Transfer Undo Mechanism 7 July 2004

In the process of defining detailed engineering requirements in preparation for implementation of the new Registrar Transfer Policy, some registries have discovered some serious complications that could have two major consequences: 1) create long-term registrant and registrar confusion; 2) delay effective implementation of the new policy. The complications relate primarily to the Transfer Undo Mechanism that registries are required to implement. The purpose of this document is to propose and describe a Transfer Undo Mechanism that would speed up the implementation of the new policy.

According to the new Registrar Transfer Policy, disputes may be filed under two general circumstances: 1) a registrar believes that a domain name registration transfer request was processed in violation of the policy; or 2) a registrar believes that a domain name registration transfer request was denied in violation of the policy. The possible need to undo a transfer only occurs in the first circumstance.

If a Transfer Undo is defined as simply changing the Registrar of Record to the registrar that lost the registration improperly, then the task required by registries is relatively simple because registries already have mechanisms for doing this. If a Transfer Undo also requires reverting the domain name registration expiration date to what it was prior to the unauthorized transfer and crediting any applicable registry fees charged, then significant complications are added to registry and registrar systems and those complications could result in added registrant and registrar confusion.

Recommended Approach

To avoid the complications and the resulting registrant and registrar confusion as well as to minimize delays in implementing the policy, it is recommended that a Transfer Undo Mechanism only undo the Registrar of Record change(s) and that no changes to registration expiration dates occur and no credits of registry fees be given. Registries and registrars would still have to develop procedures and systems to support the dispute resolution process, but they would not have to make major changes to existing registration systems.

Registrant, Contact and Name Server Data

With this recommendation, it is important to understand that it is the registrar's responsibility to update domain name registration information after a transfer undo is executed. This includes information about registrant, contacts and name servers. For example, upon completion of the transfer (undo) to Registrar A, Registrar A will have the responsibility to update registrant and contact information and reset name servers as applicable.

Action Item for Registrars

It is recognized that this approach to a transfer undo mechanism could have lost revenue impact on registrars who have the registration returned to them. At least one year would have been added to the registration period and possibly multiple years if additional transfers or explicit renewals occurred and they would not have received any fees for the additional year(s).

Trying to deal with this issue prior to finalizing requirements for the new transfer policy would quite likely cause additional delays. Moreover, it seems to be an issue that primarily impacts registrars and hence is one best worked by registrars. Therefore, since registrars believe that the issue of lost revenue impact is one for which a plan should be developed, registrars plan to pursue this separately from the initial implementation of the new registrar transfer policy. If they are successful in devising a plan that they can implement in time for the introduction of the new transfer policy, that would be fine. If they are not, any plan developed subsequently could be considered as part of the ongoing evaluation of the transfer policy. In the meantime, this would not cause any further delays in finalizing transfer implementation requirements.

Examples

Some specific examples of how the recommended Transfer Undo Mechanism would work are provided below. Two scenarios are provided and three cases are shown for each scenario:
1. A transfer is requested and granted.
    a. The transfer is ruled to be improper in the dispute resolution process.
    b. The transfer is ruled to be proper in the dispute resolution process.
    c. No decision is made in the dispute resolution process.
2. A transfer is denied.
    a. The denial is ruled to be improper in the dispute resolution process.
    b. The denial is ruled to be proper in the dispute resolution process.
    c. No decision is made in the dispute resolution process.

Scenario 1 - Transfer Requested / Granted

Case 1.a – Improper Transfer

1 March 2004 - ABC.com has an expiration date of 15 April 2004.

20 March 2004 – Registrar B initiates a transfer from Registrar A.

25 March 2004 – ABC.com is successfully transferred from Registrar A to Registrar B resulting in:
1. Registrar of Record is changed from Registrar A to Registrar B.
2. Expiration date is changed to 15 April 2005.
3. $6 is debited from Registrar B's Line of Credit with the Registry Operator.

10 April 2004 – Registrar A files a Request for Enforcement alleging that ABC.com was improperly transferred to Registrar B.

1 May 2004 – Registry Operator renders the decision that ABC.com was indeed improperly transferred from Registrar A to Registrar B and orders the following settlement:
1. Registry Operator will initiate a transfer of ABC.com from Registrar B to Registrar A using an internal Registry Operator Transfer Tool on 15 May 2004 (allowing for 14 days to pass prior to implementing the change of registrar in order to allow the non-prevailing registrar to appeal the decision to the court or the Level 2 Dispute Resolution Party).
2. The expiration date of ABC.com will remain 15 April 2005.
3. $X (Dispute Resolution Fee) will be debited from Registrar B's Line of Credit with the Registry Operator on 15 May 2004.
4. No charge for the additional year will be debited from Registrar A's Line of Credit with the Registry Operator.

16 May 2004 – Registry Operator closes the transfer dispute case.

Case 1.b – Proper Transfer

1 March 2004 – ABC.com has an expiration date of 15 April 2004.

20 March 2004 – Registrar B initiates a transfer from Registrar A.

25 March 2004 – ABC.com is successfully transferred from Registrar A to Registrar B resulting in:
1. Registrar of Record is changed from Registrar A to Registrar B.
2. Expiration date is changed to 15 April 2005.
3. $6 is debited from Registrar B's Line of Credit with the Registry Operator.

10 April 2004 – Registrar A files a Request for Enforcement alleging that ABC.com was improperly transferred to Registrar B.

1 May 2004 – Registry Operator renders the decision that ABC.com was not improperly transferred from Registrar A to Registrar B.

15 May 2004 – Registry Operator debits $X (Dispute Resolution Fee) from Registrar A's Line of Credit (allowing for 14 days to pass prior to debiting $X in order to allow the non-prevailing registrar to appeal the decision to the court or the Level 2 Dispute Resolution Party).

16 May 2004 – Registry Operator closes the transfer dispute case.

Case 1.c – No Decision

1 March 2004 - ABC.com has an expiration date of 15 April 2004.

20 March 2004 – Registrar B initiates a transfer from Registrar A.

25 March 2004 – ABC.com is successfully transferred from Registrar A to Registrar B resulting in:
1. Registrar of Record is changed from Registrar A to Registrar B.
2. Expiration date is changed to 15 April 2005.
3. $6 is debited from Registrar B's Line of Credit with the Registry Operator.

10 April 2004 – Registrar A files a Request for Enforcement alleging that ABC.com was improperly transferred to Registrar B.

1 May 2004 – Registry Operator reviews all case information and is unable to determine which Registrar is correct thereby rendering a 'NO DECISION' notification to both Registrars. ABC.com remains with Registrar B.

15 May 2004 – Registry Operator debits $X (Dispute Resolution Fee) from Registrar A's Line of Credit with Registry Operator (allowing for 14 days to pass in order to allow either of the Registrars to appeal the decision to a court or the Level 2 Dispute Resolution Party).

16 May 2004 – Registry Operator closes the transfer dispute case.

Scenario 2 - Transfer Denial

Case 2.a – Improper Denial

1 March 2004 - ABC.com has an expiration date of 15 April 2004.

20 March 2004 – Registrar B initiates a transfer from Registrar A.

24 March 2004 – Registrar A n'acks Registrar B's transfer request for ABC.com.

25 March 2004 – Registrar B files a Request for Enforcement alleging that Registrar A improperly n'acked the ABC.com transfer request.

15 April 2004 – Registry Operator renders the decision that Registrar B's transfer request met the requirements of the policy and that Registrar A should not have n'acked the ABC.com transfer request. Registry Operator orders the following to occur on or after 30 April 2004 (to allow for Registrar A to appeal the Registry Operator's decision to Level 2 or the court):

1. Registrar B to verify that the previous FOA is still valid; if not to obtain an up to date FOA from the Registrant.
2. Registrar B to initiate the transfer command upon receipt of the FOA from the Registrant.
3. Registry Operator debits Registrar B's Line of Credit with the Registry Operator for $6 upon receipt of the transfer request.
4. Registrar A to Ack the transfer request or allow the transfer request to be auto-acked by the system.
5. The expiration date of ABC.com is updated to 15 May 2005.
6. Registry Operator debits Registrar A's Line of Credit with the Registry Operator $X (Dispute Resolution Fee) on 30 April 2004 (allowing for 14 days to pass in order to allow the non-prevailing registrar to appeal the decision to the court or the Level 2 Dispute Resolution Party).

1 May 2004 – Registry Operator closes the transfer dispute case.

Case 2.b - Proper Denial

1 March 2004 - ABC.com has an expiration date of 15 April 2004.

20 March 2004 – Registrar B initiates a transfer from Registrar A.

24 March 2004 – Registrar A n'acks Registrar B's transfer request for ABC.com.

25 March 2004 – Registrar B files a Request for Enforcement alleging that Registrar A improperly n'acked the ABC.com transfer request.

15 April 2004 – Registry Operator renders the decision that Registrar B's transfer request did not meet the requirements of the policy and that Registrar A appropriately n'acked the ABC.com transfer request.

30 April 2004 Registry Operator debits $X (Dispute Resolution Fee) from Registrar B's Line of Credit with the Registry Operator (allowing for 14 days to pass in order to allow the non-prevailing registrar to appeal the decision to the court or the Level 2 Dispute Resolution Party).

1 May 2004 – Registry Operator closes the transfer dispute case.

Case 2.c – No Decision

1 March 2004 - ABC.com has an expiration date of 15 April 2004.

20 March 2004 – Registrar B initiates a transfer from Registrar A.

24 March 2004 – Registrar A n'acks Registrar B's transfer request for ABC.com.

25 March 2004 – Registrar B files a Request for Enforcement alleging that Registrar A improperly n'acked the ABC.com transfer request.

15 April 2004 – Registry Operator reviews all case information and is unable to determine which Registrar is correct thereby rendering a 'NO DECISION' notification to both Registrars. ABC.com remains with Registrar A.

30 April 2004 – Registry Operator debits $X (Dispute Resolution Fee) from Registrar B's Line of Credit with Registry Operator (allowing for 14 days to pass in order to allow either of the Registrars to appeal the decision to the court or the Level 2 Dispute Resolution Party).

1 May 2004 – Registry Operator closes the transfer dispute case.