

Arbitration Case #18

Date: May 2019

Summary

The case concerns a dispute between LLC GCX (“Member”) and the RIPE NCC, following the RIPE NCC’s decision to terminate the Member’s RIPE NCC Standard Service Agreement (“SSA”) after the Member provided the RIPE NCC with falsified information.

Details of the Case

In late 2018, the RIPE NCC received two reports from third parties that a certain registration in the RIPE Database was incorrect. This registration was related to an End User’s resources sponsored by the Member. In 2017 the Member, acting in the role of sponsoring LIR, had provided the RIPE NCC with an End User assignment agreement for the registration of these Independent resources. After the receipt of the reports, the RIPE NCC tried to verify the validity of the registration in the RIPE Database with the supposed End User. This party confirmed that they were not the holders of the resources and the information in the RIPE Database was fraudulent.

When the RIPE NCC shared its findings with the Member and requested an explanation, the Member stated that it is not commercially interesting for a sponsoring LIR to do extensive validation of their customers and sponsoring LIRs might not always have the legal resources to do so.

Based on the above, and according to Article 9.4.h of the SSA and the RIPE NCC procedural document “Closure of Members, Deregistration of Internet resources and Legacy Internet Resources”, the RIPE NCC proceeded with the termination of the Member’s SSA in February 2019.

Arbitration Ruling

After evaluating the information provided by both parties, the arbiter has decided that the immediate termination of the SSA was procedurally correct according to article 9.4.h of the SSA because the Member submitted falsified information to the RIPE NCC.

The arbiter stated in his ruling that if a member does not have the commercial incentive or legal resources to perform a task properly then they should refrain from doing that task. Otherwise they risk the consequences specified in the SSA, which in this case is termination of the SSA. The RIPE NCC has documented multiple occasions in the past where the Member had been reminded by the RIPE NCC that they are responsible for verifying all information before providing it and that providing fraudulent or misleading data may lead to termination of the SSA.

In conclusion, the arbiter ruled that the RIPE NCC applied due diligence before deciding to terminate the agreement.