

Arbitration Case #1

Date: 2003-2004

Summary

A dispute between RIPE NCC and one of its members, LIR A, regarding the payment of the sign-up fee to re-open the membership after LIR A was closed as a result of non-payment of an invoice. To re-open as a member a sign-up of EUR 2,500 was due.

Details of Case

The RIPE NCC sends invoices with a payment term of 30 days. After this, the registry is in default. Once this happens, the RIPE NCC sends three reminders in monthly intervals. After 120 days from date of the first invoice, the RIPE NCC starts closing the registry down and a sign-up fee is due to re-open the registry.

In the case of LIR A, the RIPE NCC sent out reminders for an outstanding service-fee invoice. More than 30 days after the date of the third reminder, the RIPE NCC began to close down the registry. LIR A contacted the RIPE NCC after its service level was set to NONE as a result of non-payment and asked for an overview of outstanding debts. The RIPE NCC received payment from LIR A for its outstanding invoices. However, LIR A declined to pay the sign-up fee of EUR 2,500. The case was sent to arbitration.

Arbitration Ruling

The Arbiter ruled that LIR A's payment of the original invoice, including a fixed fine plus 5% interest based on the 2004 payment schedule, was sufficient for the matter to be settled and that LIR A did not need to pay the sign-up fee for their LIR to be re-opened.

The Arbiter noted that at reaching stage 3 of the closure process, the RIPE NCC failed to remove the reverse DNS for LIR A. As a result, the Arbiter noted that this is intended as a sharp reminder for prompt payment of outstanding invoices, the Arbiter considered it was not appropriate for the RIPE NCC to proceed to stage 4 closure of LIR A and the imposition of a EUR 2,500 sign-up fee.

The Arbiter rejected the possibility of imposing a partial fine based on the fact that although LIR A appeared to have internal process or practise issues regarding the payment of the invoice, the RIPE NCC's first and second reminders were sent later than the 30 day period specified in the RIPE NCC's billing procedures.