

VIA GDD PORTAL

Ms. Krista Papac.
Director, Registry Services and Engagement

Internet Corporation for Assigned Names and Numbers (ICANN)

12025 Waterfront Drive, Suite 300
Los Angeles, CA 90094

January 25, 2017

**RE: .tel RRA Proposed Amendments**

Dear Ms Papac,

Pursuant to clause 2.9(a) of the Registry Agreement executed between ICANN and Telnic Limited, we request approval to make changes to our Registry-Registrar Agreement.

We respectfully request prompt review and approval in accordance with the procedures found at: <https://www.icann.org/en/system/files/files/rra-amendment-procedure-25aug11-en.pdf>.

In compliance with these procedures, we attached a ‘red line’ version showing the proposed changes to its current form of Registry-Registrar Agreement.

We look forward to receiving ICANN's response as prescribed by the review and approval procedures. Should you have any questions or require further information, please do not hesitate to contact us.

Due to the amount and extent of the changes required to update a 10 year old Registry-Registrar Agreement to the current framework, we have also presented the proposed changes and associated rationale in the table below for ease of reference.

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| Item No. | Section | Proposed Changes | Rationale |
|  | 1. DEFINITIONS | The following is redacted: | Language update, removing terms that do not appear in the body of the Agreement.  |
| A Record | a type of DNS resource record specified in RFC 1035 that defines an IPv4 address. |
| A6 Record | a type of DNS resource record specified in RFC 2874 that defines an IPv6 address or part of an IPv6 address. |
| AAAA Record | a type of DNS resource record specified in RFC 1886 that defines an IPv6 address. |
| Accredited TelHosting Provider | a TelHosting Provider accredited by the Sponsoring Organisation. Such Accredited TelHosting Provider could be Registrar (if it completes the accreditation process), an accredited third party or Registry (acting as a "Community TelHosting Provider"). |
| Address Record | an A Record, A6 Record or an AAAA Record or any other DNS resource record that may be specified as a representation of an IP address by the IETF or other relevant standards-making body. |
| CNAME Record | a type of DNS resource record specified in RFC 1035. |
| Delegated Zone | an administrative unit of the DNS as defined in RFC 1034. Delegated zones are autonomous units of the .tel name space that are under the control of a registrant, delegated to them and usually managed by a TelHosting Provider. |
| DNAME Record | a type of DNS resource record specified in RFC 2672. |
| NAPTR Record | a type of DNS resource record used to hold communications contact information in the form of a Universal Resource Identifier (URI), as specified in RFCs 3263, 3401, 3402, 3403, 3404, 3405 and 3761. |
| Resource Record | a data element or set of data elements as defined in RFC 1034 that are stored in a delegated zone. |
| TelHosting Policy | the TelHosting Policy, as published by the Sponsoring Organisation at the Registry Web Site and as may be properly amended or modified from time to time. |
| TelHosting Provider | a provider of delegated zone provisioning and DNS hosting service for Resource Records. |
|  | 1. DEFINITIONS | Insert the following, according to alphabetical order: | Language update, defines terms that now appear in the body of the Agreement. |
| Price List | the list of fees published by Registry from time to time. The Registry’s Price List: (i) contains the most current fees; (ii) will be made available online on a website or other method to be advised by Registry from time to time; and (iii) is subject to change from time to time as described in the clause 2.10 of the Registry Agreement and in this Agreement. |
| Registry Services Provider | refers to Neustar, Inc. |
| Service | the services provided by the Sponsoring Organisation, Registry or Registrar in relation to the Registry TLD. |
|  | 1. DEFINITIONS | In the following text:Registry Agreement the Registry Agreement between Registry and ICANN (or its assignee) dated 30th May, 2006, for the operation of the Registry TLD, as properly amended or renewed from time to time. Redact ‘dated 30th May, 2006’ | Language update to reflect new Registry Agreement. |
|  | 2.2 Suspension of Access to the Registry System | Insert the following immediately after Section 2.1:2.2 Suspension of Access to the Registry System. In the event of degradation of the Registry System or other event that in the Registry’s opinion affects the security or stability of the Registry System, the Registry may, in its sole discretion, temporarily suspend or restrict the Registrar's access to the Registry System. Except in the case of an emergency, Registry will provide advance notice via email and phone call to Registrar’s technical contact. To the extent reasonably practicable, the Registry will provide advance notice by email or telephone to the Registrar’s technical contact prior to any such suspension or restriction. Such temporary suspension or restriction will be applied in a non-arbitrary and non-discriminatory manner and will apply fairly to any registrar similarly situated, including affiliates of the Registry.Subsequent paragraphs renumbered accordingly.  | Enables Registry to take action to protect the stability and security of the Registry System and TLD.  |
|  | 2.8 Service Level Agreement | In the following text:2.7 Service Level Agreement. Registry shall comply with the performance specifications set forth in Appendix 7 of the Registry Agreement.Replace ‘Appendix 7’ with ‘Specification 10’. Renumber paragraph number as above. | Language update to reflect new Registry Agreement.  |
|  | 3.3 Registrar’s Registration Agreement | The following is redacted:3.3 Registrar's Registration Agreement. At all times while it is sponsoring the registration of any Domain Name within the Registry System, Registrar shall have in effect an electronic or paper registration agreement with the Domain Name Holder. Registrar shall ensure that such registration agreement is consistent with the terms of this Agreement and must include in such registration agreement the terms listed in Exhibit A, any other terms required by this Agreement and other terms that are consistent with Registrar's obligations to Registry under this Agreement. As between Registrar and Registry, if there is a discrepancy between the terms required by this Agreement and the terms of the Registration Agreement, the terms of this Agreement shall supersede those of the Registration Agreement. And replaced with:3.3 Registrar's Registration Agreement. At all times while it is sponsoring the registration of any Domain Name within the Registry System, Registrar shall have in effect an electronic or paper registration agreement with the Domain Name Holder and upon written request from the Registry, the Registrar will, within fourteen (14) days of the request, provide the Registry with a copy of any registration agreement sought in the Registry’s request. Registrar shall ensure that such registration agreement is consistent with the terms of this Agreement and must include in such registration agreement the terms listed in Exhibit A, any other terms required by this Agreement and other terms that are consistent with Registrar's obligations to Registry under this Agreement. As between Registrar and Registry, if there is a discrepancy between the terms required by this Agreement and the terms of the Registration Agreement, the terms of this Agreement shall supersede those of the Registration Agreement. | Allows Registry to request a copy of the Registrar’s Registration Agreement. Facilitates compliance with Registry Agreement.  |
|  | 3.5.2 | The following is redacted:3.5.2 The TLD Requirements including, but not limited to, the Acceptable Use Policy, the Whois Policy, the Sunrise Policy and the TelHosting Policy.And replaced with:3.5.2 The TLD Requirements including, but not limited to, the Acceptable Use Policy and the Whois Policy. | Language update, removing redundant policies. |
|  | 3.8 | Insert the following immediately after Section 3.7:3.8 Registrar Responsibilities for Uniform Rapid Suspension. Subject to the ICANN Requirements and the TLD Requirements the Registrar must:3.8.1 Ensure that a domain name that has been suspended as a result of a final decision of a Uniform Rapid Suspension complaint remains registered to the person who was the Domain Name Holder at the time of suspension;3.8.2 Accept and process payments for the renewal of a Domain Name by the party who initiated a Uniform Rapid Suspension complaint regarding a Domain Name in such cases where that party has prevailed in relation to that Domain Name; and3.8.3 Not allow a party who initiated a Uniform Rapid Suspension complaint regarding a domain name who prevailed in relation to that Domain Name to renew that Domain Name for longer than one (1) year.Subsequent paragraphs renumbered accordingly. | Facilitates compliance with URS, as required under new Registry Agreement.  |
|  | 3.11 Transfer of Registration Sponsorship | The following is redacted:3.10 Transfer of Registration Sponsorship. Registrar agrees to implement transfers of Domain Name registrations from another registrar to Registrar and vice versa pursuant to the Policy on Transfer of Registrations Between Registrars, as may be amended from time to time by ICANN (the "Transfer Policy"), and any applicable TLD Requirements.And replaced with:3.11 Transfer of Registration Sponsorship. Registrar agrees to implement transfers of Domain Name registrations from another registrar to Registrar and vice versa pursuant to the ICANN Transfer Policy, as may be amended from time to time, and any applicable TLD Requirements. | Language update, reflects updated ICANN Transfer Policy. |
|  | 3.12 TelHosting Provider | The following is redacted:3.12 TelHosting Provider. The Delegated Zone for any Domain Name sponsored by Registrar must be hosted by an Accredited TelHosting Provider in accordance with the TelHosting Policy. Such Accredited TelHosting Provider could be Registrar (if it completes the accreditation process), an accredited third party or Registry (acting as a "Community TelHosting Provider").Subsequent paragraphs renumbered accordingly. | Section has become redundant.  |
|  | 4.1 Amount of Registry Fees | The following is redacted:4.1 Amount of Registry Fees. Registrar shall pay Registry the fees referred to in Exhibit B for services provided by Registry to Registrar (collectively, "Fees"). Registry reserves the right to revise the Fees prospectively upon thirty (30) days advanced written notice to Registrar, to the extent and in the manner that such adjustments are permitted by the Registry Agreement. Fees are exclusive of VAT and any other applicable taxes unless otherwise specified.And replaced with:4.1 Amount of Registry Fees. The Fees payable by the Registrar will be those calculated in accordance with the Registry’s Price List, as published on the Registry Website. Registry reserves the right to revise the Fees prospectively, to the extent and in the manner that such adjustments are permitted by the Registry Agreement. The Registry may make available from time to time, subject always to the Registry Agreement, Domain Names which the Registry has designated as a ‘Premium Name’. A Premium Name may be assigned a fee (a premium), which shall be payable in addition to the fee for creation and/or renewal. The Registrar must also pay to the Registry any fee that the Registry is entitled to collect under the Registry Agreement. Fees are exclusive of VAT and any other applicable taxes unless otherwise specified. | Language update, reflects new pricing processes and allows for price changes.  |
|  | 4.2 Payment of Registry Fees | The following is redacted:4.2 Payment of Registry Fees. In advance of incurring Fees, Registrar shall establish a prepaid account facility or such other facility as may be agreed between the parties. The prepaid account facility will be subject to the following criteria:4.2.1 Registrar may remit funds to its prepaid account at times and in amounts of Registrar's choosing. These funds will be added to Registrar's prepaid account.4.2.2 Registrar's account shall be maintained in United States dollars or such other currency as Registry may designate from time to time.4.2.3 Fees incurred by Registrar will be deducted from Registrar's prepaid account when incurred. Refunds of fees due to the Registrar will be added on to Registrar's prepaid account.4.2.4 Registry will only provide Fee-based services under this Agreement if Registrar has sufficient funds in its prepaid account to cover the requested activity plus any direct or indirect taxation that may be due. It shall be Registrar's responsibility to ensure that an adequate level of funds is maintained in its prepaid account to allow for uninterrupted business.4.2.5 Registry will maintain a record of funds received and Fees incurred by Registrar and will make such record available to Registrar for reconciliation purposes.4.2.6 No interest will be paid on prepaid accounts.And replaced with:4.2 Payment of Registry Fees. Registrar shall comply with the terms of the Billing Policy, as attached hereto as Exhibit B (the “Billing Policy”). In advance of incurring Fees, Registrar shall establish a deposit account, or other credit facility accepted by Registry, which acceptance will not be unreasonably withheld so long as payment is assured. All Fees are due immediately upon receipt of applications for initial and renewal registrations, or upon provision of other services provided by Registry to Registrar, or as otherwise described in the Billing Policy. Payment shall be made to the Registry Services Provider via debit or draw down of the deposit account or other credit facility approved by Registry, as further described in the Billing Policy. | Language update, reflects new payment processes. |
|  | 4.3 Receipt of Funds | The following is redacted:4.3 Receipts of Funds. Funds for Registrar's prepaid account shall be wired as immediately available funds to a bank account designated from time to time by Registry. Registry shall add such funds to Registrar's prepaid account balance only after Registry receives confirmation from its bankers of the deposit of funds in the bank account designated by Registry. Registry shall not be responsible for any delays in the wiring of funds. The amount of funds recognized and added to Registrar's prepaid account shall be net of any bank charges or currency exchange charges. Where currency is exchanged in the course of the wire transfer, the exchange rate determined by Registry's bank shall govern.Subsequent paragraphs renumbered accordingly. | Language update, reflects new payment processes and removes redundancies. |
|  | 4.4 Manual Adjustments | The following is redacted:4.4 Manual Adjustments. Registry reserves the right to enter manual adjustments to Registrar's account to take into account any indirect taxation (such as VAT), adjustments for promotional programs between Registry and Registrar and other matters. Subsequent paragraphs renumbered accordingly. | Language update, reflects new payment processes and removes redundancies. |
|  | 4.3 Invoicing | The following is redacted:4.5 Invoicing. Invoices will be issued to Registrar upon receipt by Registry of funds remitted to Registrar's account. And replaced with:4.3 Invoicing. Invoices will be issued to Registrar by Registry Services Provider on a monthly basis.  | Language update, reflects new payment processes. |
|  | 4.6 Return of Prepayment Balance | The following is redacted:4.6 Return of Prepayment Balance. Registrar may request, at any time, that Registry return all or part of the funds in Registrar's prepaid account. Such request must be made to Registry's designated account manager for such Registrar. Provided that sufficient funds remain in Registrar's account to cover imminent renewals, in Registry's reasonable judgment, Registry shall remit such return to Registrar within seven (7) business days after receipt of Registrar's request by such account manager. For the avoidance of doubt, credits or other payments in Registar's prepaid account that have been designated as non-refundable cannot be returned to Registrar.Subsequent paragraphs renumbered accordingly. | Language update, reflects new payment processes and removes redundancies. |
|  | 4.4 Non-Payment of Fees | In the following text:4.7 Non-Payment of Fees. In the event Registrar has insufficient funds deposited in its account or other facility as described in Section 4.2, Registry may do any or all of the following, in its sole discretion: (i) stop accepting new initial registrations or renewal registrations (whether manual or auto-renewal) from Registrar or registrations associated with transfers of sponsorship; (ii) delete the Domain Names associated with any negative balance incurred from the Registry Database; (iii) give written notice of termination of this Agreement pursuant to Section 9.2.2; and/or (iv) pursue any other remedy under this Agreement.Replace ‘9.2.2’ with ‘8.2.2’Renumber paragraph as above. | Section numbering update |
|  | 4.5 Variable Registry-Level Fees | In the following text:4.8 Variable Registry-Level Fees. In the event that Registry is required to pay Variable Registry-Level Fees to ICANN in accordance with the Registry Agreement, Registry is entitled to collect such Fees from Registrar, and Registrar hereby gives its express approval of Registry's collection, in addition to Fees due to Registry under 4.2 above, of the amount that is equivalent to the Variable Registry-Level Fee paid by Registry to ICANN with respect to Registrar's Domain Names in the Registry TLD.Replace ‘4.2 above’ with ‘this Article 4’Renumber paragraph as above. | Language update.  |
|  | 7. INSURANCE | The following is redacted:7. INSURANCE7.1 Insurance Requirements. Registrar shall acquire, on or before the Effective Date, comprehensive general liability insurance from a reputable insurance provider. Registrar shall maintain insurance meeting these requirements throughout the Term of this Agreement. Registry reserves the right to request a copy of the insurance policy from Registrar from time to time. When requested, Registrar shall send a copy of the insurance policy to Registry within a reasonable time.Subsequent paragraphs renumbered accordingly. | Removal of insurance requirement, in keeping with change in ICANN policy.  |
|  | 8.1 Term of the Agreement; Revisions | In the following text:9.1 Term of the Agreement; Revisions. The Term of this Agreement shall commence on the Effective Date and, unless earlier terminated in accordance with the provisions of this Agreement, shall expire on the last day of the calendar month which is two (2) years following the Effective Date. This Agreement shall automatically renew for additional successive two (2) year terms unless Registrar provides notice of termination to Registry at least fifteen (15) days prior to the end of the initial or any renewal term. In the event that Registry elects to amend its form of Registry-Registrar Agreement, Registrar will either execute an amendment substituting the revised agreement in place of this Agreement or, at its option exercised within thirty (30) days after receiving notice of such amendment, terminate this Agreement immediately by giving written notice to Registry. In the event that Registry does not receive such executed amendment or notice of termination from Registrar within such fifteen (15) day period, Registrar shall be deemed to have terminated this Agreement effective immediately.Redact the words ‘will either execute an amendment substituting the revised agreement in place of this Agreement’.Renumber paragraph as above. | Language update, removal of redundancies in amending the Agreement. |
|  | 8.2.1 Termination at Option of Registrar | In the following text:9.2.1 Termination at Option of Registrar. Registrar may terminate this Agreement at any time by giving Registry thirty days notice of termination.Insert ‘(30)’ immediately after the word ‘thirty’.Renumber paragraph as above.  | Language update for consistency within the Agreement. |
|  | 8.2.3 Termination for Breaches. | The following is redacted:9.2.3 Termination for Breaches of Acceptable Use Policy and TelHosting Policy. Without limiting Section 9.2.2, if Registrar breaches Section 3.12 of this Agreement, the Acceptable Use Policy or the TelHosting Policy, and such breach is not cured within five (5) business days after notice thereof from Registry, Registry may, by giving written notice thereof to Registrar, terminate this Agreement as of the date specified in such notice of termination. And replaced with:8.2.3 Termination for Breaches. Without limiting Section 8.2.2, if Registrar breaches the ICANN Requirements or TLD Requirements, and such breach is not cured within five (5) business days after notice thereof from Registry, Registry may, by giving written notice thereof to Registrar, terminate this Agreement as of the date specified in such notice of termination.  | Language update, removal of redundancies. |
|  | 8.2.5 Termination in the Event of Termination of Registry Agreement | In the following text:9.2.5 Termination in the Event of Termination of Registry Agreement. This Agreement shall immediately terminate in the event that the Registry Agreement is terminated or expires without entry of a subsequent registry agreement with ICANN and this Agreement is not assigned under Section 10.2.1.Replace ’10.2.1’ with ‘9.2.1’.Renumber paragraph as above. | Section numbering update |
|  | 8.3.1 | In the following text:9.3.1 Save in the event of termination under Sections 9.2.4 or 9.2.5, Registry will complete the registration of all Domain Names processed by Registrar prior to the effective date of such expiration or termination, provided that Registrar's payments to Registry for Fees are current and timely.Replace ‘9.2.4’ with ‘8.2.4’, and ‘9.2.5’ with ‘8.2.5’Renumber paragraph as above | Section numbering update |
|  | 8.3.2 | After the following text:9.3.2 Registrar shall immediately transfer its sponsorship of registered Domain Names to another ICANN-accredited registrar in compliance with any procedures established or approved by ICANN.Insert ‘In the case of termination under Section 8.2.1, the gaining ICANN-accredited registrar will be nominated by Registry.’Renumber paragraph as above | Allows the Registry to nominate the gaining Registrar for a bulk transfer of registered names in the event a Registrar terminates the Agreement.  |
|  | 8.3.4 | In the following text:9.3.4 In the event of termination in accordance with the provisions of Sections 9.1, 9.2.1, 9.2.2, 9.2.3, 9.2.4 or 9.2.6, Registry reserves the right to immediately contact any and all Domain Name Holders to facilitate the orderly and stable transition of Domain Name Holders to other ICANN-accredited registrars.Redact ‘in accordance with the provisions of Sections 9.1, 9.2.1, 9.2.2, 9.2.3, 9.2.4 or 9.2.6’Insert ‘Except for termination in accordance with Section 8.2.5,’ immediately before ‘in the event’.Renumber paragraph as above. | Section numbering update. |
|  | 8.4 Survival | The following is redacted:9.4 Survival. In the event of termination or expiration of this Agreement, the following shall survive: (i) Sections 2.6, 3.3, 3.10, 6.1, 6.3-6.5, 9.3, 9.4 and 10.3-10.12, (ii) Articles 5, 8 and, for a period of five (5) years, 7, and (iii) the Domain Name Holder's indemnification obligations. Neither Party shall be liable to the other for damages of any sort resulting solely from terminating this Agreement in accordance with its terms.And replaced with:8.4 Survival. In the event of termination or expiration of this Agreement, the following shall survive: (i) Sections 2.7, 3.3, 3.11, 6.1, 6.3-6.5, 8.3, 8.4 and 9.3-9.12, (ii) Articles 5 and 7, and (iii) the Domain Name Holder's indemnification obligations. Neither Party shall be liable to the other for damages of any sort resulting solely from terminating this Agreement in accordance with its terms. | Section numbering update. |
|  | 9.2.1 Assignment to Successor Registry  | In the following text:10.2.1 Assignment to Successor Registry. In the event Registry's Registry Agreement is terminated or expires without entry by Registry and ICANN of a subsequent registry agreement, Registry's rights under this Agreement may be assigned to a company with a registry agreement covering the Registry TLD upon ICANN's giving Registrar written notice within sixty days of the termination or expiration, provided that the subsequent registry assumes the duties of Registry under this Agreement.Insert ‘(60)’ immediately after the word ‘sixty’.Renumber paragraph as above. | Language update for consistency within the Agreement. |
|  | 9.2.4 Other Assignments Prohibited | In the following text:10.2.4 Other Assignments Prohibited. Any assignment or transfer in contravention of this Section 10.2 shall be null and void. Replace ’10.2’ with ‘9.2’.Renumber paragraph as above. | Section numbering update. |
|  | 9.6 Force Majeure | In the following text:10.6 Force Majeure. Neither party shall be liable to the other for any loss or damage resulting from any cause beyond its reasonable control (a "Force Majeure Event") including, but not limited to, insurrection or civil disorder, war or military operations, national or local emergency, acts or omissions of government or other competent authority, compliance with any statutory obligation or executive order, industrial disputes of any kind (whether or not involving either party's employees), fire, lightning, explosion, flood, subsidence, weather of exceptional severity, and acts or omissions of persons for whom neither party is responsible. Upon occurrence of a Force Majeure Event and to the extent such occurrence interferes with either party's performance of this Agreement, such party shall make reasonable efforts to notify the other party of the Force Majeure Event and shall be excused from performance of its obligations (other than payment obligations) during the first six months of such interference, provided that such party uses best efforts to avoid or remove such causes of nonperformance as soon as possible.Insert ‘(6)’ immediately after the word ‘six’.Renumber paragraph as above. | Language update for consistency within the Agreement. |
|  | 9.7 Amendments | The following is redacted:10.7 Amendments. No amendment, supplement, or modification of this Agreement or any provision hereof shall be binding unless executed in writing by both parties.And replaced by:9.7 Amendments. Other than the TLD Requirements, no amendment, supplement, or modification of this Agreement or any provision hereof shall be binding unless:9.7.1 the amendment is mandated by ICANN as a result of:9.7.1.1 an amendment to the Registry Agreement; or9.7.1.2 introduction of, or variations to, any ICANN Published Policies; or9.7.1.3 an ICANN approved change to this Agreement;in which case, subject to Section 8.1, the amendment is binding automatically; or9.7.2 it is approved by ICANN in accordance with the amendment procedures in the Registry Agreement and in the ICANN Published Policies, in which case, subject to Section 8.1, the amendment is binding automatically; or9.7.3 the amendment is in writing and executed by both parties. | Language update to facilitate future amendment of the Agreement. |
|  | Exhibit A | Immediately following Section 1, insert:2. Pricing. Domain Name Holder shall expressly agree to the price of a Domain Name and acknowledge that price for the creation of a Domain Name may be greater than or less than the price for the renewal of that Domain Name. 3. Malicious Conduct. Domain Name Holder is prohibited from distributing malware, abusively operating botnets, phishing, piracy, trademark or copyright infringement, fraudulent or deceptive practices, counterfeiting or otherwise engaging in activity contrary to applicable law.Subsequent paragraphs renumbered accordingly. | Facilitates compliance with Registry Agreement.  |
|  | Exhibit B | Exhibit B is redacted in its entirety. | Removes redundancies as per new pricing processes above.  |
|  | Exhibit B | Insert the following:Exhibit BBilling Policy for Registrars1. Payment MethodsAll payments will be made in USD (or EUR if accepted by Registry). Payments can be made in two ways: (i) The Pre-Payment Debit Account Program, or (ii) the Payment In Arrears Program (for qualifying Registrars only).2. Pre-Payment Debit Account Program2.1. Registrars using debit accounts must transfer sufficient funds into their account to ensure that funds are available for all their domain name applications. Registrars who wish to use a credit/debit card must be sure to have an adequate credit limit or deposit funds, as a backup, which will support the number of domain name applications submitted. If you have any questions at any time, please contact Registry Billing Support at +1-877-BILL-277 (+1-877-245-5277) or registry-billing@neustar.biz.2.2. Registrar must establish an account with Registry Services Provider’s bank. The Registrar is responsible for funding the account to a level that is consistent with its monthly sales volume. For all registries electing to have Registry Services Provider perform the billing and collections operations, Registry Services Provider shall debit the Registrar’s account for each billable transaction on at least a daily basis.2.3. Upon receipt of Registrar’s initial deposit, Registry Services Provider shall provide Registrar with login credentials to Registry Services Provider’s eBill system. Through eBill, Registrar may check their account balance, which shall be updated four times per day. In addition, through eBill, Registrar may elect to set a “low water mark” for funds in its Debit Account (LWM). Such LWM may be changed at any time by sending a request to registry-billing@neustar.biz. Changes are made by Registry Services Provider by the close of the next business day. In the event that the funds available in Registrar’s Debit Account fall below the LWM, notification will be sent to the Registrar. Registrar shall have 48 hours to initiate a deposit to their account to bring their balance to a level that supports the number of domain name applications submitted.2.4. The Registry will pay bank fees associated with the Registrar’s account, but the Registrar is responsible for all wire transfer fees. For example, a wire transfer of US$500.00 would include a US$20.00 transaction fee from the originating bank. This US$20.00 fee is the responsibility of the sending Registrar. The monthly fees associated with the handling of the remaining US$480.00 are paid by the Registry at Bank of America.2.5. If the account falls to a zero balance, Registry reserves the right to stop accepting orders from the Registrar until the account is fully funded to a level that supports the number of domain name applications submitted. In the event that Registry Services Provider allows a Registrar to fall below a zero balance, Registrar must replenish the Debit Account by no later than seven (7) days after such account falls below zero. Failure to replenish the Debit Account may result in Registrar being converted to “not-in-good standing”, meaning that Registrar will be unable to create new domains, renew domains, or transfer in any domain names from another registrar until such time that the account is replenished.3. Payment in Arrears Program3.1. Certain Registrars may qualify to participate in Registry Services Provider’s Payment in Arrears Program which allows Registrars to make all payments owed for certain top-level domains (TLDs) for which Registry Services Provider is providing registry services, within thirty (30) days after the date of an invoice. For a specific list of TLDs participating in this program, please contact your account representative or send an e-mail to registry-billing@neustar.biz.3.2. Registrar Reserve3.2.1. In order to qualify for this program, Registrars must submit to Registry Services Provider a pre-payment in the amount of $US 50,000.00 (in the manner set forth below) which Registry Services Provider will hold in reserve in a non-interest bearing account on behalf of the Registrar and its Affiliates (“Registrar Reserve”). Only one Registrar Reserve is required to cover all of the participating TLDs for which Registry Services Provider is providing registry services.3.2.2. The Registrar Reserve shall, at the election of the Registrar, cover Registrar and all of Registrars’ Affiliates. For the purposes of this Program, (i) “Affiliate” means a person or entity that, directly or indirectly, through one or more intermediaries, or in combination with one or more other persons or entities, controls, is controlled by, or is under common control with, the person or entity specified, and (ii) “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person or entity, whether through the ownership of securities, as trustee or executor, by serving as an employee or a member of a board of directors or equivalent governing body, by contract, by credit arrangement or otherwise.3.2.3. Prior to submitting the payment set forth in Section 3.2.1 above, Registrar shall send an e-mail to registry-billing@neustar.biz requesting participation in the Payment in Arrears Program and detailing which Affiliates (if any) will be included in the Program under the same Registrar Reserve.3.2.4. Statements shall be posted to each qualifying Registrar’s billing extranet account by no later than ten (10) days after the end of each month detailing the total number of billable transactions for the previous month broken out by type and top-level domain.3.2.5. Registry Services Provider must receive payment for each statement in full by no later than thirty (30) days after the date of the applicable statement (“Due Date”). In the event that Registry Services Provider does not receive payment in full by the Due Date, Registry Services Provider has the right to withdraw all unpaid amounts from the Registrar Reserve. If the unpaid amount is greater than the balance remaining in the Registrar Reserve, Registry Services Provider may, at its option, (i) change the Registrar (and its Affiliates’) status to “not-in-good standing,” prevent the Registrar (and its Affiliates) from creating new domains, renewing domains or transferring in domains for all TLDs; and (ii) assess a late fee on all unpaid amounts equal to one and one-half percent (1.5%) of the maximum rate allowed by law, whichever is less, from the original due date to the date paid in full.3.2.6. Registrars shall be required to refill the Registrar Reserve to the full $50,000.00 balance by no later than seven (7) days from the date in which the Registrar Reserve was used to pay off Registrar’s outstanding balance.3.2.7. If a Registrar fails to pay an invoice on time two times in any six (6) month period, or three times in any two (2) year period, Registry Services Provider has the right to disqualify the Registrar from participating in the Payment in Arrears Program, and if disqualified, Registry Services Provider shall automatically move the Registrar to the Pre-payment Debit Account Program. A Registrar that has been disqualified from the Payment in Arrears Program shall not be eligible to participate in the Payment in Arrears Program for a minimum of twenty-four (24) months following such disqualification.3.2.8. In the event Registrar terminates its relationship with all Registry Services Provider-sponsored TLDs or elects to switch to the Pre-Payment Debit Account Program, all unused Registrar Reserve funds shall be returned to Registrar within thirty (30) days of such termination and/or election.4. Instructions for Electing Either ProgramStep 1: Complete the Registrar Profile form available on the Registrar Extranet, which is used to provide general background on your profile and for electing either the Pre-Payment Debit Account Program or Payment in Arrears Program.Step 2: Return the completed form via email (reg-support@neustar.biz) or facsimile to Neustar Customer Support at +1.571.434.5758.Step 3: In the event that Registrar has elected the Pre-Payment Debit Account Program or Registrar is unable to qualify for the Payment in Arrears Program, Registrar will receive a new Bank of America Debit account number within five (5) to seven (7) business days along with wire transfer instructions from Registry Services Provider.Step 4: Using the wire transfer instructions below, if Registrar has elected to participate in the Pre- payment Debit Account Program, Registrar shall make the initial deposit into the account to comply with the Projected Monthly Sales, which were entered into Registrar Profile form. In the event Registrar has elected to participate in the Payment in Arrears Program, Registrar shall be required to use the wire transfer instructions below to make the required Registrar Reserve payment.5. Wire Transfer InstructionsRegistry has established an account at the Bank of America. Please ensure your payment wires reflect the information below.{Insert Name} Registrar AccountName: Bank of America, N.A.Address: Richmond, VA, USATelephone: (888) 841-8159Account Name: <Your Company Name>Account Number: <Your Account number>ABA Number: 026009593SWIFT Code: BOFAUS3N | Facilitates new payment processes. |