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ICANN Transcription

Transfer Policy Review PDP WG

Tuesday, 29 March 2022 at 16:00 UTC

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JULIE BISLAND: Good morning, good afternoon, good evening, everyone. Welcome to the Transfer Policy Review PDP working group call taking place on Tuesday the 29th of March 2022. In the interest of time, there will be no roll call. Attendance will be taken by the Zoom Room. For today's call, we have apologies from Daniel Nanghaka (At-Large), Owen Smigelski, (RrSG) and Sarah Wyld, (RrSG). They have formally assigned Raymond Mamattah, (At-Large) Essie Musailov (RrSG), and Rich Brown (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.

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

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chat only. As a reminder, please select everyone when using the chat feature in order for all participants to see your chat and so it's captured in the recording. Alternates not replacing a member should not engage in the chat or use any of the other Zoom Room functionalities.

Statements of Interest must be kept up to date. Does anyone have any updates to share? Please raise your hand or speak up now. If assistance is needed updating your statements of interest, please email the GNSO Secretariat. Please remember to state your name before speaking for the transcription. Recordings will be posted on the public wiki space shortly after the end of the call.

As a reminder, those who take part in the ICANN multi stakeholder process are to comply with the expected standards of behavior. Thank you. And over to our chair, Roger Carney. Please begin.

ROGER CARNEY: Thanks, Julie. Welcome, everyone. Before we get started in our discussions or continuation of our discussion last week, I just wanted to say a couple things.

First, we kind of left our denial reason through NACKing, some open items left in it. And as we're starting to run short on time here, with our report, we're going to look to have a spin off maybe of a small group, if we can get enough participants to just take a look at the NACKing reasons for denial working document that we've created and try to go through and clean up any items that

we left open. And again maybe five, six people, most on this group, maybe spend the next couple of weeks looking at those.

And we talked about moving some from one to here, adding some language. And I think we just want to get that solidified so we can bring back a general thing to the group so we can get it approved and move forward. So if you're interested, please let us know. I'm working on those and getting cleaned up. Again, probably over the next two or three weeks at most, we'd like to get that cleaned up and moved on from that and get it incorporated into our working draft or our initial report.

Speaking of which, we'd like to get started working as a working group on that in April. So not in the next week. But probably by middle of April, for sure. So we'd like to get most of our discussions wrapped up by then and moved on to that so we can get that in place so we can spend some time cleaning all that up before hopefully publishing that in early June, definitely before the next ICANN meeting. So again, just to call out if anybody wants to volunteer for a small group. And again, probably you know, the representation I don't know that matters a lot, but it would be good to have a good spread, someone from ALAC, someone from the registrars, someone from registries, just for those to take a look at those—not excluding any other groups, just examples. Again, to take a look at that working document, get those cleaned up so we can present it back to the group as a fairly clean document. If you want to jump in on that, let us know. Jump on list and say I'd like to volunteer for the small team for the denial reasons. And we'll get that moving forward. And again, staff will support that group as

much as needed. But we want to get that moving forward as quickly as we can so we can get it cleaned up.

Other than that, I'll just open up the floor to any of the groups that have had discussions since last week or ongoing discussions over time that they want to bring forward, any new ideas or concerns that they have coming forward, any discussions for the group to know or maybe help to answer? I'll open the floor up to any of the groups that want to bring anything forward.

Okay, again, we'll try to do that at every meeting, just to make sure we get any input that's going on outside the sessions and lists. I think other than that, I think we can probably jump into our discussions for the day on bulk that we started last week. And actually, I think, maybe to start and maybe kick this off is that someone mentioned okay, what was bulking? Or how many is considered bulking? And I think the general idea that got across last week was basically, anything more than a single domain would be considered a bulk.

But in light of that, I wonder, one of the discussions we had last week was around how some ccTLDs do this, and actually even I think Owen confirmed that ICANN has done a similar event like this. But one of the big items that is different is when a transfer occurs, an extra year is added on, and one of the topics that was brought up last week was in the bulk scenario, a lot of times another year is not put on to the life cycle, and it just lives as it is currently.

So I kind of wanted to get people's thoughts on that. Is there two different bulk paths, one where, yes, a year is added on just like

today's transfer into the lifecycle, or is bulk just moving from one registrar to another and leaving the lifecycle as is? So I think that that's a pretty big topic that probably should get discussed. Just want to see what people's opinions on that. Keiron, please go ahead.

KEIRON TOBIN: Thank you. Good morning. Good afternoon. Good evening, everyone. I was thinking about this kind of a couple of days ago, just in regards to how that would kind of work from a registry point of view. So for example, if you were to let's say do [inaudible] domains at once, but they were different gTLD extensions, and the backend registry operators were different, how would that progress in terms of if there was a single domain from the—So for example, take .audio, for example, how would that kind of correlate to a .com? If there was 99 .coms in there and one .audio, would the backend of .audio just see it as a single transfer? Or how would it initiate a registry level in order for them to understand that it was a bulk transfer? How would we differentiate between that? Thank you.

JULIE BISLAND: I think we lost Roger. One moment.

ROGER CARNEY: Rick, is your response in response to my question?

RICK WILHELM: Thanks, Keiron. I had a different topic, but I can also offer an answer in perspective to Keiron's question, if that's helpful, but I'll defer to the—I'm not sure who has the mic.

EMILY BARABAS: Hi Rick. Let me just get feedback from Julie here to see if we in fact have lost Roger, if he's just having a mic issue and that will probably help us to determine if we can keep on going without him. Julie, do you have a sense of what's going on?

JULIE BISLAND: I have been trying to—Roger, we can hear you.

ROGER CARNEY: Sorry about that. Sorry, Keiron started talking and it just cut off. So what's the questions I guess? Anything?

EMILY BARABAS: Keiron, would you like to just briefly repeat your question? And then maybe we can go on from there.

ROGER CARNEY: Great. Thanks.

KEIRON TOBIN: Of course, yes. So my question was just in regards to registry backend operators. So I took 100 domains, for example. And 99 of them were .coms, but one was a .audio. Sorry for bringing

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registries into this in terms of generic gTLDs. That's just an example. But how would a .audio, for example, identify that it was a bulk transaction, as opposed to a kind of an individual one if there was just one of their domains on there? And how would that affect the registry backend? Would we have a different way, potentially, of transferring through? So I just kind of wanted to speak to the registries, just in regards to their backend operators, and how that would operate in terms of bulk transfers. Thank you.

ROGER CARNEY: Great. Thanks, Keiron. And I think that really adds into a big question that's open is—I don't think we've talked about it, to be honest, is in a bulk scenario, even if it's 10, how do you handle that when it may be going to an will most likely go to multiple backend registries? And I think that's an open item that we need to discuss. Is a bulk transfer allowed to do that? How should that be handled and so forth? So great question. Keiron. Theo, please go ahead.

THEO GEURTS: Yeah, thanks. It's a great question. I think it has all to do with scale. I mean, in the scenario that you proposed, Keiron, I think it's a very low volume. So if a registry operator has to make a switch for just 99 domains, or one domain name for a backend operator or a registry operator, I think it doesn't scale well. So the cost would be pretty high for that one domain name to make a database switch. So you're basically talking, how many domain names do you require to make that switch?

Like I explained on the last call, the Dutch registry charges a very low fee, because everything has been optimized to facilitate this. We are talking about a process here where registry operators most likely do not have [inaudible] requirements to facilitate a database switch. So that could be that registry operators, when time moves on, they improve their processes. But there will be also registries that go like oh, it's always going to be a manual process where a developer has to make the adjustments into the database code itself. And developers cost a lot of money.

So I think, again, it's a question of scale. And it's also depending on when we talk about bulk transfers, or a database switch, which is basically is, what is the magic number? Does that start at 100? Does it start at 5000? Or is it less? Or is it more? When I'm looking at hosting companies who want to make a switch to a register who has more features or is still actively developing their platform, hasn't gotten stale, personally, I think the sweet spot is around 2500 domain names.

That's when it becomes very cumbersome to move domain names, because then you have to start to plan your transfers into sort of batches and it has also to do with the big question, should the renewal date be added or not? Sorry, not the renewal date, should the expiry date move when there is a transfer? And if you have like 2500 domain names, and you have a renewal percentage of 70%, you cannot just do it all in one batch. Of course, there are registrars that facilitate such transfers, but you cannot do it in one batch. Because if you do it in one batch, then you might end up moving domain names, renewing them for a year, and then you lose for 30% of your renewals, that can be for

a small hosting company with 2500 domain names quite substantial, especially if that's a one-person company.

So that is why I initially suggested like, do not add an extra year with a bulk transfer. Because A, that's going to cost a lot of money. I mean, if you have to transfer half a million domain names, and bulk transfer requires you to renew the domain name, that is an insanely a lot, a lot of money and will still act as a barrier. So that is why initially talked about that a renewal date stays and the expiry date stays intact. Thanks.

ROGER CARNEY: Great. Thanks. And I think you probably hit on it. We talked briefly last week and chat even what is bulk and realistically, bulk is more than a single item, but maybe there's two processes of bulk that we need to look at. And maybe there is a number that we can get to. Maybe there's not a specific number, and maybe it's just a choice of process that you take. But to your point, a lot of backend registries—some of them do this already and have a process, some don't. So it is definitely something to look at. And obviously a registrar would have to be able to support the same effect of can you transfer in 10,000 names quickly or in one transaction like that. So, again, everything that we need to talk through, because obviously, those things are going to affect how the policy wraps around that. So, Rick, please go ahead.

RICK WILHELM: Sure. Thanks, Roger. So a couple things. Let me start with Keiron's question about the transfer, and if you have multiple

registries involved. So I would offer that the way that I think about it, that a particular transfer involves two registrars and a registry. And if there is a business operation that's going on, where a registrar is contemplating a transfer of a bunch of names that cross multiple TLDs, those are several groups of transfers that are happening concurrently.

But as the example that Keiron gave, where there were 99 coms and one audio, that would actually be two sets of transfers that were happening roughly simultaneously, right. But those two transfers themselves would not have any relationship between each other. And so either one could go forward or not, but they really wouldn't be interrelated. So hopefully that kind of helps Keiron's question there.

When we think about bulk transfers, oh, and this is the original reason I put my hand up, I think that when we think about the normal transfer process, it is distinguished by the fact that there's an outcome that includes the extension of registration term by a year, which we colloquially refer to as a renewal. But it's really not, it's an extension of a registration term that happens due to the fact that the name is being transferred. And then that transfer also takes place in an automated fashion over EPP as we know, and then it's subject to the FOA and the rejection reasons and things like that.

ICANN under the current transfer policy, again, as everybody knows, has a bulk transfer method that allows for entire registrar portfolios to be moved around without term extensions for the names involved. But that's in certain special situations involving certain business considerations for registrars in their

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accreditations that are written down and I won't try and summarize here.

But as Theo mentions in the chat, there is a bulk transfer of—PPA is a partial portfolio where elements, chunks of a registrar's portfolio can be transferred, not via EPP, not including an extension of term but that is a registry service. That's not actually part of the transfer policy. And that's a registry service that has been added. And so whether you can do a BTAPPA, it's my understanding that a registrar can come to Verisign and do a BTAPPA with varying numbers of names. It's in the registry services what those numbers are, but it's distinguished by the fact that then it doesn't happen by EPP. And it doesn't include the term extension.

Now, this is really something to think about. Before registrars— Yes, as Crystal notes, other registrars offer a similar thing. But we might want to, before we talk about moving these portfolios around too much, that registrars get paid when the names get an extension term typically happening on this for a normal transfer. So I'll stop there. Hopefully that's helpful to the discussion. Thank you.

ROGER CARNEY: Great, thanks, Rick. Yeah. And I think that that's kind of the point. And to Rick's point, there's a little technology involved here, too, which if we come up with this bulk scenario, and the group decides that it's needed, I think all those things need to be talked about. Can this be, should it be EPP based or should it be externally based or some other process? As Rick mentioned and

Crystal mentioned, registries have their own process, and is it different for each different registry? Probably slightly. Is there a standard that's needed?

And again, if we come to agreement that bulk is needed, there's quite a bit of work that would have to be done around, not just at the registries to standardize but registrars as well to process those requests correctly.

So a lot of things to talk about to make [a ballcap.] I think that's the thing we need to delve into is, is it worth that experience, that positive experience versus the changes that are needed? And the cost involved in there as well, to change those, is that experience worth trying to handle for an ICANN policy? Theo, please go ahead.

THEO GEURTS: Yeah, a couple of observations and remarks. Going back to Keiron's mention about how do you handle those transfers when there's multiple TLDs involved. So from my experience, when we start talking, discussing bulk transfers, or the transfer process itself, with hosting companies we sort of make up—we look at the numbers, how many of which TLD do you have, we prioritize on the numbers itself.

So if you have a lot of .coms, they are the most of it, then we work on .com first, because when you do these migrations one way or another, you have to make a priority. And usually that is based on the big numbers and see how those migrations go. So that is a little bit of a logical approach to how you do it. If you start doing

bulk operations, you do a lot of transfers, and you mix them up, you're usually going to hit a lot of problems and a lot of stuff in my experience gets stuck, because there's a ton of processes going on that you aren't really aware of. So you try to just sort of make the problem smaller. So you just go from TLD to TLD, be it a ccTLD or a gTLD it doesn't really matter, you just go in priority. So you have a very batched process.

We look at bulk transfers, like we BTAPPA on the registry service, the problem is the registry sets the requirements there and you know, they usually involve registrar transfers, resellers are usually out of the question. And that is exactly the problem that we are facing here, that large resellers are stuck. So that is why I brought up the process here. Let's talk about bulk transfers. So I used the term bulk transfer. Basically—and I'll say that again, it's a database switch, there is no actual transfer, just switches in a database from registrar accreditation in a big database, managed by registry, that's what it is. Thanks.

ROGER CARNEY: Great, thanks. And I think your first intervention there was kind of going along with Rick's same example of obviously when two different backend registries are involved, it is really two different kind of thought processes that you have to follow. So even if it's—as Keiron mentioned, 10,000 domains to transfer and 500 of them are going to one and all the rest go to another, you have to think about that in two separate scenarios.

And Steinar brings up in chat the interesting question that this is all kind of driving to is, what is bulk? What is that number? And

does that apply to the registrar? Again, meaning that it can go across registries? Or does that apply to a registry level? So, we're going to transfer 4000 .orgs or whatever.

So again, all those things, I think, have to be talked through and I think that's why you start to get a little complicated when you call it bulk because it's actually bulk in very specific scenarios, I think is how you get down to it. Rick, please go ahead.

RICK WILHELM: Thanks, Roger. Real quick, I would offer just quick commentary that bulk transfers are a very sharp knife as one would colloquially offer, right? It's a very, very powerful tool. And so a lot of the process that gets involved there is because it is so powerful, and moving these names around is a kind of a very powerful thing, as pretty much everyone I think within your shot kind of knows and agrees, just really kind of would like to remind everybody about that.

And then the second thing is just a quick question for Theo, kind of looking to suss out what Theo said. Theo, you said resellers are stuck. And I'm not quite understanding what you mean there. I'm not disagreeing with it. And I don't think I would disagree. I just would like—if you could elaborate that, that'd be helpful. Thank you.

ROGER CARNEY: Thanks, Rick. And before Theo jumps in, you said it much better than I did, Rick, in that I think that when someone says bulk transfer, to me that's a pretty big topic. But as you point out, bulk

transfer when you get down to it as a very specific small thing. And again, not necessarily small numbers, but it's a very focused event that has to occur. And the whole process is pretty focused. So and he said it much better with the sharp knife kind of thing. So Theo, please go ahead.

THEO GEURTS: Yeah, thanks for the question. So, the transfer process is very much focused on having the registrant in charge. Everything is tailored towards the fact that the registrant can transfer a domain name wherever you like. However, resellers, they face the problem that if they want to move their domain names to a different registrar, they have to go to the registrant. The registrant has to help them in most cases.

And that is problematic with some register hurts because they created barriers for those resellers. Sometimes there are extra security features to make it more problematic for a reseller to move a domain name. And again, if the registrant is at play with a reseller, then that causes a lot of—I always say when we are transferring domain names in bulk through the regular process, and let's say we do 1000 domain names, 800 make it, 200 do not. So you have 20% of domain names that do not make it.

Now you have a problem as a reseller, because moving that last 20% takes a lot of time and a lot of effort. Now you have to maintain two reseller accounts at two different registrars, you need to fund them. You need to have the billing there, you need the API connection there. So it's going to be problematic, and that's why a lot of resellers go like okay, you guys got great prices, great

platform, but transferring the domain names will be nearly impossible because we've got to move 200,000 domain names. And that means that 20% of those get stuck [inaudible] registrar and then we have to maintain two systems. And that is way too costly for us. And then the deal doesn't go through. Thanks.

ROGER CARNEY: Great, thanks, Theo. Looks like you answered Rick's questions via chat. So, Keiron, please go ahead.

KEIRON TOBIN: Thank you. Just going through to the next stage of this as well. Let's supposition that this was to go through, and you could bulk transfer. I think, obviously, with the current process in place in terms of people understanding that as long as you transfer your domain, you additionally get a year on a gTLD, we'd have to do some very clever kind of marketing, advertorial and advertisement kind of prospects, especially with domain investors in understanding that if they were to proceed with bulk features that they wouldn't necessarily have a year because they may automatically assume with the current practices in place that that would be automatically added. So we would want to ensure that we engage with the community in a much more kind of retrospective way if this was to proceed through. And that's just a side note there, but maybe just something to think about. Thank you.

ROGER CARNEY: Great. Thanks, Keiron. And absolutely, again, that's a deviation from what most registrants know or expect, so it would definitely have to be brought up and evangelized pretty heavily to make sure that everybody's aware of that. And I think the interesting thing—because we're getting to some pretty specific scenarios as Theo mentioned, a reseller or whatever model they're running has maybe a different set of bulk transfer requirements, and maybe not, but maybe have a different set of bulk transfer requirements than an investor may have and maybe there's even a middle in between those, and even getting into bulk when we talk about smaller bulk, just a regular registrant that wants to move 10 of his 50 domains from one place to another, as everybody's mentioning, that's probably not that taxing on EPP in the current system, but should there be special attention paid to that? Should one TAC be assigned to those 10? Should one email go out? Should there be no e-mail? What communication is different?

So I think you've got three kind of scenarios that may be slightly different if someone's moving just a handful of domains, how do you handle that? And then maybe an investor that's moving hundreds of thousands of them, a reseller that's moving thousands or tens of thousands of them, are those three different scenarios? And should we be solving them is a big question. It's occurring today. It works today. And people have mentioned that it's painful in certain circumstances, which I think everybody has seen at one time or another.

So I think the question is, should we try to resolve them? And are there those three kind of buckets? Are there more? But just a thought for me. Theo, please go ahead.

THEO GEURTS:	I just wanted to go back to one of the comments I made in the chat. It's not my comment. It's the one from Volker Greimann. And he basically said resellers have the issue that they have no rights on the RAA. And that is basically the problem. So resellers, they have no rights in the RAA. So certain registrars can make it extremely difficult to move those domain names. And they can't turn to Compliance because they have no right. Plus, if they would go to Compliance, then the registrar would say, oh, registrants can move domain names very easily, [here's a complete list.]
	So they fly just under the ICANN Compliance radar. So it's registrars that is the problem, basically. When we're talking about domain investors, my experience, that is a pretty smooth process, because usually domain investors own all the domain names themselves. And basically, when you transfer domain names for a domain name investor—and maybe I'm giving some people now an idea here—we can actually bundle all the FOAs into one big GO AHEAD so the domain investor can click once and acknowledge like 2000 FOAs at once. So that is pretty much a very easy process. It becomes a totally different process if it's 2000 different registrants, who are creating the issue that they don't acknowledge the transfer and everything gets stuck.
ROGER CARNEY:	Yeah, that's a very good point. And I still get back to—and when you think about that, and it's very true, and it makes it a little easier for the investor that controls their own domains, especially communication and everything, still go back to, okay, should they

have an option or not, of adding a year on a transfer, or just keeping this lifecycle as is, expiration as is? So again, just things when we talk about bulk we have to get through.

THEO GEURTS: If I can add a comment to that.

ROGER CARNEY: Please go ahead.

THEO GEURTS: Again, in Europe, we already have such a process of doing bulk transfers or a database switch. And we also see domain investors doing that, because for some reason—not just some reason, but they noticed that a different registrar is offering much better integrations with [inaudible] or whatever all these aftermarket platforms are called, that current registrar doesn't have it, then they just make the switch because they get better service, they get a better registrar. And then they don't want to renew all those domain names because they haven't sold them yet. Renewals cost heavily on large domain name portfolio investors. So they just make the switch and they just pay the 50 euros for .nl. So that is actively being used within the Netherlands just for a reason to go to better registrars. Thanks.

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

STEINAR GRØTTERØD: This one thing that I think we should have in mind is that we're trying to make updated policy for transfers for the contracted party, meaning accredited registrars and so on. And I'm aware that the reseller model is very, very common within our industry. But how can we make a policy that is binding for the contracted party and still be binding in brackets for the resellers that doesn't have the same contractual issues? Is this purely something that can be solved as a business agreement between the registrar and the reseller? Or should it be on a higher level on the policy level within the ICANN? And that's my first question.

And a short comment on if we end up in having a policy in practice that bulk, whatever we define it for, will be free of charge, also in brackets, regarding additional year to the lifecycle, and not a regular transfer will have to pay the additional year, I think that is quite unfair. Honestly, I think we should have the same policy and the same practice, whether it's a bulk or it's a single transfer. Thank you.

ROGER CARNEY: Great. Thanks, Steinar. Yeah, and I think Steinar brings up a good point on the first part there, that I don't see us and we don't have the purview to change any contracts. We can say what we want to say, but we're not going to change the contracts through this group that are going to make requirements on resellers. As far as I'm aware, that's been a long discussion that's always been pushed out and never moved forward. I know there's been a lot of discussions on trying to make that happen. And it just never has. And again, this group's not going to make that decision or recommendation.

So to that point, yeah, it's going to be policy toward the registrars and can it be made flexible to allow resellers an easier path is the only thing. to Steinar's point, we're not going to create contract language for resellers. And that's been a long process that's not been going anywhere. So Rich, please go ahead.

RICH BROWN: Hello, everybody. I kind of want to bring up a point. There are two things going on here. First of all, we have this concept of bulk transfers, that's what I'm calling it. And then we have BTAPPA, which is a separate process.

I believe that we are being asked to create a bulk transfer process for the standard transfer policy. And the standard transfer policy has a lot of requirements like the registrant must approve the transfer etc. The BTAPPA is more of an industry tool to help maintain our industry as businesses rise and fall in the ecosystem. That's why I personally am having troubles when you reference BTAPPA. That's under one set of policies versus this bulk transfer use that we are discussing now which follows the transfer policy.

So I just want to bring that out that I think a while using BTAPPA as a kind of lesson plan for what we're doing here, wasn't really designed for bulk commercial use.

Furthermore, on the point of whether a domain should be renewed or not when it's transferred, BTAPPA does not extend the domain registration whereas a commercial transfer does. I'm calling it commercial just to separate. And if you remove that provision from the commercial transfer, by doing a commercial bulk transfer, and

now your bulk transfers don't extend the domain—and this goes on into further items—I can put, say, I have two domains, I'm doing that as a bulk transfer. Thus, I don't have to pay for the extension of my domain or anything, but I can move my domain someplace else, which is my end goal. Which if you look at it, that could also be used for domain theft or fleeing. Like you have an abusive domain and you're just trying to transfer it around and around. That's a great way to do it. Unless you're—anyway, I can talk forever. I yield my time back to the floor.

ROGER CARNEY: Great, thanks, Rich. Yeah. And I think you've hit it. It's one of those where we're talking about something between what the current policy handles in individual transferring, it doesn't have to be individual today. I mean, you can do 10, it's up to the registrar how they handle that. But it's an individual transfer in the current policy versus the BTAPPA, which is a process at the registry level.

And I think that this bulk discussion is specifically oriented to in between there. It's not BTAPPA, we're not talking about that. We'll talk about that later. Much later. But is there a scenario where there's something that falls in between? And to your point Rich on the extended or not, so far, this group has never gotten there. And I don't know that that was even in our charter to discuss if the additional year is a charter question. It's not one of our charter questions to solve.

So we're leaving that as you know, a transfer that follows a transfer policy has an additional year added. And maybe if staff can correct me if we do have one of those charter questions, but I

don't remember that being a question. And I don't think anybody's suggested it to this point until now when we started talking about bulk that a transfer doesn't come with an automatic year added to it. So Rick, please go ahead.

RICK WILHELM: Very good. Thanks, Roger. When Theo was answering the question that I'd asked previously about resellers are stuck and he talked about the challenge of a reseller moving from one registrar to another, as he was answering and as I was reflecting upon that good answer, by the way, Theo, as I was reflecting that, it occurred to me that presumably, Theo would agree that largely the same situation arises that arises when a registrar acquires a reseller, which could happen, and wants to merge those domains under management that the reseller has that is with a different registrar, and they want to merge them in with a portfolio, or if a reseller wants to become an accredited registrar itself, and therefore, take its names and spin off its own accreditation. So I think those are all examples of the same. They're all variations of largely the same case that Theo was talking about. And I think right now, the mechanism that a registry would offer would be the BTAPPA mechanism for that. Thank you.

ROGER CARNEY: Great. Thanks, Rick. I agree. And I think that that's the current way to do it. And I think the thing that Theo is trying to get around to is BTAPPA does come at a fairly high cost depending on the volume, but it's a high entry fee to get into there. And as Rich just brought up before, cost-wise we're talking about if a year's added

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or not if you're transferred. So would a bulk scenario in between BTAPPA and the current policy, would there be fees associated to it? If years weren't added or whatever, is there a fee to whoever's doing that transfer? And maybe it's not, and I think, I get it wrong, but BTAPPA I think, starts at 50,000 or whatever. Is there a level below that in a policy like this? And again, just thinking out loud so everybody can think about these things. Theo, please go ahead.

THEO GEURTS: Yeah, BTAPPA is indeed very expensive. Usually, you end up with 50,000 USD so for most resellers, that's just a no go. I mean, that is creating the same barrier. Either it's a manual process that is costing a reseller a lot of money, or if you do BTAPPA, it's still a lot of money. I mean, it's not like these domain names are very profitable. Usually the hosting is very profitable.

But to sort of move a little bit forward and to add a little bit more considerations, when you look at a process, doing a database switch, or bulk transfer, that there's some requirements that also need to be met before even such a thing can even start. I mean, Keiron mentioned last week, security is an issue in the sense like, it shouldn't be just possible to shoot these portfolios from one registrar to another. So again, size does matter. I mean, if you are a reseller with 2500 domain names, then usually you are in business for a couple of years, so you are established. And before even such a transfer can occur, we usually have long discussions with resellers to make sure that we understand what they want to do. So there's quite a process there. And resellers shouldn't just be able just to make a switch from one registrar to another. I mean, the company communications with the registrant are very

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important, most of the contractual requirements from registries in Europe is that registrants need to be informed what is going to happen, what is the time path, etc.

There might be good reasons that registrars go like, "Okay, I understand that you guys are going to move from a registrar A to B, except I don't like registrar B because—and that can be millions of reasons there. So registrants should have an option to go like, "Okay, we don't want to be part of this bulk transfer." So that needs to be taken care of also. Communication of what is going to happen is very important, and registrants should be in the loop all the time of what's going to happen. Usually, that's not a problem. Like I said on the last call, most resellers who are going to switch are very happy because they got a million reasons to leave the other registrar. They want to highlight why they are moving to the new registrar. So usually communication is not the issue, but it should be required. Thanks.

ROGER CARNEY: Great. Thanks, Theo. Okay, any other comments, questions here? I definitely think that—and the reason there's a charter question on this, there's obviously scenarios here that have been occurring for quite some time and painful and not necessarily the most cost efficient either to get done.

I guess the big question is, is this a problem that this transfer policy should resolve?, or is this something that really falls outside of the transfer policy and is its own policy? I don't know. Again, BTAPPA falls out of this policy. Is this something that really

belongs in the transfer policy? Or is it something that we need to look for a different place for this to live?

If it's here, I think that we've got a lot of unanswered, and a lot of intertwined questions to ask. It's one of those where if it is, I think that it's probably a good idea to maybe not come out with specific recommendations, again, if we can agree that should be, but maybe pose the question to the community in our initial report versus providing the solution, and maybe ask for solutions.

And again, I know that there's one charter question that deals with bulk. I mean, there's three questions, but one that really gets into, should bulk be considered? And again, I think that the group needs to make that decision. It's one of those things where the transfer policy is very registrar-focused. we're going to talk about BTAPPA later. That's a bigger scale. And maybe there's something in between that's not part of this policy, not part of BTAPPA or maybe part of BTAPPA. I don't know. That discussion anyway, of the larger moves.

So I think that's something for the group to think about is, does this policy need to solve those problems? We know they exist. And we need to make sure that Council is aware that this exists and needs to be solved. But do we need to solve it here? Again, the one charter question just introduces us to this fact. And we've talked through a couple of sessions now about this, and really probably have more questions than we have solutions to it. So just my thoughts. Anyway, have thoughts on if this should be part of policy, this policy, or if it should maybe live somewhere else and not affect this policy or—Theo, please go ahead.

THEO GEURTS: Yeah, you probably can predict where I'm going. But there is another consideration here. Let me put it a different way. So we have ccTLDs, who sort of recognized the issue that registrants who use resellers, they are willing to pay an extra price to not be bothered with anything. I mean, that is basically some of the core of the business models that these resellers have. They take care of everything. The registrant is very okay that everything is done for them. They don't even want to acknowledge FOA. Those people always ask, what is an FOA? What is ICANN? Why do I have to do this? My reseller is taking care of everything. Why should I do everything now? I'm paying these guys to get things done.

And that's pretty legitimate. I mean, there are other services, business models that cater to the exact core business model. I'm going to pay you to get things done. Except the current policy does not cater to such people. And they just get them evolved if they wanted or not. The problem that creates is that such registrants usually have no idea that there are sometimes better solutions. They are not aware of it. Their reseller doesn't really inform them because they are again stuck. So you can basically turn the question around and come to the conclusion that the current transfer process is leaving a lot of registrants behind.

And I think, if we talk about transfer process, they should be included, except we have to recognize that those registrants are very different than a registrant that uses a retail registrar and is aware that he can move the domain name whenever he wants within set limits of the ICANN policies, of course. But you know,

you have registrants there are very aware of how a registrar works. And they transfer domain names from one register to another register, depending on the price. They're very price aware. But the resale model, that can be very different, and those guys are left behind. Thanks.

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

RICK WILHELM: Thanks, Roger. And thanks to Emily for pasting the charter question into the chat. It's interesting to give that a careful read, and then compare that to the discussion that we've been having. Because while the discussion that we've been having is, very valuable, I don't think that it is really that attached to what we saw in that charter question about the ability for registrants to request auth info code in bulk auth info codes, AKA TACs in bulk be streamlined and codified [inaudible] should additional security measures be.

I mean, this is a very interesting and very important discussion that we've been having. But it doesn't seem to be related to the topic at hand other than if the person writing the charter questions, if they would have said volume, instead of using the word bulk, which got us into this discussion about BTAPPA and bulk transfers, I think that's what kind of got the discussion over there. But these seem to be two unrelated questions, throwing that out for discussion. And not that Theo's points aren't valid, and that

they aren't very relevant to some discussion, but I just don't think they're related to the charter question. Thank you.

ROGER CARNEY: Thanks, Rick. Theo, please go ahead.

THEO GEURTS: When we initially started discussing the TAC, we already identified that it could be very problematic for resellers. And that is how we came up with, at least that is when I mentioned I find the TAC very problematic for a wholesaler registrar model, because it's going to cause a lot of problems along the way, unless we can discuss bulk transfers at a later stage

If we now take that back, then I think I'm going to need to take steps back on the TAC and see how much problems that is going to cause because I'm not going to work on something that is going to hurt my business model. How unfair that might seem, but that is just my reality. I mean, I'm already in a situation where things are not very pleasant. And if we're going to add more security features, which I find useful, but if that is going to put me out of business, then the group leaves me not much options here. Thanks.

ROGER CARNEY: Great, thanks, Theo. Okay. Yeah. And I think that was my question, was, does that belong here? And again we talked about we're going to talk about the bulk transfers later as well, in phase two. And I'm wondering if this discussion fits there better. As Emily

posted in chat about the current charter question is kind of specific to a registrant request.

But I think that our phase two bulk question is more open to discussing non registrar driven transfers. And I think that maybe that's the appropriate place. As Rick mentioned, I think this discussion is great, because I think a lot of us are learning things, but it's bringing forward all the complexities of doing it as well.

So I think that maybe that's what we probably are looking at is, if we look at this charter question here, we're talking about a registrant requesting a transfer. But if we look at what Theo's talking about, it kind of falls in line with what we are supposed to talk about in phase two, I believe. And if everybody has the charter open, I think if you go to phase two, in Section I, it is identified as ICANN approved transfers. But I2 specifically says the scope of voluntary bulk transfers, including partial bulk transfers. And I think what our question is is a lot about—I think fits into that description of the charter question much better than the current one. And maybe I'll prompt Theo on that just to see if he would agree with that, that again, the current charter question is about registrant requested transfers, where the later charter question is about the [inaudible] partial included. [Perhaps] that discussion is better held there. Theo, please go ahead.

THEO GEURTS: I don't mind where it is being discussed. I mean, it can be in phase two, that is no issue. At least I don't see an issue. But in my mind, it needs to be solved. I mean, when we were going through the current TAC process, the guys at work said, "you can't do this, this

is not going to happen, unless you can make a tradeoff and you can make sure that the issue's going to be addressed at a different level, maybe at a different phase. But somewhere, this discussion needs to happen. Because if that discussion isn't going to happen, or the discussion is going to be delayed at a much later phase, like couple of years from now, maybe 10 years from now, that is just not something we can get behind." Because, again, that is why I initially backed the TAC, under the impression that we're going to have the discussion that we are having now. And maybe this discussion shouldn't be happening now. That is a procedural question. Again, I find it just as Rick mentioned, it's a good discussion. But it needs to happen at some point in some phase, and where we do that, that is up to this group, as long as gets addressed. Thanks.

ROGER CARNEY: Thanks, Theo. Yeah, and again, I think that when I'm reading through—I agree, I think this is a great discussion. And again, I think a lot of learning is occurring here. So I think it's good. But I honestly think it fits with our discussion in Section I of phase two. You know, this—and again, we're not going to forget this. And I still wonder, in light of this discussion, and again, very productive discussion, is there something that we produce to the community, along these lines? Again, because I think that we've only scratched the surface on if bulk in this partial idea is worthwhile or not, and how I think is the big part. How do you do that? I think that there's a lot of things—again, I think we're adding more questions than we're answering here that need to be understood.

But yeah, I think from my perspective, I think that this discussion will continue. But it'll continue as part of phase two, in that that voluntary transfer discussion that's in phase two, because it seems to fit there much better than this. And, again, are there TAC issues and notification issues that we would have to discuss? Certainly, but I think that no matter what, those are going to be items that we have to clear up in a bulk scenario no matter what the bulk scenario is, if it's ICANN approved, registrar to registrar, what communication is there, if it's reseller to one registrar to another, what's required there.

So I don't think it affects our transfer policy in that scenario from the registrant standpoint. SO that's my take on that. And I think that we'll continue this discussion in phase two, and hopefully solve it. I suppose I'll leave it up to the group if there's anything that we can prompt ahead of phase two. And we don't even have to do that now. But prompt ahead of phase two to help drive that from a community aspect. Do we have probably some questions that we can send the community before we start phase two, and prompt them for some solutions or ideas on ways to solve or get that done? So Theo, please go ahead.

THEO GEURTS: I think that sums it up very nicely, Roger, I mean, we can definitely discuss that and move the discussion along to phase two. And you put it on the agenda, bulk transfers last week. And as practical as I am, I just put down a couple of solutions there. So we're just heading down a path I probably laid out myself, just being practical on an operational level how to address a problem the quickest way. But again, as I said last week, if there are other

options, solutions, as you said it, go ahead. I'm open for everything as long as it addresses the issue. Thanks.

ROGER CARNEY: Great. Thanks, Theo. Okay, so I think let's go ahead—and again, we can move all this discussion and the documentation of everything to our phase two. And we'll try to pull back. And once we finish phase 1B maybe start thinking about prompting the community for any input they have prior to us getting into this discussion again, in phase two.

But in light of that, let's look at the specific B5 charter question. And let's talk along lines of registrant-initiated transfers and talk about, is there anything that needs to change? Do we need to make any adjustments or add anything to allow for a registrant to request multiple [inaudible] the same setting? So can the TAC be reused? I think one of our qualifications early on was the TAC was unique per domain. So if they're transferring five domains, it's still unique per domain, even if you use the same one. Theo, please go ahead.

THEO GEURTS: Yeah, B5, when you ask me the question, I'm wondering if there is a problem to it. You know, if a reseller requests auth codes in bulk, they have to go through our support channel because we don't make that available in bulk for security reasons. So we have a process there and assume a reseller goes through the process or a registrant can also be a registrant who has a couple of domain names, they want to transfer in bulk from a reseller to

another reseller, those things happen. We accommodate the process. And so I wonder if that needs to be in a policy. Thanks.

ROGER CARNEY: Great. Thanks, Theo. Yeah. And just to be clear here, this is a registrant requesting multiple transfers, not necessarily transfers across multiple registrants. So just thinking about that line. This is a single registrant coming in and saying, "Okay, I want to move these five domains. Is there any special consideration for that type of move?" Keiron, please, go ahead.

KEIRON TOBIN: Thank you. Yes, I think there definitely needs to be additional security measures put in place, potentially Compliance needs to be brought in with additional security features here. I think something like that would be much more useful from a registry point of view as well. If domain theft was [inaudible] to happen, I think we would also need to potentially look at a clawback system, potentially, where registries can kind of go in and be like get better access in terms of making sure that registrants can get domains back. Because obviously, if one was sold on a marketplace and it wasn't able to be clawed back because someone else had purchased it, that would be problematic. So I think in this aspect here, we need to kind of definitely look at additional security measures, and also maybe add additional things in for ICANN Compliance and as well as registries essentially, kind of adding a clawback system. Thank you.

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

RICK WILHELM: Thanks, Roger. Just sort of echoing what Keiron said, this is sort of an interesting question to me, because it's a situation where we've got a bunch of names, a number of domains being moved in volume, which is by itself a dangerous operation. And the request is to actually lower it seems like, to read it this way, the request is actually lower the security barriers and the security protections this way, and make it easier for a more dangerous operation to happen.

And so to me, oddly, when I hear that, it seems like it would be that the "we" in the community should be thinking about when there's bulk requests for auth info, that sort of in echoing what Keiron was saying, we should be actually asking for more protections in this sort of situation rather than lessening the protections, because this is exactly the situation where a registrant might be having their account cleaned out, quote, unquote. I'll stop there but could certainly elaborate. Thank you.

ROGER CARNEY: Great, thanks, Rick. Yeah. And I think that obviously, it's one of the things that we've taken, and I guess I don't know, is Jim on? Jim has been a very good supporter of reminding us that one of the big things is security here. And we don't want to change that level of security out of convenience. That's not the purpose that we're looking for. If we're trying to make something more efficient, it should maintain that same level of security.

Okay. Other thoughts on this? I know one of the big things—Theo actually brought it up when he was talking earlier, when someone does multiple domains to transfer, even today, the [inaudible] allow for consolidation of notification, and I think that our current notification path also allowed for that. So, again, I think that that's handled, but I just wanted to call it out and make sure it's not just the TAC itself, but also the notifications are a big part of that security mechanism. Or at least the notice there. So, I think that if you consolidate that, and you transfer 50 names, and one email goes to the registrant, is that appropriate? I think that that's a valid question to ask. Should that be enhanced? Does that actually still work? Keiron, please go ahead.

KEIRON TOBIN: Thank you. To come back to [Theo's] question in the chat, I was writing, then realized it's probably a bit long to explain. In terms of inter registrars and stuff like that, especially for working with stolen domains and stuff like that, one of the issues that we could arise if the if bulk domains were transferred in such a large amount, and then all added to marketplaces in different areas—so for example, AFRINIC or Sedo or Dan.com, and they were kind of sold at different areas, some registrars, once they check kind of that it's been sold legitimately X Y and Z might not essentially be able to give it back to the registrant because they believe that the person who's got it has now obtained it correctly, then it brings in a lot of legal issues. So in terms of going on bulk, we need to kind of add additional security measures in there. And it does create a lot more problems, which is again, why I'm kind of looking more at a

ROGER CARNEY: Thanks, Keiron. Jim. Please go ahead.

JIM GALVIN: Thanks, Roger. I want to just speak a little bit to this question of the TAC and this notion of moving large numbers of domains from one register to another. I'm sure it hasn't been called out here yet. But I'm sure the registrars are saying to themselves, "Oh my gosh, I'm going to have to give you know 50 different TAC to a registrant so that they can move their 50 different domain names to gaining registrar and try to make all of that work."

And I think from a security point of view, that is in fact exactly the right thing. That is really what one should do in a pure sense in order to move things around. But I offer to you the following thing to think about. If you want to move in a direction of simplifying that process, and I can see that there's a lot of value in that, certainly registrants would really appreciate that, maybe the thing to think about here is extra additional security of some sort that you might put on getting that singular TAC that you're going to repurpose for multiple domain names. Maybe that's the path that you want to go down.

I really would hate to see you create a policy, because Roger, you just mentioned it that says one TAC per domain name, but the policy doesn't say that you have to have different TACs for each domain name, and sort of leave that gaping hole, and instead

suggest if you're going to do multiple transfers in parallel, if you will, that you should have a policy that says that the TACs need extra security and that you should figure out what you want that to be and create a policy in that direction.

Maybe you force for example, a two-factor kind of situation on a registrant. This gets you around the problem of hijacking. Rick is correct in what he said, you're opening up quite a door there if you allow for people to repurpose TACs. The whole point we're after here is not having that situation. But I do get the concerns about usability. You know, that's a fair question. You all are in a business and customer service is certainly a priority. So I offer that as something for you to think about to give you a bit closer to convenient usability. Thanks.

ROGER CARNEY: Great. Thanks, Jim. And I just reach back to some discussions I think that we've had prior to this, and that probably—and I don't remember who brought it up but someone brought up probably the biggest exposure in a transfer processes is not necessarily the transfer process itself, but somebody got compromised outside of the process. And to your point, Jim, is 50 TACs better than one TAC? Yeah, and you can see that, but someone hacked into somebody's email, they still have the 50 TACs. Is it more inconvenient for them? Sure. But if something's compromised, I don't know that that fixes that problem. But again, as you and Rick both mentioned obviously, one TAC for 50 names is less secure than 50 TACs for 50 names. So, something to discuss. Zak, please go ahead.

ZAK MUSCOVITCH: Thank you, Roger. So I just want to share my thought that if it's technically possible to transfer a load of domain names in bulk, using a single TAC, the policy could permit that. But it doesn't necessarily follow that every registrar must do that. One reason I point that out is that if a registrar feels comfortable in employing a single TAC for a bulk transfer with one of its known customers, a large domain investor, brand protection company or whatnot, that registrar might be in a position to say I feel comfortable with this, I know who my client is, I know, this isn't a scam. And they should be able to do that. Which is a different scenario than mandating that every single bulk transaction must be permitted. Thank you.

ROGER CARNEY: Great. Thanks, Zak. And thanks for that delineation there that just because it's possible doesn't mean it has to go that way. And that's a good scenario of allowing one or forcing one to one. And to Volker's point in chat there, correct, if there's 100 domains, that's just one email and I think that was our intent. I would have to go back to look at our recommendations specifically, but I think that was our intent in our recommendations, is that we could group those as needed to the registrant, the notices. So I think that we've got that covered, but everybody should go back and look at those recommendations. And that's kind of the purpose of this exercise, is making sure those recommendations that we came up with still allow a multiple domain transfer in an efficient way.

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Okay. Any other comments or questions on B5? And I think someone in chat, I didn't quite catch it, but also asked, what should additional security measures—what does that mean? And I think Jim kind of hit on it. Maybe there's a-two factor if it's something like that, or maybe the TAC requirements are tougher, whatever it is. Is there something more on top of what we've already suggested in bulk scenarios? I don't know that there is. But it's a question that we should answer and logically walk through to see if that makes sense. So Jim, please go ahead.

JIM GALVIN: Thanks, Roger. I admit that I'm not certain about what the language was, and you just sort of acknowledged that it's been a while since we kind of looked at all of that. So let me just for the record here state the kind of—if I wanted to be most secure, would I be looking for in the starting language, and that is to say that TAC should be unique per domain name at the registrar so that there is no way to reuse a TAC for any set of domain names at that particular registrar.

Now, if you're randomly generating them at each usage, then you accomplish a particular requirement. But the precision required here is the domain of uniqueness. That's what I would suggest looking for from a basic security point of view, and then what I was offering before and you just added is okay, so that's obviously a bit tedious at a minimum, and certainly not customer service friendly when you're trying to do some kind of volume transfer of names. And so I would suggest, then, adding a separate policy that does a little bit of a carve out for just those kinds of scenarios. And that's where I would add these additional security services.

Maybe you have to do two-factor authentication on the registrant before they can move more than one domain at the same time, that that's what they have to do. And that's a security feature, right? You're trying to just cover the fact that you don't want them having a hijack, or any kind of hijack putting them at huge risk. And I think I saw another one, and I'm forgetting now, at the moment, there was another thing.

Oh, Rick had also said in the chat about maybe you would have a shorter window for the TAC validity when you're using one for multiple domains. It just feels like you probably ought to want to put that in there too as an extra layer of protection on behalf of the registrant. And since those rules are already that there's a maximum lifetime to the TAC for the registrars, maybe that's something to think about, maybe that's a suggestion as opposed to a must.

But you need something. You've got to think a little bit about what from a customer service point of view would serve the need here. So I hope that helps. Thanks.

ROGER CARNEY: Great. Thanks, Jim. I think that's the one thing we need to pay attention to, is if a TAC is unique, if an active TAC is unique at the registrar level, it is different than saying that the TAC and domain are unique. And again, I think people can trip over that. But a domain name itself is unique. So no matter what TAC you, can assign the same TAC to all of them, and you would be okay if it was unique per domain. You've got to think about that at that level of, okay, it's got to be unique per registrar, because you can't

enforce that across registrars, otherwise, the registries would have to be doing it. The issue is if it's unique, and again, I think unique and being active because it's one of those where you'll end up repeating it in 10 years or whatever, but if it's unique per registrar versus unique per domain. Rick, please go ahead.

RICK WILHELM: Thanks, Roger. And I'm just going to sort of plus one what you said and maybe be a little bit more dramatic. I'm going to give you one of my authorization codes. G-136867 Is your Google verification code. That was sent to me by Google when I was logging in on some two-factor thing. And this has happened to probably everybody within earshot. That number is active in that context for a particular period of time, like 15 minutes, and then it expires, right?

There's obviously only six digits in that number. And some algorithm at Google is going to roll those every so often. But there's a window during which—and that's sort of how I think—the window during that thing is valid for that time window for my use case, in my situation. And if I get it right, then I'm good. But if Jim Galvin was using that number, it wouldn't work for something because he wouldn't be pairing that with a certain URL, right? That sort of thing.

And that's sort of how I think of TACs, right. And while we want to have them unique, it's really more the time boundedness of validity, that in the context, also helps keep them secure in there. And so I think that that's an important thing for everybody to remember about TACs. Hopefully that's helpful. Thank you.

ROGER CARNEY: Great, thanks, Rick. Okay, we're down to one minute left of today's call. I think we've made good progress, and again, really good discussion throughout the whole call. So I think here, we're trying to focus on a registrant request here. And is there anything needed? Are there any changes needed?

And again, I think the big focus is here is, can one TAC be assigned to 10, basically creating a transaction? So I think between now and next week, think about that. Can one TAC be used to transfer 10 domain names, or should they actually have 10 different TACs? And again, think about the notifications.

I think our notifications allow us to roll these up. So take a look at our notifications and make sure that it does. And again, but Jim and Rick has been talking about this, uniqueness on the TAC level, we need to be careful of and make sure that that's clear, and how the correct level is.

So again, think about those over the next week. And again, thanks for the great discussion today. And we'll talk to everybody next week. Thanks.

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