact Information
- Thick WHOIS

¹ This update is provided for information purposes only. Please do not rely on the information contained within this update to make conclusions or business decisions.

- Privacy/Proxy Services Accreditation Implementation
- Protection of IGO and INGO Identifiers in All gTLDs
- Competition, Consumer Trust and Consumer Choice Review

Registrar Update

New Transfer Policy

The Transfer Policy became effective 1 December 2016. In addition to transfers between registrars, the new policy has requirements for changing certain information about registrants. ICANN's Contractual Compliance team continued its efforts to train staff and to update templates and web content. More information about the Transfer Policy is at

<https://www.icann.org/resources/pages/registrars/transfers-en>.

The initial complaints that ICANN received referred mainly to the 60-day inter-registrar lock applied after a change of registrant. Before contacting the relevant registrars, ICANN Contractual Compliance has continued to validate each complaint and has requested reporters to provide evidence of having opted out of the lock.

On 1 December 2016, the Generic Names Supporting Organization (GNSO) Council sent a letter to ICANN's Board of Directors regarding the impact of the new Transfer Policy on domain name registrations using privacy and proxy services. On 21 December 2016, the ICANN Board instructed that compliance enforcement of this issue be deferred while ICANN is reviewing the matter. More information is at <https://www.icann.org/resources/pages/correspondence>.

Compliance Issues Collected by Registrars

In October 2016, registrars provided ICANN Contractual Compliance with a list of compliance-related issues. The issues raised concern contract interpretation, the compliance review approach and requests, and the complaint processing system. The team reached out to several individual registrars to understand and resolve the concerns or to work through the issues. Additional discussions with registrars were held during an ICANN57 closed session.

WHOIS Accuracy Reporting System

In November 2016, the Contractual Compliance team began processing WHOIS Accuracy Reporting System (ARS) Phase 2, Cycle 3 complaints. More information about WHOIS ARS Phase 2, Cycle 3, is at

<https://whois.icann.org/en/file/whois-ars-phase-2-cycle-3-report-syntax-and-operability-accuracy>.

The following tables summarize WHOIS inaccuracy tickets created based on data from WHOIS ARS Phase 2, Cycles 2 and 3 (as of 1 January 2017). Tickets may go through several process steps, or may receive multiple closure codes, therefore the numbers below will total more than the number of tickets created.

WHOIS ARS Phase 2, Cycle 2 Metrics	
Total tickets received by Contractual Compliance	4,006
Ticket to be processed	17
Tickets closed before 1st notice	2,468
Tickets that went through 1st notice	1,522
Tickets that went through 2nd notice	141
Tickets in 3rd notice	9
Tickets still in complaint process	3
Total tickets closed	3,986

WHOIS ARS Phase 2, Cycle 2 Resolve Codes	
WHOIS data at ticket creation different from sampled WHOIS data	1,494
Domain suspended or canceled	1,253
WHOIS data changed or updated	390
Domain not registered when ticket processed	318
WHOIS format issue identified for 2013 Grandfathered Domain	249
Registrar corrected WHOIS format	91
Known privacy/proxy service	80
Registrar verified that sampled WHOIS data is correct	74

WHOIS ARS Phase 2, Cycle 3 Metrics	
Total tickets received by Contractual Compliance	4,552
Ticket to be processed	2,583
Tickets closed before 1st notice	1,171
Tickets that went through 1st notice	798
Tickets that went through 2nd notice	5
Tickets in 3rd notice	0
Tickets still in complaint process	498
Total tickets closed	1,471

WHOIS ARS Phase 2, Cycle 3 Resolve Codes	
WHOIS data at ticket creation different from sampled WHOIS data	563
Domain suspended or canceled	253
Domain not registered when ticket processed	124
WHOIS format issue identified for 2013 Grandfathered Domain	123
Known privacy/proxy service	118
WHOIS data changed or updated	93
Registrar corrected WHOIS format	69
Registrar verified that sampled WHOIS data is correct	21

Registry Update

Processing of Compliance Matters Related to Registry Operators

During this quarter, the largest volume of complaints about registry operators pertained to requests for zone file access in the Centralized Zone Data Service

(CZDS), Bulk Registration Data Access (BRDA) and data escrow deposits. Most Data Escrow compliance notices were due to a missed notification from Data Escrow Agents (DEAs) rather than missing or invalid escrow deposits. For this reason, there was little risk of affecting the security and stability of the domain name system (DNS).

ICANN continues to receive complaints alleging that registry operators failed to process requests for zone file access in the CZDS as required by the registry agreement. When needed to identify and locate a user, registry operators are permitted to collaborate with CZDS users to clarify the user's credentials. However, imposing requirements for access beyond those in the registry agreement and CZDS Terms and Conditions is noncompliant.

This quarter, for only the third time, ICANN issued an enforcement notice to a new gTLD registry operator. All Contractual Compliance enforcement notices that ICANN issues are published at <https://www.icann.org/compliance/notices>.

Measures for Letter/Letter Two-Character ASCII Labels to Avoid Confusion

On 13 December 2016, ICANN authorized the release of all letter/letter two-character ASCII labels at the second-level for registry operators that implement "Measures for Letter/Letter Two-Character ASCII Labels to Avoid Confusion with Corresponding Country Codes." The measures – adopted by the ICANN Board during ICANN57 – provide a standardized framework to help Internet users avoid confusion between country codes and corresponding letter/letter two-character domain names. The authorization and measures are published at <https://www.icann.org/resources/two-character-labels>.

If ICANN receives complaints alleging confusion about released labels, it can ask registry operators to provide evidence of how they have implemented mitigating measures.

Annual Certification and Internal Reviews Due 20 January 2017

In December 2016, ICANN published Frequent Asked Questions (FAQs) about the requirements for submitting annual certifications and results of internal reviews. ICANN also sent communications to all registry operators to remind them of the 20 January 2017 deadline for submitting this information for their top-level domains (if required). Registry operators that fail to submit the required information on time may be subject to compliance action. The FAQs are at <https://www.icann.org/resources/files/1203773-2016-12-13-en>.

Audit Program Update

Registrar Accreditation Agreement Audit (Launched 4 October 2016)

The October 2016 registrar audit round is now in the audit phase. A total of 55 registrars are in scope; 46 registrars were selected for full audit and 9 registrars

were rolled over from prior rounds for a partial reaudit. The purpose of a reaudit is to confirm the effectiveness of the changes implemented as a result of prior audit rounds. One registrar has not responded to the audit request and its accreditation was terminated.

As of December 2016, the Audit team has reviewed over 6,200 documents in 12 languages received from 23 countries. The Audit team plans to issue preliminary audit reports to auditees in January 2017.

Data Escrow Audit Update

As part of ongoing audit procedures, ICANN monitored registrars' data escrow deposits and worked with approved DEAs to ensure that required deposits were made on a continuous basis in a format that was compliant with the Registrar Accreditation Agreement (RAA). Upon finding a deficiency or error in the deposits, the DEA provider notified ICANN and worked with the registrar to fix the problem. If there was still an issue with data escrow deposits after the DEA sent three notifications to the registrar, ICANN followed up with the registrar via the standard compliance process.

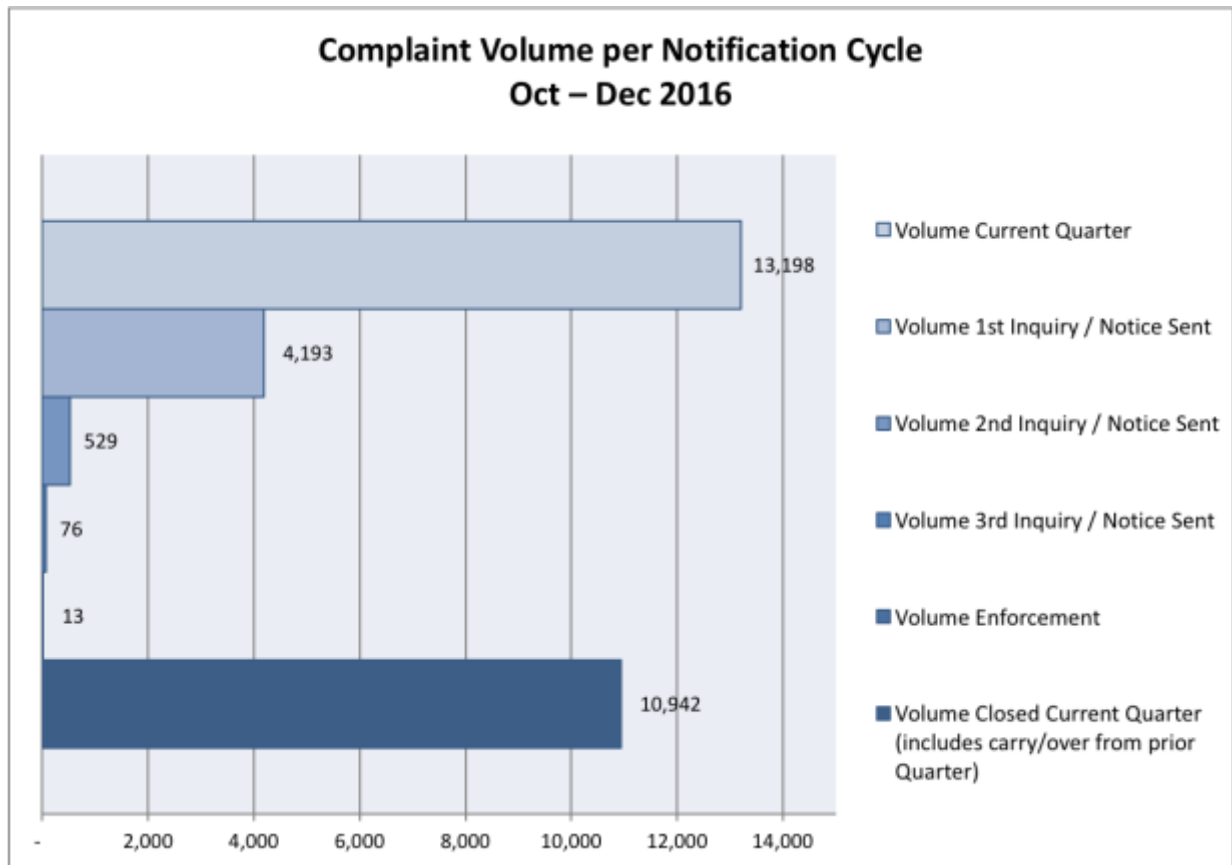
In addition, at ICANN's request, DEA performed more in-depth reviews of the content of registrars' escrow files. ICANN focused on registrars that received a third notice or a notice of breach during this period.

Additionally, ICANN initiated a proactive review of data escrow deposits in collaboration with Iron Mountain for 200 registrars whose deposits have never been audited before. Of this group, about 75 registrars had issues with their data escrow deposits. All issues were remediated.

ICANN is working to establish a similar approach for data escrow reviews with the other ICANN-approved data escrow providers.

Complaints Handling and Enforcement Summary

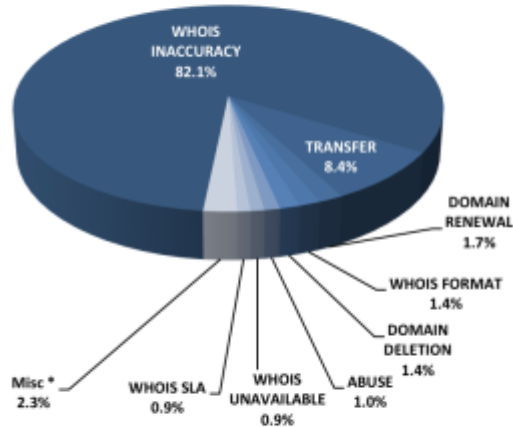
The chart below shows the complaint volume as complaints advance through the overall Contractual Compliance informal and formal processes.



- **Volume Current Quarter** = number of tickets submitted in the current quarter
- **Volume Closed before 1st Inquiry / Notice Sent** = number of tickets closed before 1st Inquiry / Notice was sent in current quarter
- **Volume 1st Inquiry / Notice Sent** = number of tickets where 1st Inquiry / Notice was sent in the current quarter
- **Volume 2nd Inquiry / Notice Sent** = number of tickets where 2nd Inquiry / Notice was sent in the current quarter
- **Volume 3rd Inquiry / Notice Sent** = number of tickets where 3rd Inquiry / Notice was sent in the current quarter
- **Volume Enforcement** = number of enforcement notices sent in the current quarter
- **Volume Closed Current Quarter** = number of tickets closed in the current quarter

Registrar - Volume Current Quarter **Oct - Dec 2016**

Complaint Distribution



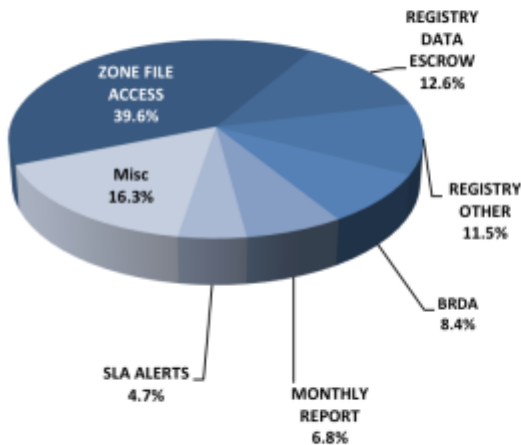
Disclaimer: Due to rounding, percentages may not always appear to add up to 100%.

Complaints

Type	Quantity	Closed before 1 st Inquiry / Notice
ABUSE	133	79
CUSTOMER SERVICE	56	50
DATA ESCROW	79	16
DNSSEC, IDN, IPV6	5	3
DOMAIN DELETION	175	148
DOMAIN RENEWAL	212	152
FAILURE TO NOTIFY	6	7
FEES	5	0
PRIVACY/PROXY	19	15
REGISTRAR CONTACT	24	17
REGISTRAR INFO SPEC	28	19
REGISTRAR OTHER	12	0
RESELLER AGREEMENT	2	0
TRANSFER	1074	721
UDRP	54	23
WHOIS FORMAT	182	72
WHOIS INACCURACY	10,521	4,903
WHOIS INACCURACY QR	4	1
WHOIS INACCURACY Bulk	230	1
WHOIS INACCURACY Individual	4,734	2,680
WHOIS ARS	5,553	2,221
WHOIS SLA	112	97
WHOIS UNAVAILABLE	118	57
Total Complaints Processed		12,817
Total Complaints Closed		10,554
Total Closed before 1st Inquiry / Notice		6,375

Registry - Volume Current Quarter **Oct - Dec 2016**

Complaint Distribution



Disclaimer: Due to rounding, percentages may not always appear to add up to 100%.

Complaints

Type	Quantity	Closed before 1 st Inquiry / Notice
ABUSE CONTACT DATA	13	12
BRDA	32	0
BULK ZFA	4	0
CLAIMS SERVICES	1	1
CODE OF CONDUCT	2	2
MONTHLY REPORT	26	0
PIC	3	2
REGISTRY DATA ESCROW	48	0
REGISTRY FEES	4	0
REGISTRY OTHER	44	31
RESERVED NAMES/CONTROLLED INTERRUPTION	14	6
RR-DRP	4	4
SLA	15	15
SLA ALERTS	18	0
SUNRISE	2	2
ZONE FILE ACCESS	151	35
Total Complaints Processed		381
Total Complaints Closed		388
Total Closed before 1st Inquiry / Notice		110

Enforcement Activity for December						
SENT DATE	DUE DATE	CONTRACTED PARTY	IANA ID	NOTICE TYPE	STATUS	FAILURE NOTICE BASIS
1-Dec-16	31-Dec-16	GreenTech Consultancy Company W.L.L. (mobily and xn--mgbb9fbpob)		Breach		Pay past due fees (Article 6 of the RA)
6-Dec-16	27-Dec-16	ATI	1896	Breach		Pay accreditation fees (RAA 3.9)
13-Dec-16	3-Jan-17	Nanjing Imperiosus Technology Co. Ltd.	953	Breach		Maintain and provide records related to abuse reports (RAA 3.18.3)
						Take reasonable steps to investigate claimed Whois inaccuracies (RAA 3.7.8)
						Maintain and provide communication records (RAA 3.4.2/3)
						Pay accreditation fees (RAA 3.9)
13-Dec-16		Open System Ltda - Me	1365	Termination		Cure breaches of the RAA within 21 days (5.5.4 RAA)
Enforcement Activity for Prior Months						
4-Aug-16	25-Aug-16	Tname Group Inc.	1901	Breach	Cure Period Extended Until 9-Dec-16	Escrow registration data (RAA 3.6)
						Provide domain name data in the specified response format (RAA-RDDS 1.4)
						Display renewal/redemption fees (ERRP 4.1)
						Display correct ICANN Logo on website (RAA Logo License Appendix)
						Publish on website correspondence address (RAA 3.17 and RIS 7)
						Maintain and provide information required by the Registrar Information Specification (RAA 3.17 and RIS 8,9,13)
						Publish on website name and position of officers (RAA 3.17 and RIS 17)
						Publish on website ultimate parent entity (RAA 3.17 and RIS 22)
7-Oct-16	28-Oct-16	HazelDomains, Inc.	1902	Breach	Breaches Cured	Provide documents and information to ICANN (RAA 3.15)
						Maintain and provide communication records (RAA 3.4.2/3)
						Maintain and provide information required by the Registrar Information Specification (RAA 3.17)
10-Oct-16		Web4Africa Inc.	664	Breach	Breaches Cured	Comply with the UDRP (RAA 3.8)
						Escrow registration data (RAA 3.6)
						Display renewal/redemption fees (ERRP 4.1)
						Publish on website information required by the Registrar Information Specification (RAA 3.17)
						Publish on website email address for abuse reports (RAA 3.18.1)
						Maintain and provide records related to abuse reports (RAA 3.18.3)
Pay accreditation fees (RAA 3.9)						
12-Oct-16	2-Nov-16	Nanjing Imperiosus Technology Co. Ltd.	953	Breach	Escalated to Suspension	Maintain and provide communication records (RAA 3.4.2/3)
						Provide domain name data in the specified response format (RAA-RDDS 1.4)
						Display renewal/redemption fees (ERRP 4.1)
						Display methods used to deliver pre- and post-expiration notifications (ERRP 4.2)

						Display correct ICANN Logo on website (RAA Logo License Appendix)
17-Oct-16		Oi Internet S/A	1380	Suspension	Effective from 3-Nov-2016 to 1-Feb-2017	Cure breaches of the RAA within 21 days (5.5.4 RAA)
21-Oct-16		Internet Solutions (Pty) Ltd.	1079	Termination		Cure breaches of the RAA within 21 days (5.5.4 RAA)
17-Nov-16	12-Dec-16	Open System Ltda - Me	1365	Breach	Escalated to Termination	Respond to audits (RAA 3.14)
						Maintain and provide communication records (RAA 3.4.2/3)
						Provide Whois Services (RAA 3.3.1)
						Link to ICANN's registrant rights and responsibilities website (RAA 3.15)
						Publish on website auto-renew and deletion policy (RAA 3.7.5.5)
						Display renewal/redemption fees (ERRP 4.1)
						Display methods used to deliver pre- and post-expiration notifications (ERRP 4.2)
						Display correct ICANN Logo on website (RAA Logo License Appendix)
18-Nov-16	9-Dec-16	Registration Technologies, Inc.	321	Breach	Cure Period Extended Until 16-Dec-16	Provide documents and information to ICANN (RAA 3.15)
						Maintain and provide communication records (RAA 3.4.2/3)
						Pay accreditation fees (RAA 3.9)
21-Nov-16	12-Dec-16	Web Business, LLC	966	Breach	Data and Documents Under Review by ICANN	Pay accreditation fees (RAA 3.9)
						Escrow registration data (RAA 3.6)
						Provide domain name data in the specified response format (RAA-RDDS 1.4)
						Display renewal/redemption fees (ERRP 4.1)
						Publish on website name and position of officers (RAA 3.17 and RIS 17)
						Publish on website email address for abuse reports (RAA 3.18.1)
						Maintain and provide records related to abuse reports (RAA 3.18.3)
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Please refer to <https://features.icann.org/compliance> for up-to-date information.