
ICANN Transcription

Transfer Policy Review PDP WG

Tuesday, 08 August 2023 at 16:00 UTC

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DEVAN REED: Good morning, good afternoon, and good evening. Welcome to the Transfer Policy Review PDP Working Group Call taking place on Tuesday, 8 August 2023.

For today's call, we do have apologies from Zak Muscovitch (BC), Catherine Merdinger (RrSG). They have formally assigned Arinola Akinyemi (BC) and Christopher Patterson (RrSG) as their alternates for this call and for remaining days of absence. As a reminder, an alternate assignment must be formalized by way of a Google Assignment Form. The link is available in all meeting invite emails.

Statements of Interest must be kept up to date. Does anyone have any updates to share? Please raise your hand or speak up now.

All members and alternates will be promoted to panelists. Observers will remain as an attendee and will have access to view

Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.

chat only. Please remember to state your name before speaking for the transcription.

As a reminder, those who take part in the ICANN multistakeholder process are to comply with the Expected Standards of Behavior.

Thank you. And back over to our chair, Roger Carney. Please begin.

ROGER CARNEY:

Thanks, Devan. Welcome, everyone. Just a couple of things before we jump into our agenda. On our last call, we transitioned from Charter Question i1 to i2, all of our initial discussions on i1 being done. Though the working document's out there, so I encourage anyone with any comments or updates to any of the preliminary recommendations that we talked about last week, please jump out onto that working document and put some notes in so that we can get anything addressed.

Again, that Charter question dealt specifically with the ICANN-approved bulk transfers. So full portfolio moves in either instance of voluntary or involuntary moves. That was dealt with. So I think anyone that has any comments, please jump on into that working document and put some comments in there so we can get them addressed and revisit anything that anybody has concerns with.

Other than that, I think the only other thing is just to make a call for any of the stakeholder groups that want to come to the mic and talk about any discussions they've been having off-list with their memberships. If there is anything—comments, questions, concerns—that they want to bring forward for the working group, I'll

open the floor up to any stakeholder groups that want to say anything.

Okay, great. Well, I think we'll just go ahead and jump into our normal work. Maybe I'll turn this over to Caitlin for a quick look at our work plan and see where we're at and how we're moving forward. So, Caitlin, please go ahead.

CAITLIN TUBERGEN: Thank you, Roger. This is Caitlin Tubergen with ICANN Org. And as we normally do, we're just showing a picture of where we are in our project plan. You'll see the blue box shows we're currently at Meeting 99. So we're almost at our century meeting, Meeting 100. And the next four meetings, including this meeting, will be devoted to Charter Questions i1 and i2. So it's important, as Roger noted, for the group to be going back to the working doc that we linked in the chat and looking at those preliminary agreements and making any adjustments that you believe are necessary, or any comments or concerns so that we can make sure those are in a good place since we only have four meetings left to discuss this topic.

Does anyone have any questions about the project, then, before we dive into Charter Question i2? Okay. I don't see any hands raised.

So similar to what we did last week, or during the last meeting with Charter Question i1 where support staff looked at some of the things that the group seemed to preliminarily be agreeing to and put pen to paper to see what that might look like so that the group can respond to them. So similar to last week, these are not in any sort

of final state, and any constructive criticism, proposed edits, and comments are very welcome at this stage.

So our plan will be to run through these and then have a discussion on these, which Roger will lead us through. And then support staff will take the discussion from today and make any necessary edits to the preliminary agreements and put them in that working doc, in that orange box that you saw earlier in the meeting, so that we can go ahead and propose edits to these two and get these moving forward.

So for those of you who may not have been here last week, we were discussing Charter Question i2, which is about the scope of voluntary bulk transfers including partial bulk transfers, and if these should be expanded or made uniform across all registry operators. If so, what types of rules and considerations should govern voluntary bulk transfers and partial bulk transfers?

What is on the slide underneath that Charter question in Bullets 1 and 2 are the boilerplate language from the BTAPPA where registries can approve of BTAPPA. And the last one is what we think some of you may have been proposing during the last meeting. So the potential expansion of the BTAPPA and/or the Transfer Policy is to allow a partial bulk transfer where an agent of the registrar such as a reseller or service provider elects to transfer its portfolio domain names to a new Gaining Registrar and the registration agreement explicitly permits this type of transfer.

And from there, I'm just going to quickly go over the preliminary agreements that we think that we heard during the last meeting, and then we will discuss them all. So the first agreement was ...

Sorry. I see a comment. So just to answer Sarah's question—and no need to apologize—the first two bullets, i and ii, those are in the BTAPPA boilerplate language. The bolded language at the bottom is what a couple of working group members were proposing to add in some capacity, whether it's to the BTAPPA boilerplate or to the Transfer Policy. So this is what would be newly proposed if the group were to agree to that.

So the preliminary agreements around if we are going to expand the scope of voluntary bulk transfers. The first one that we seem to hear was that the process should be transparent, and registrants should be informed of any sort of partial bulk transfer. And then in brackets we have: "Registrar shall either notify or ensure their resellers (where applicable), notify affected Registered Name Holders of the transfer, and potentially allow an opt-out."

And we wanted to note that a couple of people had noted that resellers would need to notify their customers if there was going to be some sort of partial bulk transfer. But what's important to note and what many of you know is that ICANN doesn't have contracts with resellers. Registrars do. So in order for it to be enforceable under ICANN policy, we would need to have some sort of language like, "Registrars ensure their resellers" do a certain thing, which is how it's worded in the RAA with respect to other requirements vis-à-vis "registrars and their resellers."

The second preliminary agreement has to deal with expiration dates of the domain names that are being transferred. And it's "The expiration dates of transferred registrations are not affected and, therefore, there are no ICANN fees. Once the BTAPPA is complete, there is no grace period to reverse the transfer."

And that is identical language to what's currently in the BTAPPA, but it seemed that some of you were suggesting that if we are going to make this uniform, that expiration date should not be affected after these transfers occur.

Preliminary Agreement #3 is also the current language of the BTAPPA. And that's that "Registry operator must reject a BTAPPA request if there's reasonable evidence that a transfer under BTAPPA is being requested in order to avoid fees otherwise due to a registry operator or ICANN." And, obviously, that is just to prevent gaming.

Preliminary Agreement #4 is that "The Losing Registrar's existing registration agreement with its customers must permit the transfer of domain names in the event of the scenarios described in the Transfer Policy or BTAPPA." And, obviously, the reseller's agreement with the customers would need to allow this, too.

And then last but not least, Preliminary Agreement #5 is similar to what we discussed in Charter Question i1. "Registry operators may charge a fee for a partial bulk transfer. The registry operators must provide notice to registrars of any fees associated with partial bulk transfers upon request and prior to the completion of the transfer. How registry operators choose to provide notice of fees will be up to the registry to decide."

And I noted here that this language is a work in progress, but is what we attempted to characterize the working group's thoughts on full portfolio transfer. So that's what matches the preliminary agreement from the first Charter question in this grouping, but it's still a work in progress.

That being said, those are the five agreements that we seemed to hear last week. And as a note, the group hasn't really agreed that they should become officially a part of the Transfer Policy or if there should just be proposed amendments to the BTAPPA. So we don't have any agreement on that yet, but we wanted to check the temperature of the room and see if there are any initial reactions to the preliminary agreements.

And I'm going to turn it back over to Roger to manage the queue. Thanks, Roger.

ROGER CARNEY:

Okay. Thanks, Caitlin. All right. I see a few hands already shut up, so let's jump into the hands. And there's a few comments in chat we'll have to try to hit on.

Sarah, please go ahead.

SARAH WYLD:

Thank you. Hi. Okay, three things. Number one, apologies in advance. They are doing fire alarm testing in my building, so there might be loud beeping. I'm sorry.

Number two, I'm having a stupid moment here. I can't find where the BTAPPA policy exists or BTAPPA boilerplate. So if you can help me out with that, I would appreciate it. Thank you so much. Yeah, that's great. Thank you.

And then number three is regarding Agreement 1 where it says that the registrant can opt out. Yeah. So, you know, it might be a

situation where they want to not transfer to whoever the Gaining Registrar is going to be, but the Losing Registrar needs to not have the domain anymore. Maybe they're shutting down a business or something? It needs to go away.

And so in that circumstance, maybe what would make sense would be to give, like, a notice period to registrants that would be a required gap time. During that time, the registrant can transfer to the desired registrar of their choice. And if they don't, then the BTAPPA will happen, and the domain will go where it's put. Yeah. Thank you.

ROGER CARNEY:

Great. Thanks, Sarah. Yeah. And I was thinking along similar lines as you on that one. Or if there's not enough time for some reason, whatever reason, if there's not enough time, then that communication should be clear that ...

And again, why this last part is a question mark, so we can tease this out more, is if there's an immediate transfer that happens from one registrar to the other, maybe the notice just has to cover "and you can transfer away after this x day" or whatever. Since the transfer dates aren't getting updated, the expiration dates aren't getting updated in this instance, there won't be any additional things to change.

But to your points here, I think that's kind of what we need to tease out here. If there is a way to opt out, fine. But as you mentioned, there's probably circumstances where you don't really want to opt out, but you still want to give them a choice of where they're going.

Theo, please go ahead.

THEO GEURTS:

Yeah, thanks. So, yeah, there are indeed scenarios, as Sarah mentioned, that there isn't always room for an opt-out. So that is point one.

Could we go to PA #4? Oh, #5. Apparently, I'm missing something. Oh, yeah. This is about the fees. So when we are talking about these bulk transfer database switches and the expiry date remains intact, at some point there will be a renewal either at the old registrar, the new registrar, or other registrar. I mean, that renewal is coming at some point. So you can move your portfolio around as much as you want. You will have to renew at the expiry date.

So I think we need to work on this a little bit more. I understand the reasonings behind it. I mean, we don't want to have anybody gaming the system, but I think it's also not a big issue unless we are missing some stuff. Because, as I mentioned, the expiry date is, at some point, due. So the bill is due. Thanks.

ROGER CARNEY:

Right. Thanks, Theo. Jothan, please go ahead.

JOTHAN FRAKES:

Hi. Thank you. So the BTAPPA that we're looking at, the link was shared. It's important to note, I think, for people who may just be listening to this recording or participating in this and not following this on a day-to-day basis, the BTAPPA as it exists, this is a

standard amendment language, but it doesn't exist at every TLD. It is not gTLD-wide across all the gTLDs. This is activated, I believe ...

Now, I would like to be corrected if I'm wrong. But a registry can request to have this through an RCEP process if they don't have it in their Registry Agreement. So what you're looking at here is often subject to amendment and may be something that is not offered by your gTLD. Just to be really clear. Thank you.

ROGER CARNEY:

Great. Thanks, Jothan. Yeah. And I think that's a good point, and I'm glad you hit it because Caitlin kind of touched on that when she [was ending] her walk through this. Are we looking at updating BTAPPA? And as you mentioned, Jothan, this is a optional service registries can provide. Or are we looking at this ... Should this be policy and that everyone has to support this?

So I think that Caitlyn mentioned that, and I think that's the important thing. And I thank Jothan for bringing that up. Yeah, it's one of those where BTAPPA is voluntary, and, actually, registries have to go through the process to get it added. Where if it's policy, then everybody's, you know, [it's] in effect for everyone.

Theo, please go ahead.

THEO GEURTS:

Yeah. And just to pile on there, it's not only in effect for everyone. It's also a uniform one, so you don't get to choose, like, "I'm going to do it like this," and other registries come up with something

completely different. So you have one policy, and if a bulk transfer happens, you don't have to go through, like, 2,000 TLDs to see what their policies are on a bulk transfer. Because that's really getting cumbersome and creating a lot of overhead. So the policy is much more preferred there. Thanks.

ROGER CARNEY:

Great. Thanks, Theo. Yeah. And I think, yeah, you have to remember that as we've written here several times and said, and it may get glossed over a bit, but the BTAPPA is a boilerplate. And as Theo just mentioned, some [inaudible] changes, even if they're subtle or not, some changes can occur as that gets amended to the Registry Agreement with ICANN.

So a BTAPPA is not a BTAPPA across the board. There could be, possibly, differences to it. Whereas, Theo just mentioned policy will make it uniform across all gTLDs.

Okay. Any other comments? I don't know that we've made it through all the stuff in chat, but I see answers going in and out of the chat.

Jothan, please go ahead.

JOTHAN FRAKES:

Yeah. So this is something ... Now, the BTAPPA has ... This standard amendment language does exist now and was established after the 2012 round, but we may want to have it include things in and around being able to bundle them if you've got a given provider like Identity Digital or GoDaddy Registry where there's multiple TLDs that could be in scope for a given registrar rather than

individual agreements per TLDs transferred that you could bundle them for efficiency's sake. Thank you.

ROGER CARNEY: Thanks, Jothan. Sarah, please go ahead.

SARAH WYLD: Thank you. I really appreciate Steinar's questions in the chat about how other Transfer Policy requirements will apply to these BTAPPA transfers.

ROGER CARNEY: Right.

SARAH WYLD: So I had been making some assumptions, which is maybe not the best way to proceed. And so maybe we could talk through the specifics of ACK and NACK locking, all of that. Yeah. Thank you.

ROGER CARNEY: Thanks, Sarah. Yeah. And we were talking about this, and Theo can jump on later, too. But as we were going through our Phase 1A discussions, Theo, every once in a while, would point his finger and say, "Hey, we have to talk about this as it relates to bulk." So, yeah, I think there's a lot of those, Sarah, that we need to look at.

And my expectation was most of what Phase 1A, all of those requirements were on a registrant, a single domain transfer. And to

me, most of those things did not apply in a bulk transfer. And again, like Sarah said, I'm just making that assumption. So, yes, I can be completely wrong and everyone thinks, "No. We need to have that."

But specifically to a lock in a bulk transfer, I wasn't expecting the 30-day lock to go in effect on a bulk transfer. But it's definitely possible. We can do that. I just wasn't expecting that to happen. And as Agreement 1 here talks about notification, in Phase 1A we were very specific about when and how and what had to be notified to the registrant.

And again, in bulk transfer, I wasn't expecting those things to carry over. I expected there to be communication, but I didn't expect those four communications or whatever it was to be specifically those things that got carried over. But again, the valid points in all of those things need to be talked through.

Owen, please go ahead.

OWEN SMIGELSKI:

Thanks, Roger. I think one thing we do need to consider when we're going through this is because we did make some changes to the lock, say, for a transfer lock. In my recollection, I think it's not optional. It's a required lock now. And in part, we were doing that because we wanted to avoid fraud or registrar hopping or something like that where a registrar would just be bouncing around, and it would be difficult for somebody to recover it if there's something going on nefarious with that transfer.

But I think we can certainly distinguish those types of scenarios and things that we're trying to increase and put some security in there,

as opposed to when it's either a transfer via BTAPPA or if it's an ICANN-approved transfer where there's not necessarily a concern about security in there. So maybe that's something we want to exempt or make exempt or be able to be exempt from that so that that does not apply.

I do recall from some of my times at ICANN Compliance when there was bulk transfers approved by ICANN due to termination of registrar. Some registrants did not want to be at that registrar. They wanted to move. And if the transfer lock was applied, then they were out of luck. And I know there was some unhappiness on registrants from having to be stuck with that registrar.

On the flip side, I can understand why a registrar would want to put that type of lock in place just because the time and the effort that it goes to bring in these new registrants and to get them all set up, etc. You know, there's a cost there. And if immediately they're all transferring out, then that just makes it cost prohibitive for registrars to volunteer to pick up these portfolios. Thanks.

ROGER CARNEY:

Great. Thanks, Owen. Yeah, and just a reminder that we're talking about voluntary moves. So the registrars—I can't say have an agreement. But the registrars are voluntarily doing this and not being asked to take over anything. So I think, again, as Owen stresses, there's slightly different reasons here, so we need to keep track of those.

And as Rick pointed out in chat, to me it would be a surprise as a registrant that I still have the same reseller that I do my business

with every day, but because they decided to move, now I can't move my name. So again, just things we need to talk through.

Theo, please go ahead.

THEO GEURTS:

Yeah, thanks. So listening to the discussions just now, I think from now on I'm going to avoid the word "transfer" here because that seems to be confusing for people here. And when we're talking about bulk, I'm just going to skip the word "transfer" here. Because if we're talking about all these locks and statuses on domain names, okay, there's a couple of things to consider here.

Since this is not an actual transfer, you don't have to unlock anything. When the registry makes the modification in their database, the status on those domain names will not change. Just like the expiry date will not change, the domain name lock will not change. If there is a registry lock on it, like a [surface] [inaudible], that will remain. That is [all not] going to change, so that is not going to be affected.

That also brings up the point that before you can actually initiate a bulk switch, if you will, you need to make sure that all the UDRPs, etc., are excluded from that bulk switch because you're going to have problems later on with UDP providers because that's going to be really, really messy. And the registry isn't completely aware: what is a UDRP? Or is that DNS abuse? So that cannot be the task of the registry. It will be the task of the Losing Registrar to sort all that out—what is included and what is excluded with a bulk switch. Thanks.

ROGER CARNEY: Great. Thanks, Theo. Yeah. And you bring up a good point, and I think we touched on it last week. And Rick maybe provided some good language in chat, I think, that we kind of should move away from the terminology or update the terminology a bit and make this clear that this is a sponsorship change.

And maybe we can make it just as clear that this is voluntary, involuntary, partial. Whatever it is, these are not the true transfer as what everybody thinks a transfer is. And we're talking about items that specifically are different, and that's the point here. We're talking about the expiration date not changing, so those things are being unique. So it's not a transfer.

And again, maybe that's what gets us down the path of being able to understand what locks are important, what notifications are important, and all that. So thanks for that, Theo.

Caitlin, please go ahead.

CAITLIN TUBERGEN: Thanks, Roger. Some of the conversation reminded me of how, in one of our earlier conversations—in fact, it may have been the very first discussion we had about bulk transfers—that the language in 1B of the Transfer Policy was a bit confusing. It wasn't very user-friendly. And so I believe it was Catherine and a few others had noted, you know, that language could really use some rewording. And we added it to the dark orange box on the Transfers working document for all of you to review and provide edits.

But essentially, what support staff tried to do in retooling this language, as you see, the correct language here says "Transfer of the sponsorship of all registrations sponsored by one registrar as the result of ..." and there's a couple of scenarios here that are a little bit confusing. What we did was noting that there are some instances that fall outside of the requirements of Section 1A of the Transfer Policy.

"Specifically, ICANN Org may authorize the transfer of a registrar's domain names through an ICANN-approved bulk transfer ..."

I believe we're starting to transition to call that a full portfolio transfer so that it's not to be confused with partial bulk transfers or sponsorship transfers—sponsorship changes, as Rick noted in the chat.

"... without the prior approval of the Registered Name Holder in the following instances:"

So we have the current instances that are in the policy now. We just reworded them a little bit so that it's hopefully a little bit more clear. And then here, it would be what we would add if there's any sort of agreement that the group comes to with respect to sponsorship changes, or change of sponsorship. And the reason I bring this up is because the language could definitely use some reworking, but what we note here is that these fall outside the requirements of 1A of the Transfer Policy.

So to Steinar's point, and for the folks that followed up on that, there wouldn't need to be the lock. There wouldn't need to be the

NACKing, the FOAs, and those required notices because this falls outside of a registrant-requested transfer.

So I was just showing that for color and hoping that also maybe encourages you all to take a look at this wording and see how it could be improved or made more clear. But the bottom line is that, at least from our perspective, unless the working group notes that this is incorrect, these types of transfers—and are currently housed in 1B of the Transfer Policy—do not require all of the same notices and associated requirements for a typical registrant-requested transfer.

ROGER CARNEY:

Great. Thanks, Caitlin. Okay. That's a lot to absorb because it is a good mind change, mindset there that the bulk is different. It's not a registrant-enforced, so ... I think it was Owen that mentioned all of the security measures that we put in for the registrant-initiating transfers.

And again, I think, obviously, for a registrar or a reseller or whatever it is, a portfolio move, I think there obviously is still security issues and you have to work through those. And people are bringing up a lot of great ones. You know, UDRP. How does that get handled? Does that stay? And, again, how does that affect a registrar that is no longer accredited for a .com or whatever it is? And should they still transfer that? Or if there's a UDRP on it, does it need to stay even though they're not even accredited anymore?

So a lot of those things, I think, need to be worked through and talked about and thought about. I think, again, this mindset that this

is different. It's a registrar. And I'll say "registrar" maybe with some quotes because it's registrar/reseller. Or even if it's not even that. Maybe it's a big domain holder that wants to move these. I don't know that we want to have that or if we do want to have that ability. You know, someone that has 100 names and it's just an individual, can they move those through this mechanism as well?

Theo, please go ahead.

THEO GEURTS: Yeah. And thank you for bringing that up again. And as I mentioned on the last call last week, we have to get a golden number here at some point on what entails this a transfer of sponsorship—

ROGER CARNEY: Yeah.

THEO GEURTS: —how many domains that is. And when you talk about individuals, yeah, domain name investors are usually individuals. And they sometimes have a lot of domain names. Not just 100, but sometimes far away more. And those guys also want to make use of such transfers like we are talking about here because for them, it's also a lot of work, again, to move all of these domain names. With some registrars, if they want to move 10,000 domain names, they've got to literally answer 10,000 FOAs.

ROGER CARNEY: Yep.

THEO GEURTS: Or else it won't happen. So that's going to be really, really problematic for such people. So there is definitely uses or a use case for such individuals. And again, we need to come up with a golden number there. Thanks.

ROGER CARNEY: Great. Thanks, Theo. Okay. Steinar, as far as volume, that's a little tough unless some of the registries want to talk about it because it is ... It's not an ICANN process. It's a registry/registrar process. So those are individual numbers. And looking at it from today's aspect and, again, thinking about ... BTAPPA is a registry service. And again, they can have it or it's a voluntary service, so not all registries would have it. So the number is important, but if it becomes a policy, then every registry has to support it. So you're thinking about that dramatically increasing.

I think Theo and Jothan and several have described BTAPPA-like kind of transactions. And Theo just talked about it, you know. If somebody wants to move 10,000 records today, it occurs, still. But it's a painful manual process of going through the regular transfer process, and the BTAPPA doesn't even come into effect. But, anyway.

Theo, your hands back up. Is that new or old?

THEO GEURTS: It's actually new.

ROGER CARNEY: [Go ahead].

THEO GEURTS: Sort of tying into the question that Steinar asked: do we have real steps about these BTAPPA [transfers]? No, we don't. And if [inaudible], for example, or the registry who has it, would provide [them], those numbers would be low because there are apparently some high fees attached to the BTAPPA. 50K at least, if that's the max. So that is quite a barrier.

But we mustn't forget why we are talking about this. We made changes to the Transfer Policy. We made it more complex for resellers to transfer domain names. It's now even more up to the registrant, which is great. I like security. I'm all for it. But that is the reality. So we will enter a phase after this transfer is all said and done and it has become policy that these resellers, large portfolio holders are going to be very, very stuck with the new transfer process. So we need a solution for that.

And that is why we're talking about this part of the policy, because we need to find a solution for it so we can also expect that when the new Transfer Policy is in effect, that registrars will go for this option because now they have to rely on it because they have no other way out. So the users of this policy will be much, much more.

Now if we talk about statistics, etc., what I could do is reach out to the Dutch Registry and see how many they do a year. They have a very low barrier. It's a very easy process there, and we've been

doing such transfers for many, many, many years. And from what I understood, a lot of registrars ...

Il mean, we usually engage with a lot of our competitors because we do use such a process. And we use it a lot. We already do at least 12 a year. And those are large portfolios. It's not just 50 domain names or 100 domain names. So we use it a lot, and we can expect that in the future when the policy is in effect, we're going to use it a lot more on the ICANN level. Thanks.

ROGER CARNEY:

Great. Thanks, Theo. And it's a good point that you make. As I described today, it occurs today. But, yes, we did make it more difficult even so. It will be that even harder step to get around that, again, that BTAPPA-like, whatever you want to call it.

Jim, please go ahead.

JIM GALVIN:

Thanks, Roger. Jim Galvin, Registries Stakeholder Group, for the record. As we go through this and listening to the discussion, I'm trying to wrap my head around first principles. That just tends to be the way I think about these things, so it helps me organize everything that's coming out here. And I'm just having trouble wrapping my head around all the parts here.

I like what Rick said in the chat room. This is about change of sponsorship that a registrant doesn't know about. So there was a little bit of discussion on that key point, and it strikes me that ... And I also think it was Theo earlier who commented about, you know,

BTAPPA is not really about transfers, per se, and maybe we should try to drop that from this vernacular here and sort of keep that in mind. This is about a bulk change of sponsorship, and that's all that's going on here.

And I think that's important because it helps to pull out a lot of these other details that, you know, we're trying to get to here. If it's not a transfer, then I think it was Theo who was describing earlier that locks don't apply. Reversals don't apply. Then you get to have discussions about whether it's ICANN driven or not ICANN driven, and how that matters. And then to tie it to some of the things we were having before, then we can have a discussion about whether there are fees or not. Because as we've said, BTAPPA as it's currently called is a service. And so there may not be fees associated.

But then that gets me to this question of: do we have a golden rule? A golden number, rather. I don't think there's a golden number, and I don't think that's the principle that should apply here. This should be about sponsorship change. If it's not a transfer, it's about sponsorship change, and then the numbers don't matter. And if we're going to allow the fees to be completely variable and set by a registry, they'll be tiered according to whatever. And I think that's the only thing that matters.

But again, just listening to so many different criteria here, I'm having trouble finding first principles to wrap my head around that's driving all of this in our reexamination. Thanks.

ROGER CARNEY:

Great. Thanks, Jim. Yeah. And I think, obviously, to me the domain investors, the one that starts to complicate the discussion, and that ... You know, even in today's policy, but even what we've worked on so far, we've talked about a registrant-initiated transfer of a domain name. And no matter what, that's going to change the sponsorship. But it's a registrant-initiated change.

But here we're talking about non-registrant changes. So it's either i1, which was ICANN-initiated transfer—or I'm supposed to get away from "transfer"—sponsorship change. Or i2, which we're talking about possibly a registrar or reseller or another entity making that change, and not the registrant. And again, I think the crossover there's that domain investor or web professional, whatever we call them, whatever it is, they could be the registrant or not the registrant. But still, you know, do they go down this path or not? And again, I think that's up for the group to decide.

So to your point, is there a golden number, Jim? Good, valid point. Should there be a number, or is it just an initiator? Or is it something that we come up with here?

Rick, please go ahead.

RICK WILHELM:

Thank you, Roger. Rick Wilhelm, Registries also, like Jim. And similar to Jim, I'd like to kind of bring it back to first principles and take the proverbial Galvinian step back.

Because, really, what we're talking about here is, previously, we've been talking about transfers with a term extension. And this falls into the broad category of changes of sponsorship with a term

extension. And now we're talking about changes of sponsorship without a term extension. And those fall into situations where there are required changes in sponsorship due to accreditations lapsing or getting nuked by ICANN for various reasons. And then a.k.a. non-elective situations. Or there are elective situations whereby people are buying and selling registrar accreditations. And then there's resellers that are seeking to move to new platforms. But really, the difference ...

There's very little difference. There's no technical difference, actually, between a reseller moving, a domain investor moving, a web pro moving from one reseller to another or something like that, other than the volume and things like that. But in the principle of somebody wanting to move from one provider to another, it's really just volume.

And as Jim said, there isn't going to be a magic number. And that's why any attempt to pick a number is, I think, going to be fraught. And that's why I think that trying to standardize on a number is going to be difficult, which is why the original comments from the registry, we seek to have this be a voluntary service that allows both registries and registrars to be competitive in their offering and seek to establish those competitive offerings and compete in the market for the kind of flexibility that they want to do here.

But I think that we should start to think about this as a way for registries and registrars to demonstrate their commercial capabilities and bring it back to those first principles and realize that there's very little difference between domain investors, resellers, web pros, and things like that, and also people who are buying and

selling registrar accreditations other than terms of volume. But in the principle of it, they're really not that different. Thank you.

ROGER CARNEY: Great. Thanks, Rick. Jothan, please go ahead.

JOTHAN FRAKES: Hi. Thank you. As I read through the chat, I'm seeing some examples of maybe places where you'd want the registrant to opt in or opt out of this. I wanted to kind of back up and talk about ...

Because I raised this when we were talking about the voluntary or involuntary transfer of an entire registrar's inventory. While we're sitting here and talking about Bulk Transfer After Partial Portfolio Acquisition, there may be some places where we could get some statistics on how often this actually gets done. And I wonder if that's a data that's available to us that could inform what we're doing here.

Now, granted, it's not going to be across all of the TLDs, but I think that some of the TLDs do offer this. So we'd be able to look at that statistically. I would also suggest that there are registrars that hold multiple accreditations, either through [MNA] ... Or maybe they manage them on behalf of a client.

In my case, I can talk specifically about what my registrar does. I work with a provider who will ... I had previously done reseller services with them, so I would acquire a TLD under certain reseller circumstances. A TLD may or may not be financially viable for me to directly accredit with the registry. I may not have a high amount of volume, so as a market test, I might want to light up a TLD and

offer it to my customers. I may have one or two customers that may want a TLD.

But it may not hit a particular threshold until it does make financial sense or other sense to directly accredit with that provider. Sometimes the TLD will move under the management of a provider I'm already integrated with. And I want to have that registration where a group of registrations migrate into my registrar.

So right now, through agreements with registrants, I can just suggest that there is a transfer we'd initiate, and we can kind of automate that using the existing system so that the renewal is essentially a transfer into the consolidated registrar platform. This comes in a variety of flavors, and I'm just talking about one scenario.

But I guess I'm going the long way around the barn on my description here that there is probably a certain segment of this type of activity that exists but just happens across the span of a year in the form of automation of a transfer as a renewal. Basically, a transfer in lieu of a renewal while you stay at the same entity. And with the changes in how the Auth-Codes and the approvals are going to work, that might get broken by the changes that we're proposing elsewhere in our Transfer Policy updates with this working group.

So I would suspect that is going to create further burden on this Bulk Transfer After Partial Portfolio Acquisition process. And these are very important things that we're discussing here to have this happen all at once. Or could we set it so it could happen across the span of a year? I don't know. Right?

This is a non-charging event, so there would be no fee for this to affect the domain's term that would trigger a financial event where we would normally have ... The domain name unit cost would come out of our prepaid funds we would get invoiced for as a registrar.

Yeah, Rick. I'm trying to land this plane.

So basically, BTAPPA will probably get more frequently requested in order for people to migrate these portfolio groups. And I think that there is some activities similar to this that's being performed in that transfer renewal process. So we want to make sure that we might be able to allow for if there are people who have systems like that in place without automation, that we're not going to break it or cause this to get more used. Because this is rather exceptional, from what I understand, in how many times it gets used.

So I'd want to know if we know how many times this has been used and maybe anticipate that it's probably going to receive higher burdens because of the changes that we're doing in the transfer security of Auth-Code or TAC. Thank you.

ROGER CARNEY: Great. Thanks, Jothan. Theo, please go ahead.

THEO GEURTS: Yeah, thanks. So there's a lot to unpack from Jothan there. I think I'm going to not touch it for now. I'm going to go back to Rick's point, and maybe a little bit to Jothan's remarks there.

I think Rick said something about the registrar should be more competitive or try to be more competitive. I don't think competition is the problem here. Where I'm coming from, we are very competitive. We negotiate all the time with all these new resellers that are not on our platform, and we make ...

Oh, okay. I've still got to make my point, Rick, if you don't mind.

So what we are doing is, we negotiate with new resellers. We set new prices in place for them if they're going to move to us. And the price is never a problem for those resellers. I mean, we're competitive enough, and they can easily do the math on how much they are paying with the current registrar and what they will be paying with us. And that is always a very easy comparison.

But then the actual work needs to be done. And then those resellers realize that the registrar they are with, they are completely dependent on the registrant to make the move. And then the transfers never happen. The deal never happens because it is just impossible to move them out. That is the reality here. There are registrars not on this call, I believe, but they announce every time, every year a 10% increase. Every reseller starts screaming on Twitter, but nothing is happening. They just remain where they are because they can't move out without the help from the registrant. So that is the issue that we are basically talking about.

So drawing back and landing the plane to Jothan's airstrip here, I think that a BTAPPA or a policy will be much more used because if it's in place, we have it. It's going to be used if it's fair.

And to Rick and James' point about the number of domain names. Yeah, I get that point. Within the ccTLD space, there is difference also. Dutch Registry has a cap of 50 minimum. Belgium has 500. So that's a factor of 10, and they can't explain both of it, why they got that number. So, yeah, maybe a tiered thing is a good idea. Thanks.

ROGER CARNEY: Great. Thanks, Theo. Volker, please go ahead.

VOLKER GREIMANN: Thank you very much. One thing that I would like to say is that we should not conflate resellers or any other service providers that a domain owner might use and registrants or domain investors for the simple reason registrants have rights. Registrants have rights to obtain the Auth-Code. Registrants can initiate certain things that resellers, under the new policy at least, cannot do as easily because they are still, I wouldn't say non-entities because there's currently certain language in the RAA that recognizes that resellers exist.

But under the Transfer Policy, they're non-entities. They have no rights under the Transfer Policy. And that, in my view, is a problem because in many cases, registrants rely on such parties to manage their domain name for them. They go to certain parties that might not be registrars and tell them, "Here. This is the domain I have," or "This is the domain I want to register. Please handle this for me. I don't want to do anything beyond that. I am not technical. I don't know anything about it. You do that."

And the new policy makes that more difficult because they're not recognized. So I would urge that we have a bulk transfer functionality for such providers in order to let them manage the domain name portfolios for their customers in the best way possible. Just imagine there's a registrar that is in danger of going out of business. The reseller would then have to go to all of their registrants and tell them, "Here. Please transfer the domain name out, but please transfer it to that other registrar. And here is what you tell them what account the domain name has to go into." That's lunacy.

A reseller and someone who manages a domain for a registrant needs to be able to manage the domain name for the registrant. And that includes transfers. Thank you.

ROGER CARNEY:

Great. Thanks, Volker. Theo, please go ahead.

THEO GEURTS:

Yeah. And just to sort of pile on to what Volker just said, there are definitely a lot of these registrants who are not interested who their registrar is. They just go to a reseller to make sure that whatever service they want there is working. And how that is working, that is not so relevant for them. They just want the domain name. They want the service. And if that's on an HP blade server or a Dell, they don't really care.

They also don't care what coffee machine is being used in the company canteen for whatever reason. You know, these people just want to have stuff working. And how it is done has sort of become

irrelevant. The same with computers. Back in the day, you wanted to know every part, to be known what was in the computer. And nowadays, you don't care anymore. You just want it to work. If it works, that's the main goal here.

So for a lot of registrants, they know their reseller and they have no idea, usually, who their registrar is.

ROGER CARNEY: Yeah.

THEO GEURTS: And that isn't a bad thing. Thanks.

ROGER CARNEY: Great. Thanks, Theo. And, yeah, the reason resellers exist is because it's not a bad thing. It's a good thing. And those customers, those registrants, the actual registrants at the other end, they're appreciative of that process.

Steinar, please go ahead.

STEINAR GRØTTERØD: Yeah, hi. First of all, I think we have to keep in mind that for the reseller, the customer over reseller is connected to the reseller because of certain services. The change of sponsorship for that particular domain name will not necessarily change the service that the registrant has with that provider, whatever. Call it reseller, hosting provider, whatever, whatever.

So then there is limited changes in the operational point of view from the Registered Name Holder. And to my understanding, the GDPR among other things is kind of obliged to inform the registrant who their registrar is, etc., that change of information that has to be updated when there is a change of sponsorship.

But what I'm thinking about is that for me with my At-Large hat on, I definitely don't understand any locks being added to the change responses if it's been succeeded because it's not something that is initiated by the registrant or the domain name holder.

Further, there is no additional fee. There is no year added to the lifecycle that has to be invoiced to the registrant. So the registrant should be in ... The status quo will be the same as with a Registrar A and a Registrar B. And adding some sort of lock period after this has been completed doesn't make sense because it might be the scenario that for some reason, even though there is no change of services, the registrant is not happy with the new registrar even though he may not know who that is. But anyway, he wants to do whatever he wants to do. And then he should have the option to do it as a regular transfer.

And finally, I'd like to confirm that the increase of volume of the BTAPPA, isn't that kind of depending on the fee set by the registry operator? I think Theo mentioned something about it. The volume might be low because of the fees already set by the registry operators that offer BTAPPA. But if there will be a policy that all registry operators should have a BTAPPA service but they are flexible in putting the fees, that kind of will trigger the volume of this change of sponsorship. And I'd just like to have that understanding. Thank you.

ROGER CARNEY: Great. Thanks, Steinar. Theo, please go ahead.

THEO GEURTS: Yeah, thanks. A lot to unpack there also, Steinar. Thanks. And [when we're] talking about fees, like I said a year ago and a couple of weeks ago, I think it should be a really [cost] price. I don't see this as a business model for many reasons. I think it should be [possible]. I also sort of agree ... I agree, [with the fact], actually, that, yeah, if a registrant isn't very pleased with the new registrar—maybe it's a Chinese registrar or a whatever registrar; it doesn't really matter what the reasons are behind it—there should be an opt-out.

And I think that when a reseller is going to move to a new registrar, that the reseller just should announce that in a newsletter like, "Okay. This is going to happen. If you're not happy with it, then you can opt out."

But we also need to understand or realize the fact that when a sponsorship changes, the domain names remain as they are. There's no changes there. The name server's not going to change. The expiry date is not going to change. The locks or auto statuses aren't going to change. It all remains the same. The goal is to make this as smooth as possible for the registrant and not to create a situation that, suddenly, all the locks are removed. You don't really want that.

And also, in addition to this, the rights and responsibilities of the registrants remain the same, whatever the registrar is. So if there is

a move, that their rights and responsibilities are still there. So if they realize, like, "Okay. I still don't like this registrar for whatever reason." I can't really imagine because the services of the reseller aren't going to change.

Most likely, there's going to be more options and features that become available when they change. So that's usually a good thing. But again, they can still move out. The domain state, if you will, has unchanged. So there's still the option to generate the TAC and move out. Thanks.

ROGER CARNEY:

Great. Thanks, Theo. Great discussion. And again, I think two big important parts of this discussion are ... It sounds like, obviously, this is a needed feature. And again, I think there's still a discussion if that's a BTAPPA or if it's a policy. And again, I don't want to necessarily get into fee discussions. I think that's a different discussion here. But we can do that at a later point.

I think, as we did in i1, we kind of eliminated that fee issue out of policy language and put that into more generic language. But also, here, I think that maybe we get to that spot. But who knows? Maybe we do dictate a specific fee schedule. I don't know if that's feasible or not.

But, again, I think two of the big things here is, it sounds like this is something that the group thinks is needed and needs to be worked through. The interesting thing is that I think we've raised more questions on this call than we had thought of before, and we've got three weeks to resolve these issues. So I think if we're moving down

this path, we're going to have to do a lot of homework and a lot of list work to make these things happen. I think there's a lot of general agreement in this scenario, but it's all the little details that need to get worked out.

But the other thing is, I think that was the second part of what I was going to say. There's just a lot of details that we need to work through. and I think we're going to have to do a lot of that off-list and talk about those maybe conflicting things during the meetings over the next three weeks. Hopefully, we can resolve, okay, should there be locks? Okay. Maybe that's simple enough and everybody says no, and no one needs to talk about it.

What notices should there be? Should it be 15 days? 30 days? Should they have a reason to opt out? Should there be a reason for them to opt out or to transfer somewhere else? Again, I think all those little details need to be worked through.

Theo, please go ahead.

THEO GEURTS:

Yeah. And just to reinforce the point I made last week or maybe the week before, I don't know. We must understand this is not a fast process. Of course, the switch that happens in the database is most likely going to be fully automated. But before you get to that, and every party is in synch—the Losing Registrar, the registry, the Gaining Registrar—my experience is that usually takes up to a month at least to get everything all right.

There needs to be ... Exports need to be done. They need to be checked by the Gaining Registrar. They need to be checked with

the registry. So there's quite some work to be done there before something really happens. So if somebody on the working group has a feel like, oh, it's just with a snap of the fingers, no, that's not going to happen. There is a lot of synchronization to be done and a lot of sinking back and forward that all the parties involved because you need to do it right.

We sometimes get exports from our resellers, and they are not great. So you need to be very careful. Sometimes you get an export from a reseller and then you go, like, "Wait a minute." But those domain names are not even under your management. So how do you [do this]? It doesn't even work. That's not going to happen on a technical level. So like I said, there's a lot of checks and balances in place before you can actually do anything. Thanks.

ROGER CARNEY:

Yeah. Thanks, Theo. Yeah. And again, there's so many of those little things like you said that this is not going to be, "Hey, I want to move these," and tomorrow they're moved. Like you said, maybe the database switch is maybe the quickest part. But as you just went through those lists, it's like [inaudible] does the Gaining Registrar support all these different TLDs that you have and all the different names that you have? So, yeah, it's definitely a process that is kind of an offline process that's going to occur over weeks, most likely. So, yeah, thanks, Theo.

Rick, your hand's up. Please go ahead.

RICK WILHELM: Yeah. Rick Wilhelm, Registries. I'll just offer, from my own experience being involved in these kinds of things. At the end of the day, it's rarely the operations and technical folks that are the long pole in the tent. It's typically getting the business deal worked out in these things. And then also, the notice periods that people want to give the customers from a business standpoint, let alone from a regulatory standpoint.

Because when you're doing these kinds of things, we're sitting here talking as though these things exist in a vacuum. But they're not. They're part of something that's happening related to some sort of a business deal that's happening most of the time. And so there's coordination that has to be done.

And so we're sitting here talking about how this has to be done in a hurry, hurry, hurry. But most of the time, not all the time, but most of the time in my experience, the operations and technology stuff is not the long pole in the tent. And so I think that we need to be careful before optimizing for speed around this kind of stuff. Thank you.

ROGER CARNEY: Absolutely. Thanks, Rick. Yeah, and it's a good point. Yeah. Optimization here is probably more like standardization so that everybody knows, and setting some minimums, not ... As Rick mentioned, if it's part of a [majority], typically it's some kind of business deal. Even with a reseller moving from one registrar to another, they've communicated with the Gaining Registrar and gotten assurances on certain things. So that process is in the works already.

And Sarah and, I think, Steinar already agreed to at least the 30-day notice period. Again, kind of joking there because that hasn't come up here. But that's the idea that they're throwing out, and it's like, okay. And then how many weeks before that, you know, that this process started? So it's like everybody's saying here lately. This is not a turnaround in a week. Maybe it could happen that fast, making whatever it is possible.

And again, as Rick mentioned, technically it's not going to be that big a deal, especially when everybody's up to speed and they're doing this on a regular basis. Regular basis, you know. Monthly or whatever it is. The technical side's going to fall off pretty quickly. It's going to be the process of getting this ready that's going to take the time.

Okay. Any other general discussions? I think maybe somebody can throw out ideas of specifically where to start discussing. And again, maybe lock is the one easy one we can discuss and get fairly good agreement. Should there be a lock?

Or maybe, I think, Preliminary #2. The expiration date doesn't change. Does everybody agree with that? Does that make sense? We can move that forward. We can move off of that. And again, adding on to that. Should there be locks? Should anything status-wise change on a sponsorship change that we're talking about, a bulk sponsorship change?

Steinar, please go ahead.

STEINAR GRØTTERØD: Yeah, hi. I just want to clarify that my intention of saying what I said was from the At-Large point of view. I think that when we have these BTAPPA scenarios, the domain name holder registrar shouldn't be affected by this, whether it's a change of sponsorship going on or executed, whatsoever. They do have the same rights. They do have the same option to change whatever they want to change, go to another registrar or reseller, etc. I think that's the essence here.

So I'm going to most likely protest if we agree upon having some sort of a lock after a successful BTAPPA transfer or change of sponsorship or ICANN-initiated change of ownership. Because this kind of [breached] the idea that it's the registrant that should take the initiative when he wants to change something and not the registrar/reseller, etc. Thank you.

ROGER CARNEY: Great. Thanks, Steinar. Yeah. And I'll just maybe add a little clarity that, obviously, I think registrants will have a light ... If a sponsorship change like this occurs, they'll have a light impact and obviously ... Meaning they're going to get notification, and they're going to have to make a decision to go along with it or whatever other options they have—opt out or move their name.

So to your point, Steinar, I agree. I think that you want to impact that registrant as little as possible. And I think when we do that, maybe that's a simple notification with pointers to being able to get out of it or whatever.

Theo, please go ahead.

THEO GEURTS:

Yeah, thanks. I agree with Steinar. And luckily, my experience with such switch-off sponsorship is very positive. The registrants don't even notice it except from the notifications that it gets from the registry, from a Dutch Registry in this case, that a change has happened of the registrar. And like I said, on the call last week, the support load that it generates is pretty low. That it's maybe 10 people out of 100,000 people that go, "Hey, why is that?" And then we can always ping back like, "You should have read the newsletter from your reseller because that was announced." And then everybody and everything is fine.

So I agree there should be no impact on the registrant. And that is not the case, so that is a good thing except when you're going to place locks. And I understand why we are having the discussion, so I want to move that discussion a little bit around to a different direction. So I don't think that those locks are going to be very handy and are only going to complicate the discussion. Plus, a registrant can't suddenly move out if he or she doesn't like the new registrar for whatever reason, so that would be problematic already.

But you also don't want in a situation that a reseller moves to registrar to registrar to registrar, though there are valid scenarios there. But I think those scenarios are really edge cases, so I think you can make an agreement or put in the policy or in the BTAPPA, or whatever route we're going to take that the registry ensures, like, okay, hey, this is move number X within X amount of time.

Or if we leave it up to ICANN and it becomes ICANN policy and we let ICANN be the steward of this process that we codify into the

language like, "A reseller cannot move X times within X time frame" or whatever. I think that it's more useful to have than a [set of] locks or registry locks on domain names. That's going to be a mess. Thanks.

ROGER CARNEY: Great. Thanks, Theo. And you don't need to answer now, but just something to think about for everyone. Should the Gaining Registrar be able to set that parameter that you were talking about in that when ... Obviously, there has to be an agreement that a reseller or whoever entity is doing a portfolio bulk move, the Gaining Registrar is accepting that, and are they allowed to put limits on? And you have to keep those names ...

And again, obviously this isn't closed because the registrant can move them, but the reseller can't move them for X amount of time. Something to think about.

THEO GEURTS: Yeah. And that's good to think about. And again, these processes that take very long, not from just a technical point [of view]—

ROGER CARNEY: Yeah.

THEO GEURTS: —where you do all the migrations, etc. But the preparation setting up the deal with the reseller. Some of these talks take over a year, if not longer. It's a big step for a reseller to make these changes

because it's going to entail a lot of technical changes on their back ends also. So it's not just only playing out at a registrar level or a registry level. No. If that reseller also has sub-resellers. You've got to take a lot of details into account before you can even make that move.

So I'm not that worried that a reseller with 50,000 domain names is going to move to us, for example, and then goes like, "Oh, these guys suck. Oh, now we're going to change again." No. That is not going to happen because, in that process, you need to build a lot of trust. There needs to be a lot of testing of the APIs that you are going to use with the new registrar. That process is not only a commercial endeavor because, at some point, then everybody is agreeing on the price. Then the technical people come in, and they've got to have a say so. And they go like, "Okay. This is an acceptable API," or "It's okay. The API is functioning well, but it needs new features." That happens all the time. So from a process point of view, I'm not worried about a reseller jumping to a new registrar a couple times a year. That's not going to happen because there are way too many technical dependencies involved here to even make the move. Thanks.

ROGER CARNEY:

Great. Thanks, Theo. Thanks. Okay. So maybe with our last 10 minutes here, we can hit on these preliminary agreements one more time and expand. Not so much get into the details, but at least mark them as needing more details. Obviously, I think we've talked a lot about Agreement #1 here. And then I think we need more details in this and what it means and the timelines around it and

what is the options: opting out or transferring? Whatever it is, I think there's still a lot of details to that.

As far as Agreement #2, I think by the sounds of the group, it sounds like this is good and we really don't need to add anything or change anything here. And again, if people agree or disagree, that's great and we can put that in the working document. But it seems like #2 is good and we can move on from that.

Can we move on to #3 and #4 real quick here? Thank you. Number three I don't think we really talked about a lot, so I think that maybe that's still something we need to delve into a little bit.

Number four, we didn't talk about. I haven't heard anybody disagree with this. The last meeting we had, we talked about this a little bit. Obviously, this needs to be part of the agreement. And most likely, and maybe Theo will add to this base, this is probably going to be part of the reseller agreement as well.

Theo, please go ahead.

THEO GEURTS: Sorry. I was still stuck on #3.

ROGER CARNEY: Okay.

THEO GEURTS: Again, I understand, of course, that a registry operator can reject the BTAPPA request, but you are not avoiding fees. Every time you

are switching to a different registrar, the registry is going to charge you whatever amount. So you are just going to pile up your charges because every time you change, you've got to pay.

And the expiry date is at due point at some point, so you are not avoiding any fees here. That is simply impossible. You're not delaying it. You're not avoiding it. You're just piling on extra fees if you continue to keep switching registrars. So that is something to keep in mind.

I think #3 is not the right assumption there. That doesn't work in the real world, in my opinion. [inaudible].

ROGER CARNEY:

Yeah. I think ... Theo, hold on one second. What if this is not technically a reseller but a registrar that's requesting this and they have fees due at the registry, but the registrar wants to move it to a different registrar accreditation? How do you handle the fees then that are due by the Losing Registrar? And again, I think [inaudible].

THEO GEURTS:

[They] will be executed at the Gaining Registrar. Somebody is paying the bill, regardless. And in your scenario, and maybe we need to work on the scenario a little bit, but if I'm Losing Registrar because I can't pay the bill and I move it to a different registrar, if they would move to us, then we would go like, "Why are you moving?" And if the reason is, "We can't pay the bills," then we are not even going to accept the portfolio to us.

And if we're going to find out that they are not paying us, that is going to be the Gaining Registrar's problem, and we most likely will end up in some court at some place. But for the registry operator, things are business as usual. So as a Gaining Registrar, yeah, you need to do your due diligence before you even go into this process. That's why I mentioned these processes require time from, either be it the reseller or be it the registrar. We have seen those moves in the past, and then we always ...

There were not many domain names involved, but we always go, like, "Okay, sure. We can take on your domain names, but what is the reason?" And then X reason comes out, and that is either acceptable or not acceptable. You need to do your due diligence in such processes. From a registry point of view, that is not a problem. They will get paid. Thanks.

ROGER CARNEY:

But what if—and again, I don't know how many registries operate this way—the Losing Registrar has a balance due not because things are coming due, but they actually owe money. And again, putting on my evil hat here. And they transfer the names or want to transfer the names to a Gaining Registrar that has no balance. The Gaining Registrar's not taking any responsibility on except for forward-looking things because they're not contractually obligated to anything else. Shouldn't the registry have a say there? Or not?

THEO GEURTS:

I think for sure. If there is a outstanding balance between the Losing Registrar and the registry, that is a problem with the registry and

the registrar. If you're also going to move it to a registrar that has no balance, I wouldn't do that as a registry. But that could be my logical common sense here. Thanks.

ROGER CARNEY: Okay. Great. Thanks, Theo. Again, just trying to talk through those. Jothan, please go ahead.

JOTHAN FRAKES: Sure. So at the start of the call, I was scratching my head about this one. But I think I've come up with some scenarios, and I think you've identified it, where the registrar that is the future former registrar in this move might have some account payables or debt owed to the registry. I think when all of this was put together, most things were prepay.

ROGER CARNEY: Yeah.

JOTHAN FRAKES: We've now come into a post-pay or invoicing scenario. But another idea here is that you could have domains that have been subject to an auto-renew grace period and are in that 45-Day halo period or might be in the Add Grace. I doubt we'd be seeing something so crisp as a bulk transfer when there's Add Grace active.

ROGER CARNEY: Right.

JOTHAN FRAKES: But you're essentially leaving a registrar funding scenario that could be problematic. So I see why this is here. And it's not clear to me how you could word it, at least now, to accommodate the circumstances other than to maybe say that the registry has discretion to ascertain that. Thank you.

ROGER CARNEY: Great. Thanks, Jothan. Volker, please go ahead.

VOLKER GREIMANN: Yes, thank you. When you look at the registrar transfer obligations, the failure of a registrant to pay for a future registration period is not a reason to deny the transfer. And outstanding fees for other services are also not a reason to deny the transfer. I think it's similar in the registry world. The only question is what happens in auto-renewal cases.

And unless I'm very much mistaken, in most of those cases, at least with most registries, when a domain name is transferred that is in auto-renew grace, the Losing Registrar gets refunded and the new registrar gets charged. So that actually already plugs that hole because the renewal, while it is being charged at the renewal date, there is some consideration for domains that get transferred out and, therefore, maybe transfer renewed.

Now, with the transfer renewal not happening, if that's the course we're getting, then that might add complication. But I think that's solvable. I agree that there's currently no other scenario where a

fee is being cut off. And ultimately, when the registrar is being told by ICANN that if a registrant has debts, [then it might still not] force him to stay, the same should basically apply to the registry. There are other means of collecting the fees than just the prepayment that you collect from the registrant or forcing them to stay.

So I currently see no scenario for this. There might be future scenarios when you, for example, add a new service that is called a reseller transfer, for example, that is a fee-based transfer where a reseller pays a certain amount of money for that transfer and a certain cut goes to ICANN. Then, obviously, them using the BTAPPA would cause the registry not being able to collect the fees for the other transfer process that's being established. So that might be a case ...

So this might also be a case of future-proofing for future policies or processes. But other than that, I don't know.

ROGER CARNEY:

Great. Thanks, Volker. And I'll give Rick the last word before we close up today. Rick, please go ahead.

RICK WILHELM:

Thanks. I'll be brief. Thank you. Rick Wilhelm, Registries. I would like to sort of raise the macro question about these things here about why it is we're debating and discussing things that are related to registry services that unless we've already decided, which I don't think that we necessarily have, that we're going to be talking about requiring a BTAPPA-like thing to be part of a requirement. But we really ...

I think it's out of scope for us to be talking about modifying BTAPPA for those registries that have adopted it or for us to be talking about modifying the boilerplate BTAPPA, which is the standard fast-track approved RSEP because I think that's out of scope for what's in the Transfer remit. So I think that I'd like us to think about taking a step back on that regarding this. But it might be that it's just the way that these are written down, and I could be re-educated on that. Thank you.

ROGER CARNEY:

Great. Thanks, Rick. And that's a great point to bring up. BTAPPA is in effect, and several registries do use that service, have that service available. So, yeah, it's definitely something we have to be careful about. And when I got to this question, you're right, Rick, I wasn't thinking about it in that post sense. I was thinking about it in a new service or new policy kind of sense. So definitely something we need to talk about and work around and make sure we're not trying to affect what's in place now.

Volker, your hand's up. Is that an old hand?

VOLKER GREIMANN:

That's a new hand, actually.

ROGER CARNEY:

Okay. Go ahead.

VOLKER GREIMANN: Ultimately, I don't think there's anything precluding us from proposing policy that mirrors something that currently is a registry service.

ROGER CARNEY: Right.

VOLKER GREIMANN: If it is transfer related and we feel that, for example, BTAPPA has worked quite well. It's so limited that there could be expansions on that. And now we make BTAPPA into an ICANN policy that all registries must follow. There's nothing precluding us from that. We can turn registry services into ICANN-prescribed policy. And I think in this case, we might consider that. Thank you.

ROGER CARNEY: Thanks, Volker. Okay. I appreciate that, everyone. And we are two minutes over, so I will close it here. And again, we've got three weeks to discuss these items, so I think as much as we can talk about on list is best.

And again, thinking about those little detail items, locks. And I think we've already kind of agreed on some of them. But thinking about notifications and when they're sent and how they're sent and the options out of those, I think is a big one that we should follow up on as well. And again, this one and leading to the point of: are we talking about policy or are we talking about a service that registries have?

So thanks, again, for everyone. Great discussion today. We'll talk to you next week. Bye.

JULIE BISLAND: Thanks, Roger. Thanks, everyone, for joining. This meeting is adjourned.

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