

The Internet Corporation for Assigned Names and Numbers

23 June 2011

TRANSMITTED VIA FACSIMILE, ELECRONIC MAIL AND COURIER

Mr. Alex Woerndle Distribute.IT Pty Ltd (IANA ID #900) Suite 928 401 Docklands Drive Docklands Victoria 3008 Australia

Fax: +61 3 9602 1530

RE: NOTICE OF BREACH AND INTENT TO TERMINATE REGISTRAR ACCREDITATION AGREEMENT BEFORE EXPIRATION

Dear Mr. Woerndle:

On 22 June 2011, in response to an inquiry from the Internet Corporation for Assigned Names and Numbers (ICANN), Distribute.IT Pty Ltd (Distribute.IT) informed ICANN that Distribute.IT was the subject of a security attack that destroyed its data and systems. As a result, Distribute.IT is currently unable to provide any registration services. As reflected in the attached chronology of communication, Distribute.IT told ICANN all of its registration services would be restored within 24 hours on three different dates. As of the date of this notice, ICANN has no evidence that Distribute.IT's registration services have been restored. Hence, ICANN has determined that Distribute.IT's inability to provide any registration services and the breaches outlined below are endangering the stability and operational integrity of the Internet.

These breaches result from:

- 1. Failure to operate as a registrar for each TLD for which Distribute.IT is accredited by ICANN, as required by Section 3.1 of the RAA.
- 2. Failure to provide an interactive webpage and public access to data on registered names as required by Section 3.3 of the RAA;
- 3. Failure to comply with the Inter-Registrar Transfer Policy (IRTP), which is incorporated into the RAA by reference (see Section 3.3.4 of the RAA);

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- 4. Failure to provide accurate primary contact details as required by Section 5.11 of the RAA; and
- 5. Failure to maintain an electronic database containing data for each active Registered Name sponsored by Distribute.IT within each TLD for which it is accredited as required by Section 3.4 of the RAA.

ICANN intends to terminate Distribute.IT's accreditation if Distribute.IT is unable to resume the provision of registration services or fails to cure the other breaches set forth above within three calendar days from the date of this letter, consistent with Section 5.3.6 of the RAA. The combined effects of these multiple breaches support ICANN's determination that Distribute.IT's inability to provide any registration services endangers the stability and operational integrity of the Internet.

Please cure each of the breaches mentioned above on or before 26 June 2011. Should Distribute.IT fail to cure these breaches and resume the provision of registration services within the contractually-imposed time frame, ICANN intends to commence the termination process on 27 June 2011, consistent with Section 5.3 of the RAA.

While ICANN is willing to work cooperatively with registrars under such circumstances, ICANN must take swift and appropriate action to protect the interests of registrants who are impacted by this incident.

Please contact me at stacy.burnette@icann.org or my colleague, Pam Little, at pam.little@icann.org, should you have any questions or require assistance.

Very truly yours,

Stacy Burnette

Director

Contractual Compliance



ATTACHMENT

Detailed Chronology of Communication

- 16-06-2011 ICANN learned that Distribute.IT's port 43 Whois service was not operational, according to information provided by an ICANN-accredited registrar.
- 17-06-2011 ICANN staff sent an initial note to alex@distributeit.com.au, support@distributeit.com.au and attempted to contact Distribute.IT via telephone to inform that Distribute.IT's Whois server was not operational. The email message bounced-back with an "undeliverable" message. It was resent on the same date. The telephone number was not operational.
- 20-06-2011 ICANN staff sent an email to distributeit888@gmail.com (email address noted on the registrar's blog), to the attention of Alex Woerndle, informing that ICANN had attempted emailing and phoning the registrar with no positive results. Requested that the registrar reply that same day and advise ICANN when the problem would be corrected.
- 20-06-2011 Email received by ICANN staff from distribute:t888@gmail.com informing ICANN that Distribute.IT was the subject of a hack attack and the extent of the damage was so significant that it caused them to have to reconstruct their network and database server. They informed ICANN that they hoped they would be able to resume services that same day. The email message was signed under the name "Alex."
- 20-06-2011 ICANN staff replied to latest email from the registrar distributeit888@gmail.com, asking that Distribute.IT inform ICANN when the problem would be solved.
- 21-06-2011 The registrar sent an email to ICANN staff from distribute:t888@gmail.com, informing that Distribute.IT had requested that Iron Mountain provide the most recent data escrow file, so that they could reconcile it with their database backups. The registrar also informed ICANN that Iron Mountain had advised them that ICANN had to make the request for the file in order for it to be released.



- 21-06-2011 ICANN staff replied to an email from distributeit888@gmail.com, requesting the registrar contact ICANN's Registrar Liaison staff for assistance with the release of the archived data. The ICANN staff also requested the registrar inform ICANN when the registrar resumes services.
- 21-06-2011 ICANN's Registrar Liaison staff sent an email to the registrar at distributeit888@gmail.com, informing them that ICANN could assist in recovering the escrow data file. The registrar was informed that they would have to use their "primary contact" addresses set forth in their RAA, not a gmail account, and also that they could use postal mail, fax, etc.
- 21-06-2011 The registrar replied to ICANN's Registrar Liaison staff saying that Distribute.IT expected to have their email accounts operational by the next day so they could formally request the data escrow file from those email accounts. Distribute.IT further advised that they were progressing with the reconnection and were hoping to resume services by the next day.
- ICANN staff sent a compliance inquiry via email to the registrar to ldistributeit888@gmail.com, ldistributeit.com.au, ldistributeit.com.au, and lcarl@distributeit.com.au, to the attention of Alex Woerndle, asking him to respond immediately, informing him that registrant protection is a primary concern for ICANN, and that ICANN needed to discuss immediate steps necessary to protect registrants. ICANN staff also informed him that it appeared as though Distribute.IT's ability to function as an ICANN-accredited registrar had been severely compromised, and requested that the registrar contacted ICANN immediately or ICANN would initiate the appropriate escalated compliance action.
- 22-06-2011 ICANN's Registrar Liaison staff also contacted the registrar at distributeit888@gmail.com and requested a phone number ICANN could use to contact Distribute.IT urgently.
- 22-06-2011 The registrar contacted ICANN staff from distributeit888@gmail.com, asking if ICANN staff was available immediately to take his call.
- 22-06-2011 The registrar's primary contact, Alex Woerndle, called ICANN staff and informed ICANN that Distribute.IT hoped to bring their registration services (Whois, transfers, and others) back up within the next day. ICANN staff



advised Distribute.IT that ICANN planned to send Distribute.IT a notice of breach based on the situation.

- 22-06-2011 Following the telephone conversation, ICANN staff sent an email to the registrar at distributeit888@gmail.com, to the attention of Alex, advising that ICANN hopes that they are able to resume registration services within 24 hours.
- 22-06-2011 The registrar replied to the latest email advising that they would be informing ICANN of their progress.