

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

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## **I. Highlights of 2016**

### **Letter from the Vice President of Contractual Compliance**

*The efforts and energy in 2016 focused on enforcing the contracts and policies where applicable, proactively and collaboratively addressing non-compliance issues and expanding and developing the compliance outreach activities.*

*In 2016, about 425 new gTLDs were delegated, twelve 12 others signed Registry Agreements (RA) but not delegated and about 950 new ICANN registrars accredited. The Contractual Compliance scope went from 1,169 gTLDs and 2,100 registrars in 2015 to approximately 1,215 gTLDs and 2,946 registrars in 2016. The Contractual Compliance team performed over 425 compliance checks of prospective registry operators, including those declaring cross-ownership with registrars or other registries and performed about 1,119 registrar related compliance checks related to contract renewal or new contracts compared to 725 in 2015. The compliance check is a review to ensure compliance of affiliated entities before contract signing.*

*In 2016, the complaint volume was decreased by approximately 6% compared to 2015, the difference was mostly in the complaints related to fees, reseller agreements, WHOIS Service Level Agreements (SLA) and transfers. In addition to handling 45,386 complaints in 2016, the team conducted proactive monitoring reviews, outreach activities and completed several continuous improvements efforts. More details are provided in the sections below.*

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<sup>1</sup> 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.

*The audit efforts in 2016 focused on the 2013 Registrar Accreditation Agreement (RAA) and the new Registry Agreement. A total of 123 registrars and ten registries were in scope for 2016. All registrars in scope and 80% of registries had to implement some remediation action(s) to become compliant. By the end of December 2016, the audits resulted in a 100% compliance (an audit report with zero deficiencies). For the 2016 calendar year, the audit team reviewed over 8,500 documents in fourteen languages and received from twenty-nine countries. By the end of 2016, the new Registry Agreement audits covered thirty-two registry service providers out of a total forty-four. This effort is important as a registry service provider services multiple registries.*

*Employee development in 2016 consisted of the team participating in ICANN Contractual Compliance training, ICANN in-house soft skill training and a multitude of external training to gain certification or complete continuing education credits. A sample list is provided below for your reference:*

- *Business Continuity training - BCLE AUD (ISO 22301) Business Continuity Planning for Auditors;*
- *Minimum Continuing Legal Education (MCLE) Certificates topics including:*
  - *Patents, Trademarks & Copyrights; IP Advice; Copyright & Trademark Issues for Fan Fiction/Art; Beverage IP Issues; IP & ADR; Trademark Ethics; Top IP & Tech Concerns; Open Source Software;*
  - *American Intellectual Property Law Association 2016 Mid-Winter Institute "Enforcing IP From Creation to Monetization and Litigation";*
- *Compliance & Ethics Professional – International (CCEP-I Certification)*
- *DiploFoundation-Introduction to Internet Governance;*
- *Crucial Conversation training to gain skills for creating alignment and agreement;*
- *Crucial Accountability training for enhancing accountability, improving performance, and ensuring execution.*

*As announced on 4 January 2017, <https://www.icann.org/news/announcement-2017-01-04-en>, Jaime Hedlund became the Senior Vice President, Contractual Compliance and Consumer Safeguards replacing Allen Grogan. Please join the team and I in wishing Allen all the best and in welcoming Jamie to his new role.*

*Sincerely,  
Maguy Serad*

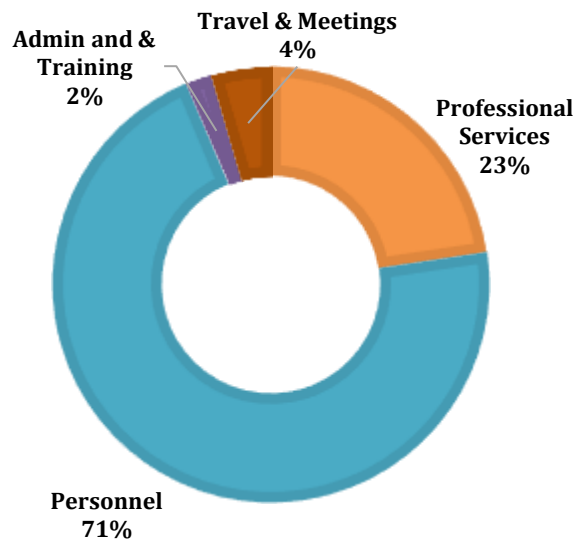
### Financial Overview

The Contractual Compliance budget increased by 4.2% to US\$4.8M in fiscal year 2017. The funds were allocated for staff, contractual compliance audits and travel. Support from shared service departments increased by 5.5% to US\$2.6M.

US Dollars in thousands	FY17 Budget	FY16 Budget	Increase/ (Decrease)		Comments	FY16 Actual	FY15 Actual
Contractual Compliance Department Budget	\$4,828	\$4,635	\$193	4.2%	Contractual Compliance department operating costs to cover personnel, travel & meetings, professional services and administration. Increase due to additional FTEs, travel and systems improvement projects.	\$3,896	\$3,809
Shared Resources	\$2,590	\$2,455	\$135	5.5%	Support from other departments: IT, meeting logistics, Finance, HR, Admin, etc.	\$2,500	\$2,416
<b>Total Functional View of Contractual Compliance Activities</b>	<b>\$7,418</b>	<b>\$7,090</b>	<b>\$328</b>	<b>4.6%</b>		<b>\$6,396</b>	<b>\$6,225</b>

For detailed information regarding ICANN's fiscal year 2017 budget, go to: <http://www.icann.org/en/about/financials>. The Portfolio Management System at this link <https://features.icann.org/plan/objective/b3bbd215cfb9b0e7a1215ab83aa79367> provides additional information about the Contractual Compliance Portfolios and the projects to support each.

Below is a high-level breakdown of the department's FY17 budget.



### ICANN Meetings and Outreaches

The Contractual Compliance team attended ICANN's 55th, 56th and 57th International meetings in 2016. The team conducted the Contractual Compliance Program Update, as well as the closed sessions with registrars and registries at ICANN's 55th and 57th meetings. In addition, the team joined other stakeholder groups, conducted face to face meetings with the registrars and the registry operators and participated in a multitude of sessions and discussions.

The team held numerous outreach activities in collaboration with the Global Domains Division (GDD), the Global Stakeholder Engagement (GSE) and the Registrar Services team. Please refer to our outreach page for more detailed information: <https://www.icann.org/resources/compliance/outreach>

### Contractual Compliance Online Learning

ICANN launched two additional infographics, one on the Transfer Complaint and one on the WHOIS Inaccuracy Complaint; this effort is to improve knowledge and increase community awareness on compliance topics in the two highest volume areas. ICANN's communications team launched a global campaign with a targeted audience based on language and country. The campaign ran for a week and resulted in a total of 83,454 clicks on the infographics. Please visit the Contractual Compliance website to view them:

<https://www.icann.org/resources/pages/compliance-2012-02-25-en>

### Improvement and Initiatives

During 2016, Contractual Compliance participated in the requirements gathering and development efforts related to the implementation of ICANN's upcoming system enterprise solution, which is expected to eventually include the Contractual Compliance ticketing system.

Some of the improvements in 2016 included system updates, metrics and communication clarity and detailing. A summary is provided below and a list can be found in Appendix A.

- Automation to allow the complaint processing system to accept registry Service Level Agreement (SLA) technical alerts and the generation of semi-automated compliance notices
- Automation to allow the complaint processing system to generate complaints based on reports from the data escrow provider Iron Mountain regarding missed or invalid registrar data escrow deposit
- Updates to icann.org and the consolidated ticketing system to align with the changes to the Transfer Policy (formerly known as the Inter-Registrar Transfer Policy)
- Updates to the dashboard definition page
- Updates to the monthly dashboard to include reporting on the WHOIS Accuracy Reporting System (ARS) complaints, as well as breakdown of data for the WHOIS inaccuracy by individual submission and bulk submission.

Please visit the Performance Measurement and Reporting page of the monthly dashboard at: <https://features.icann.org/compliance>

### **Performance Measurement in 2016**

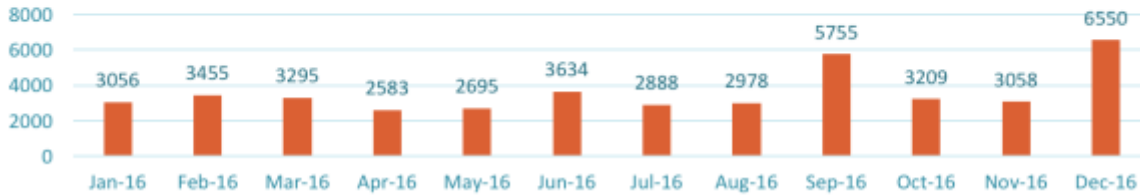
ICANN Contractual Compliance measures both efficiency and effectiveness. Efficiency is “doing things right”. Efficiency measures include process cycle time, response time, backlog and staffing utilization among other measures. Effectiveness is “doing the right things”. Effectiveness measures include working within the contract and consensus policies, accomplishment or resolution, quality of service and satisfaction survey.

Please refer to the ICANN Contractual Compliance Performance Reports page at this link <https://features.icann.org/compliance>. It provides information to the community on compliance activities through the monthly dashboards and reports for a rolling 13-month period.

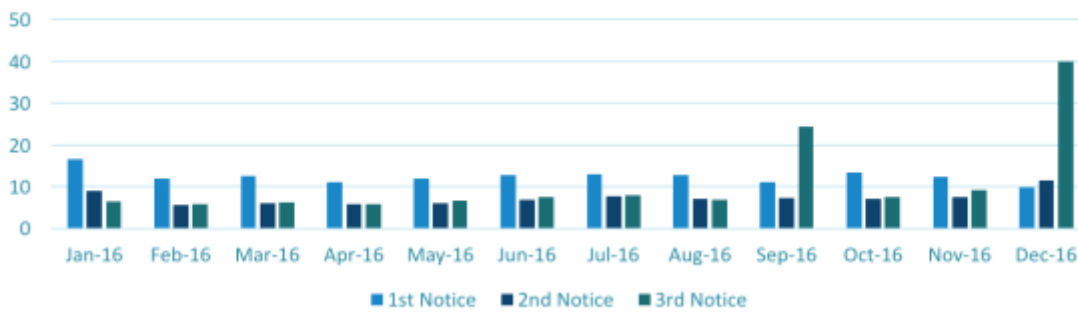
The graphs on the next page are a summary of the 2016 performance and on some of the graphs include a comparison to the 2015 performance.

## Complaint Count & Turnaround Time (TAT) Trending - Registrar

Complaint Count



Average Turnaround Times, in days

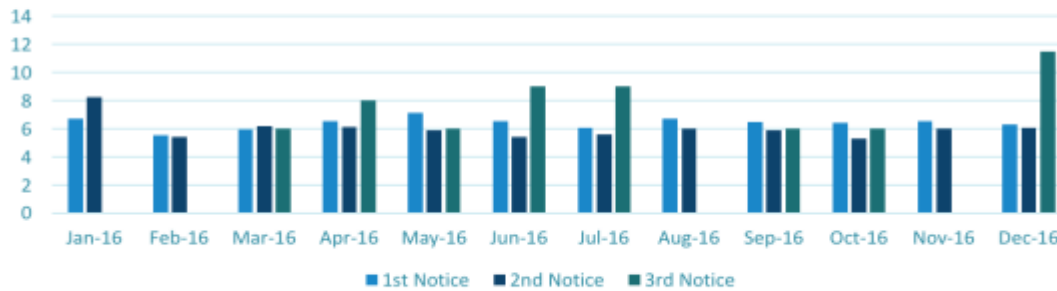


## Complaint Count & Turnaround Time (TAT) Trending - Registry

Complaint Count

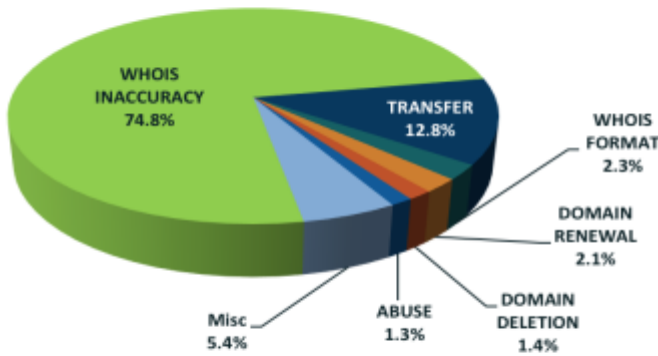


Average Turnaround Times, in days



## Registrar Complaint Type Volume – Year 2016

Complaint Distribution



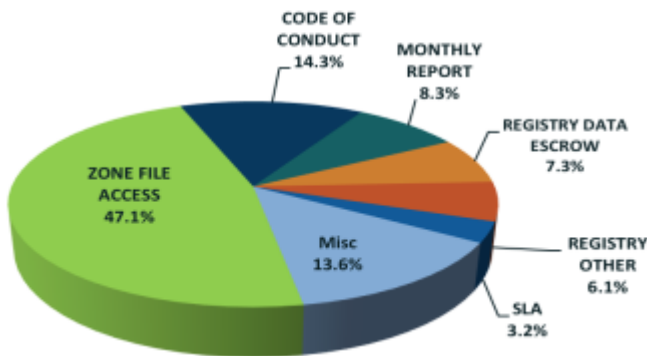
Average Registrar Turnaround Time	(in days)
1st Notice	12.8
2nd Notice	6.7
3rd Notice	8.7

Formal Notices	#
Volume Breach	22
Volume Non-Renewal	0
Volume Suspension	4
Volume Termination	4

Type	Quantity	Closed before 1 <sup>st</sup> Inquiry / Notice
ABUSE	548	396
CEO CERTIFICATION	230	0
CUSTOMER SERVICE	243	200
DATA ESCROW	404	57
DNSSEC, IDN, IPV6	23	16
DOMAIN DELETION	615	591
DOMAIN RENEWAL	888	584
FAILURE TO NOTIFY	36	34
FEES	6	0
PRIVACY/PROXY	64	48
REGISTRAR CONTACT	114	86
REGISTRAR INFO SPEC	129	103
REGISTRAR OTHER	49	19
RESELLER AGREEMENT	3	0
TRANSFER	5,525	4,090
UDRP	219	98
WHOIS FORMAT	976	655
<b>WHOIS INACCURACY</b>	<b>32,292</b>	<b>15,186</b>
WHOIS INACCURACY QR	9	1
WHOIS INACCURACY Bulk	3,293	268
WHOIS INACCURACY Individual	20,432	11,231
WHOIS ARS	8,558	3,686
WHOIS SLA	247	206
WHOIS UNAVAILABLE	545	328
<b>Total Complaints Processed</b>		<b>43,156</b>
<b>Total Complaints Closed</b>		<b>40,957</b>
<b>Total Closed before 1<sup>st</sup> Inquiry / Notice</b>		<b>22,697</b>

## Registry Complaint Type Volume – Year 2016

Complaint Distribution

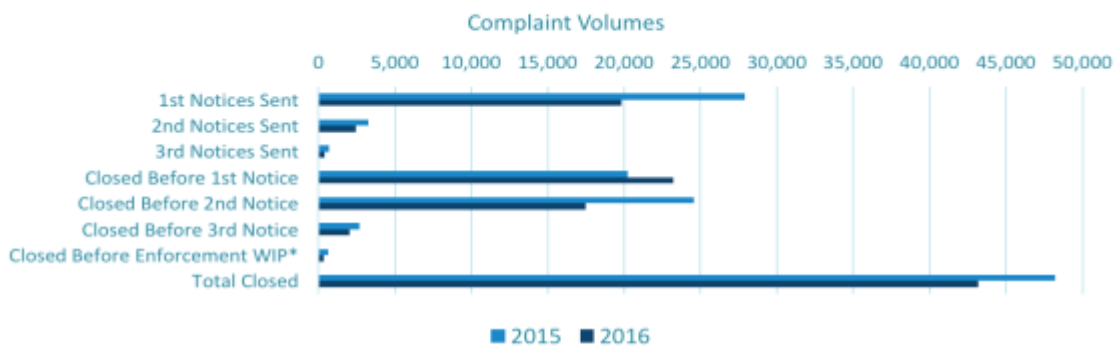


Average Registry Turnaround Time	(in days)
1st Notice	6.3
2nd Notice	5.9
3rd Notice	8.82

Formal Notices	#
Volume Breach	3
Volume Non-Renewal	0
Volume Suspension	0
Volume Termination	0

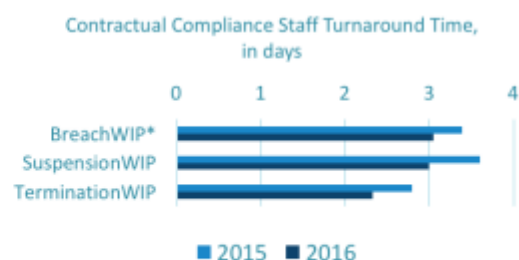
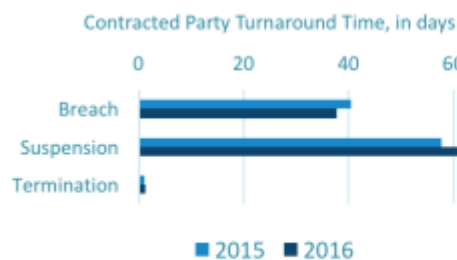
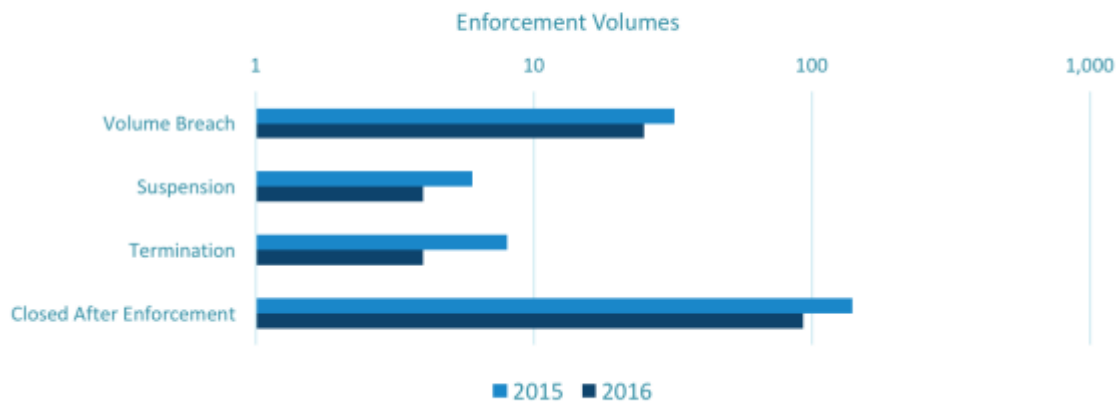
Type	Quantity	Closed before 1 <sup>st</sup> Inquiry / Notice
ABUSE CONTACT DATA	57	55
BRDA	45	0
BULK ZFA	19	0
CLAIMS SERVICES	3	3
CODE OF CONDUCT	319	11
MONTHLY REPORT	186	3
PIC	13	9
REGISTRY DATA ESCROW	163	0
REGISTRY FEES	18	0
REGISTRY OTHER	137	99
RESERVED NAMES/CONTROLLED INTERRUPTION	56	28
RR-DRP	32	32
SLA	72	43
SLA ALERTS	49	1
SUNRISE	2	2
URS	8	7
WILDCARD PROHIBITION	1	0
ZONE FILE ACCESS	1050	251
<b>Total Complaints Processed</b>		<b>2,230</b>
<b>Total Complaints Closed</b>		<b>2,198</b>
<b>Total Closed before 1<sup>st</sup> Inquiry / Notice</b>		<b>544</b>

## Informal Notice Statistics – Year 2015 / 2016



\*WIP = WORK IN PROGRESS

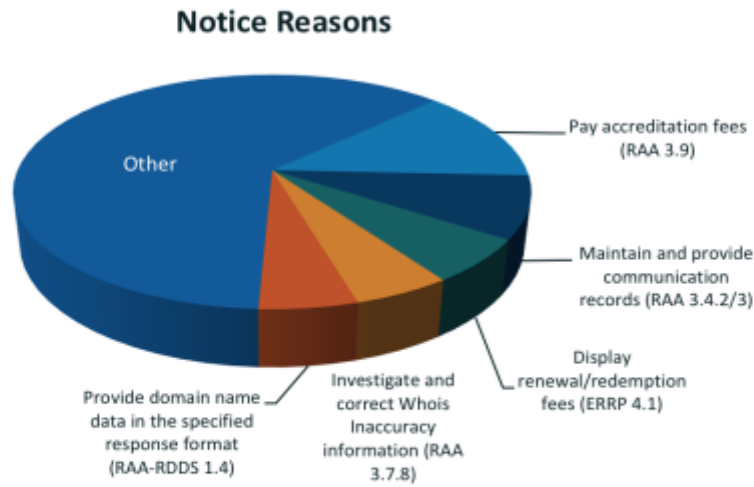
## Formal Notice Statistics – Year 2015 / 2016



\*WIP = WORK IN PROGRESS



## Formal Notice Activity – Year 2016



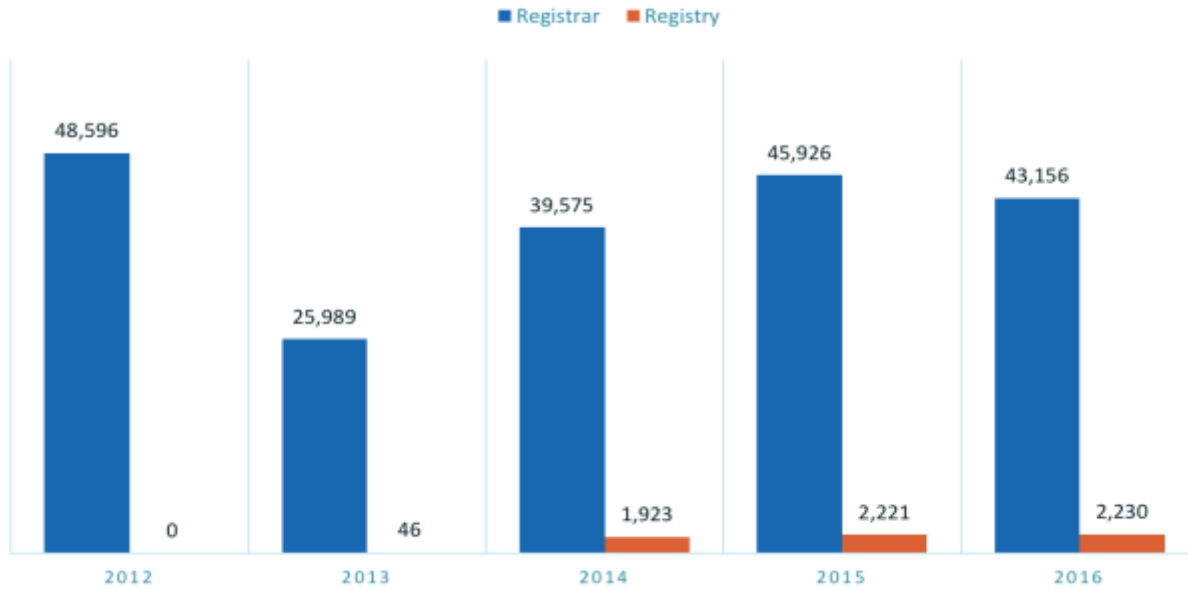
Notices	Qty
Breach	25
Contract Non-Renewal	0
Suspension	4
Termination	4

Breach Notice Reason*	Qty*
Failure Notice Reasons	119
• Cured	74
• Not Cured	45

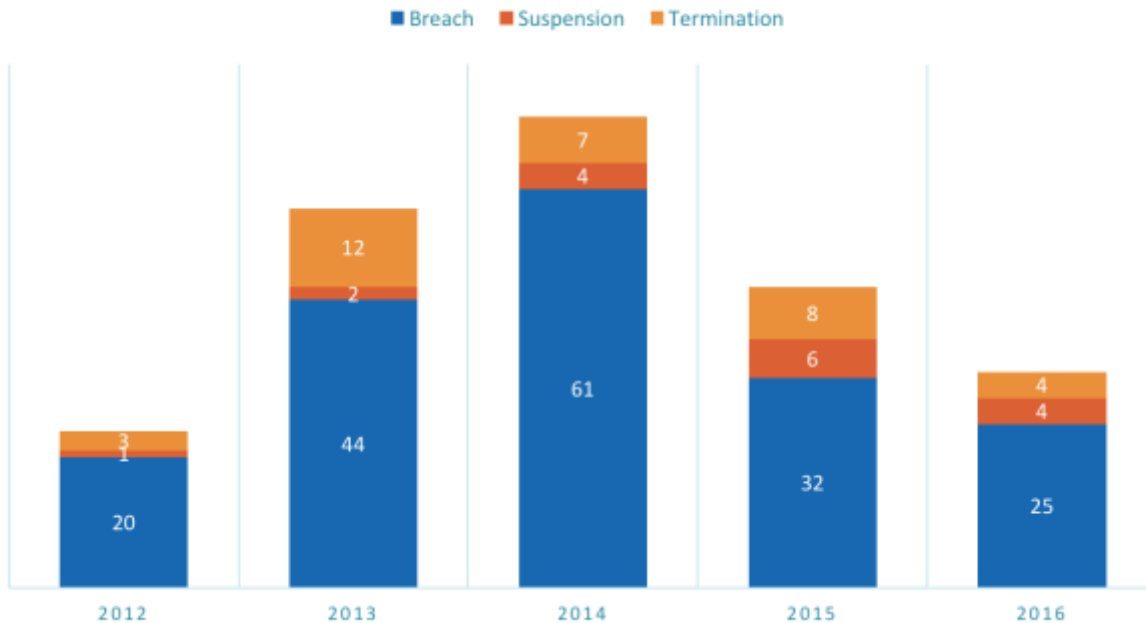
\*A single Breach may contain multiple Notices Reasons.

Formal Notice Reasons	Percent
Pay accreditation fees (RAA 3.9)	13 %
Maintain and provide communication records (RAA 3.4.2/3)	9 %
Display renewal/redemption fees (ERRP 4.1)	6 %
Investigate and correct Whois Inaccuracy information (RAA 3.7.8)	5 %
Provide domain name data in the specified response format (RAA-RDDS 1.4)	5 %
Other* (Appendix B)	62 %

## Complaint Volume 2012 - 2016



## Formal Notice Volume 2012 - 2016



### ***III. Contractual Compliance Registrar Program Summary***

In 2016, the Contractual Compliance team focused on outreach with registrars, proactive monitoring and targeted reviews to improve compliance with the 2013 Registrar Accreditation Agreement (RAA). Some of the efforts included:

- 1) 3rd Notice Continuous Improvement outreach to improve registrar compliance by reducing or eliminating 3rd notices. 3rd notices are the final stage before a notice of breach. The Contractual Compliance team conducted a pilot with several registrars across different regions. Most of the registrars in scope collaborated with ICANN on this outreach. Feedback from the participants was positive and the preliminary findings show a reduction and for some, zero 3rd notices.
- 2) WHOIS verification review outreach focused on the APAC region to ensure compliance with the 2013 RAA requirement to verify and validate WHOIS information. Registrars that could not demonstrate initial compliance collaborated with the team to update systems and processes to ensure future compliance.
- 3) Audit remediation validation review to ensure continued compliance by contracted parties on previously remediated issues between June 2015 and June 2016. The review confirmed continued compliance.

In 2016, the Contractual Compliance team continued to participate in WHOIS Accuracy Reporting System (ARS) initiative. The WHOIS ARS is a framework for conducting repeatable assessments of WHOIS accuracy over time and publicly reporting the findings. The team received complaints regarding WHOIS inaccuracies and WHOIS format issues identified by WHOIS ARS Phase 2, Cycles 1 through 3. WHOIS inaccuracy complaints were processed as individual WHOIS inaccuracy complaints, and the WHOIS format data was used to select registrars for targeted outreach. For additional information regarding WHOIS ARS, please see WHOIS ARS Phase 2 reporting at this link:

<https://whois.icann.org/en/whois-ars-phase-2-reporting>.

#### **Most common issues during 2016**

Listed below were the most common issues addressed by ICANN with regards to registrar compliance:

##### **1. WHOIS Inaccuracy:**

- Registrars failing to verify or validate WHOIS information as required by the WHOIS Accuracy Program Specification (WAPS) of the 2013 RAA.
- Registrars not distinguishing between the terms “verification” (which means to confirm or correct) and “validate” (which means to ensure data is consistent with standards) as used in WAPS.

- Registrars asking their resellers to confirm the accuracy of the WHOIS information of domain names regarding which ICANN received complaints, rather than providing confirmation from the registrant.
- Registrars failing to provide supporting documentation for updated or changed WHOIS information.
- Registrars failing to suspend domain names within fifteen (15) calendar days of receiving a WHOIS Inaccuracy complaint and the Registered Name Holder fails to respond as required by WAPS.

## **2. WHOIS Format:**

- Registrars failing to display WHOIS data in the layout specified in the Registration Data Directory Service (WHOIS) Specification of the 2013 RAA, the Additional WHOIS Information Policy (AWIP) and the Advisory: Clarifications to the Registry Agreement and the 2013 Registrar Accreditation Agreement (RAA) regarding applicable Registration Data Directory Service (WHOIS) Specifications.
- Registrars failing to display WHOIS data in the syntax required by the 2013 RAA or related standards.

## **3. Abuse:**

- Registrars not taking reasonable and prompt steps to respond appropriately to reports of abuse, which at a minimum should require registrars to forward valid complaints to the registrants.
- The 2013 RAA does not require registrars to suspend every domain subject to a valid abuse complaint.
- Law enforcement may submit complaints against registrars outside of their jurisdiction under Section 3.18.2 of the 2013 RAA.
- Reporters submitting complaints to ICANN without first reporting the alleged abuse to registrars.

## **4. Transfer Policy**

- Losing registrars providing the AuthInfo-Code to contacts other than the Registered Name Holder.
- Registrars using a Form of Authorization that does not comply with the Transfer Policy or sending the Form to the incorrect contact.
- Registrars requiring Registered Name Holders to take additional steps to request AuthInfo codes for transfer that are more stringent than those required to change nameserver information.
- Registrars failing to provide AuthInfo-Codes upon request or allowing Registered Name Holders to obtain the AuthInfo-Code through a control panel.

**5. Renewal/Redemption, Expired Domain Deletion Policy (EDDP), Expired Registration Recovery Policy (ERRP):**

- Registrars that rely on their resellers to send the renewal notifications on their behalf and do not ensure that the notifications are actually sent and copies are maintained.
- Registrars not complying with the web posting obligations provided by the ERRP.
- Registrars not disrupting the DNS resolution path prior to deletion as required by the ERRP.
- Registrars that change the Registrant at Expiration's (RAE) name to their own subsidiaries or resellers on the date of expiration of the domain names, without providing the RAE clear information regarding their terms of service concerning expiration and renewals.
- Registrars not sending renewal notices to the Registrant or Administrative Contact listed in the public WHOIS.

**6. Uniform Domain Name Dispute Resolution Policy (UDRP):**

- Registrars not maintaining the status quo of the domain names involved in the proceedings, allowing them to be transferred to other registrars or registrants or allowing domain names to be deleted.
- Registrars not locking a domain name subject to a UDRP within two business days of receiving a UDRP complaint from a UDRP provider.
- Registrars not providing the information requested within two business days of receiving a verification request from a UDRP provider.

**7. Data Escrow**

- Registrars not escrowing data on the schedule specified by ICANN.
- Registrars on the 2013 RAA failing to escrow both the public WHOIS data and underlying customer information for domains utilizing privacy or proxy services.
- Registrars failing to escrow data for all gTLDs under management.

**8. Other related domain registration issues:**

- Registrars failing to maintain records as required by the RAA and not ensuring that resellers maintain them and can provide them upon request.
- Registrars not able to provide ICANN with copies of communications they claim were sent to their registrants.

**Participation in ICANN Cross Functional Efforts and Policy Development Processes**

In 2016, Contractual Compliance also assisted multiple cross-functional registrar-related efforts, including the WHOIS Accuracy Reporting System team, the Privacy/Proxy Services Accreditation Implementation Review Team, Thick WHOIS Implementation and the Translation and Transliteration of Contact Information PDP Implementation Review Team.

#### **IV. Contractual Compliance Registry Program Summary**

During 2016, Contractual Compliance worked in parallel with the continued growth of the new gTLD program, which included the delegation of approximately 345 new gTLDs - see <https://newgtlds.icann.org/en/program-status/delegated-strings>.

Contractual Compliance began 2016 with its yearly review of new gTLDs' compliance with the annual certification requirements and continued its function of monitoring overall compliance with the registry agreements and related policies by processing matters received from external complaints, internal monitoring efforts and review of public information.

Readiness for and implementation of compliance monitoring for registry-related policies that went into effect in 2016 was completed for the following:

- Additional WHOIS Information Policy (January 2016);
- Advisory: Clarifications to the Registry Agreement, and the 2013 Registrar Accreditation Agreement regarding applicable Registration Data Directory Service (WHOIS) Specifications (January 2016);
- gTLD Registry Advisory: Correction of non-compliant ROIDs (January 2016); and
- Implementation of Measures for Letter/Letter Two-Character ASCII Labels to Avoid Confusion with Corresponding Country Codes, in conjunction with authorization for their release (December 2016).

In May 2016, ICANN also implemented automated Service Level Agreement (SLA) monitoring communication efforts. Since implementation, the automated compliance communication system was triggered by a SLA downtime approximately forty-five times in 2016.

Third party zone file access complaints and data escrow deposits continued to be the largest volume areas of registry processing conducted by Contractual Compliance in 2016. Contractual Compliance also received its first valid complaints under the Public Interest Commitment Dispute Resolution Policy and issued its first enforcement notices against new gTLD registry operators in 2016. See <https://features.icann.org/compliance> for updated Contractual Compliance reports and <https://www.icann.org/compliance/notices> for Contractual Compliance notices.

##### **Most common issues during 2016**

Listed below were the most common issues addressed by ICANN regarding registry compliance:

1. Zone File Access by Third Parties via the Centralized Zone Data Service
  - Registry operators not responding to requests for zone file access

- Registry operators denying or revoking access for reasons not permitted under the registry agreement
2. Daily Data Escrow Deposits
    - Data escrow agents not sending daily notifications of escrow deposits to ICANN
    - Registry operators not sending daily notifications of escrow deposits to ICANN
    - Registry operators not making valid data escrow deposits
    - Registry operators not making initial escrow deposits in a timely manner
  3. Monthly Reporting
    - Registry operators not submitting the required monthly reports
  4. Service Level Agreement
    - Registry operators not meeting the required service level agreements under the registry agreement for service availability and performance

### Participation in ICANN Cross Functional Efforts and Policy Development Processes

In 2016, Contractual Compliance also assisted multiple cross-functional efforts, including providing input to other teams related to the draft of the Specification 11, Section 3b Advisory and requirements related to servicing Change of Control, Material Subcontracting Arrangement requests and Registry-Registrar Agreement amendments.

Contractual Compliance also continues to follow the progress of the proposed amendments to the base new generic top-level domain (gTLD) registry agreement and the proposed revisions to the Registry Registration Data Directory Services Consistent Labeling and Display Policy, including the implementation of Registration Data Access Protocol gTLD Profile.

Additionally, Contractual Compliance participated in or followed multiple registry-related policy efforts and working groups, including Thick WHOIS implementation, the Protection of IGO and INGO identifiers in all gTLDs, IGO-INGO Access to Curative Rights Protection Mechanisms, Competition, Consumer Trust and Consumer Choice Metrics Reporting, Rights Protection Mechanisms Review, New gTLDs Subsequent Procedures and Translation and Transliteration of Contact Information.

## ***VI. Contractual Compliance Risk and Audit Program Summary***

In 2016, ICANN reviewed the audit plans and test objectives and updated them based on lessons from previous audits and the complaints received.

The audit plans can be found at <https://www.icann.org/resources/pages/audits-2012-02-25-en>.

### **ICANN Registrar Audit Program**

By end of May 2016, ICANN completed the audit that was launched in September 2015. Sixty-seven registrars were included in this audit round. Thirty-nine registrars received an Audit Report with no deficiencies; one registrar's accreditation was terminated during audit and one registrar's audit request was waived. Twenty-six registrars received Audit Reports with deficiencies listed and later implemented the necessary changes to prevent the instances of non-compliance from recurring in the future. Please refer to the published audit report at this link: <https://www.icann.org/en/system/files/files/compliance-registrar-audit-report-2015-06jul16-en.pdf>

In May 2016, ICANN launched another 2013 RAA audit round for fifteen registrars. This round was completed in October 2016. All fifteen registrars had deficiencies noted on the preliminary audit report; five registrars resolved the deficiencies during the Remediation Phase; ten registrars have been implementing necessary changes to prevent the instances of non-compliance from recurring in the future and will require follow-up (i.e. partial re-audit) from ICANN to verify the remaining deficiencies have been remediated. Please refer to the published audit report at this link: <https://www.icann.org/en/system/files/files/compliance-registrar-audit-report-2016-16nov16-en.pdf>

The most recent registrar audit round, launched on 4 October 2016, is now in the audit phase. Fifty-four registrars received a Request for Information notice to participate in the audit. These fifty-four registrars consisted of forty-five registrars selected for full audit and nine registrars rolled over from prior rounds for a partial re-audit to confirm the effectiveness of their remediation efforts that have been implemented after the prior round. One registrar has not responded to audit request and its accreditation was terminated. The preliminary audit reports to auditees are planned for in January 2017.

The 2013 RAA Audit Plan can be found at this link <https://www.icann.org/en/system/files/files/audit-plan-2013-raa-31mar16-en.pdf>



## ICANN Registry Audit Program

In 2016, ICANN launched another New gTLD Registry Agreement audit round. It launched on 27 January 2016 and was completed on 20 June 2016. Ten New gTLD registries were selected for this round of audits.

Two registries completed the audit with no deficiencies. Six registries completed the audit and resolved the deficiencies during the remediation, and the remaining two registries completed remediation and will be re-tested in a future audit round to verify compliance in the identified areas.

Please refer to the published report at this link:

<https://www.icann.org/en/system/files/files/contractual-compliance-ra-audit-report-2016-12jul16-en.pdf>

## Registrar Data Escrow Audit Efforts

By end of 2016, ICANN had a total of eight approved data escrow providers. The list can be found at <https://newgtlds.icann.org/en/applicants/data-escrow>. ICANN was working in 2016 with data escrow providers with whom ICANN registrars were depositing. The objective was to test registrars' compliance with their data escrow obligations and to establish a consistent approach across the ICANN-approved data escrow providers.

ICANN also launched proactive monitoring to measure the completeness of the registrars' data escrow deposits which includes the deposit of all gTLD domains under each registrar's management. This effort was limited to registrars depositing with Iron Mountain which is 98% of the registrar population.

In 2016, ICANN continued to monitor registrars' data escrow deposits and worked with approved data escrow agents (DEA) to ensure that required deposits are made per schedule and in compliance with the specification.

In 2016, ICANN requested data escrow deposit audits of 194 registrars who received a 3rd notice or a notice of breach and another 200 registrars, whose deposits had not been previously audited. Of the 394 registrars, approximately half had issues with their data escrow deposits, the majority of which were related to incomplete deposits missing information for domains where privacy and proxy services were used. All issues were remediated and retested.

## ***VII. Appendix***

### **Appendix A**

List of Activities to support Contractual Compliance Initiatives and Improvements with system impact:

- Template updates to reflect newly effective policies (Additional WHOIS Information Policy and WHOIS Clarifications)
- Automation to allow complaint processing system to accept registry Service Level Agreement technical alerts (including semi-automated compliance notices)
- Acceptance of registry Service Level Agreement technical alerts and creation of semi-automated compliance notices
- Template updates to reflect newly effective policies (Additional WHOIS Information Policy and WHOIS Clarifications)
- Compliance system updates to allow for the WHOIS Accuracy Reporting System (ARS) import utility to create compliance tickets based on the updated WHOIS ARS report format
- Automation to allow the complaint processing system to generate complaints based on reports from data escrow providers regarding missed or invalid registrar data escrow deposits
- Updated subject headings to follow consistent format for automated closure and confirmation system notifications
- Update to address a bug fix to populate the correct resolved code text in the auto-closure notice for a specific transfer complaint type
- Update to remove a process step for a registrar closure notice when a system WHOIS inaccuracy validation is completed and the ticket is closed
- Additional content was added to the Compliance Program page at icann.org to give an overview of the contractual obligations relevant registrars and Registry Operators.

### **Appendix B**

#### **Formal notice reasons - 2016**

##### **2009 Registrar Accreditation Agreement (RAA)**

- Maintain and provide communication records (RAA 3.4.2/3)
- Escrow registration data (RAA 3.6)
- Publish on website auto-renew and deletion policy (RAA 3.7.5.5)
- Respond to audits (RAA 3.14)
- Link to ICANN's registrant rights and responsibilities website (RAA 3.15)
- Display correct ICANN Logo on website (RAA-Logo License Appendix)

**2013 Registrar Accreditation Agreement (RAA)**

- Provide WHOIS Services (RAA 3.3.1)
- Investigate and correct WHOIS Inaccuracy information (RAA 3.7.8)
- Publish on website link to Registrants' Benefits and Responsibilities Specification (RAA 3.7.10)
- Comply with the UDRP (RAA 3.8)
- Pay accreditation fees (RAA 3.9)
- Provide documents and information to ICANN (RAA 3.15)
- Complete and provide Compliance Certificate (RAA 3.15)
- Display link to ICANN's Registrant Educational Information (RAA 3.16)
- Publish on website information required by the Registrar Information Specification (RAA 3.17)
- 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)
- Publish on website email address for abuse reports (RAA 3.18.1)
- Maintain and provide records related to abuse reports (RAA 3.18.3)
- Publish on website description of procedures for the receipt and tracking of abuse reports (RAA 3.18.3)
- Validate and verify WHOIS contact information (RAA-WAPS 1, 2, 4)
- Provide domain name data in the specified response format (RAA-RDDS 1.4)
- Prohibit sublicense use of the ICANN logo to any other party (RAA-Logo License Specification)
- Display correct ICANN Logo on website (RAA-Logo License Specification)
- Display renewal/redemption fees (ERRP 4.1)
- Display methods used to deliver pre- and post-expiration notifications (ERRP 4.2)

**New gTLD Registry Agreement (RA)**

- Pay past due fees (RA Article 6)
- Publish on primary website a link to a webpage designated by ICANN containing WHOIS policy and educational materials (RA Section 1.11 of Spec 4)
- Publish on website DNSSEC Practice Statements (DPS) (RA Section 1.3 of Spec 6)
- Publish on website abuse contact details (RA Section 4.1 of Spec 6)

