



6 June 2006

Larry Bloch
CEO
NetRegistry Pty Ltd

Dear Larry

Re: [deleted]

I refer to email exchanges between Jo Lim and Giles Donovan during the period 29 May to 5 June 2006, regarding the above domain names.

Background

[deleted]

On 29 May 2006 auDA received a complaint from [deleted] that NetRegistry had wrongly transferred his domain name [deleted] to another party. The explanation received from NetRegistry indicated that due to an internal error, the domain name was registered to [deleted] instead of another NetRegistry customer, and NetRegistry sought to correct the error by transferring the domain name to the other customer without the knowledge or consent of [deleted].

auDA determined that the transfer of [deleted] breached the Transfers (Change of Registrant of Record) Policy (2004-03). On 30 May 2006 we instructed AusRegistry to reverse the transfer and reinstate [deleted] as the registrant of [deleted].

[deleted]

As part of the audit of TLD registrations (publicly announced by auDA on 18 May 2006), we reviewed the registration of [deleted] and [deleted] by [deleted] under the business name [deleted]. Based on information provided by the registrant, we determined that the registration of [deleted] and [deleted] did not satisfy the close and substantial connection rule and therefore breached the Domain Name Eligibility and Allocation Rules for Open 2LDs (2005-01).

On 30 May 2006 we instructed NetRegistry to delete the domain names for breach of policy. Instead of deleting the domain names, NetRegistry changed the registrant details from [deleted] and RBN to [deleted] and ABN. NetRegistry has continued to refuse to delete the domain names. On 6 June 2006 auDA instructed AusRegistry to delete the domain names for breach of policy.

Breach of Registrar Agreement

Under clause 7.2 of the Registrar Agreement, NetRegistry is required to comply with all auDA Published Policies. As stated above, auDA has determined that NetRegistry's actions:

- with respect to [deleted], breached the Transfers (Change of Registrant of Record) Policy (2004-03); and
- with respect to [deleted] and [deleted], breached the Domain Name Eligibility and Allocation Rules for Open 2LDs (2005-01).

Accordingly, this letter serves as notice from auDA to NetRegistry pursuant to clause 23.1.5 of the Registrar Agreement, of NetRegistry's breach of clause 7.2 of the Registrar Agreement.

In order to rectify the breach, NetRegistry must provide auDA with the following undertakings in writing, by 5pm Friday 9 June 2006:

1. that NetRegistry will in future comply with all legitimate instructions from auDA;
2. that if Giles Donovan is to continue to handle domain name registrations within NetRegistry, he is familiar with all relevant Published Policies; and
3. that NetRegistry will, within one month of the date of this notice:
 - a) conduct a comprehensive review of all of NetRegistry's procedures and systems to ensure compliance with its obligations under the Registrar Agreement and Published Policies; and
 - b) conduct training of all relevant staff in relation to NetRegistry's obligations under the Registrar Agreement and Published Policies in relation to the .au domain name system.

Please be aware that due to the serious nature of this matter, and NetRegistry's failure to address our concerns despite being given adequate time and opportunity, auDA intends to publicly cite NetRegistry for breach of the Registrar Agreement.

Please also be aware that auDA is continuing to review the remainder of NetRegistry's TLD registrations, and we will advise you of any action that NetRegistry is required to take in due course.

I look forward to receiving your earliest confirmation that NetRegistry will rectify its breach of the Registrar Agreement by taking the required corrective action.

Yours sincerely

Chris Disspain
CEO – auDA

