Transfer Policy Review Final Report

GNSO Council Meeting
13 February 2025

Transfer Policy Review - Agenda

- **Introduction**
  - WG Chair's opening remarks
  - Background on the Transfer Policy
  - New PDP report format and structure
  - New report features
  - Overview of Groups 1A, 1B, & 2 scope

- **Review of Policy Recommendations Group 1A Proposed Recommendations (Inter-Registrar Transfers)**
  - Group 1(a) Inter-Registrar Transfers
  - Group 1(b) Inter-Registrant Transfers
  - Group 2 - Transfer Emergency Action Contact (TEAC), Transfer Dispute Resolution Process (TDRP), Full Portfolio Transfers

- **Open discussion and questions**

> DISCLAIMER: These slides are extreme summaries of the recommendations. Please refer to the full report when considering them and as a whole.

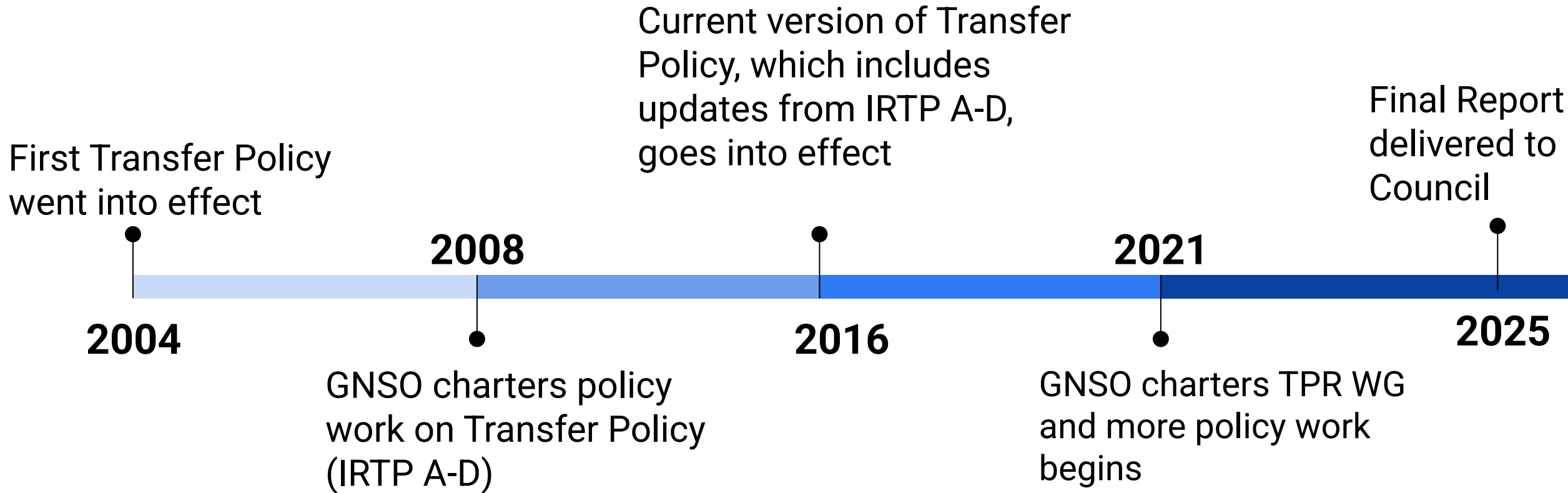# Background on the Transfer Policy and improvements

The Transfer Policy is a consensus policy that governs the process for transferring a gTLD domain name from one registrar to another.
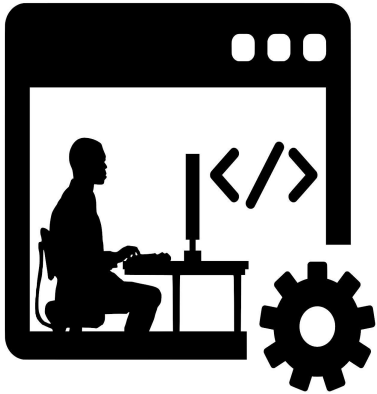
Overarching goals of Transfer Policy and Previous Policy Improvements

1 Enable RNH to change registrar, thereby increasing competition and choice

2 Ensure policy includes sufficient protections to prevent fraudulent transfers and domain name hijacking;

3 Clarify policy language so that ICANN-accredited registrars consistently interpret and apply the policy

Background on the Transfer Policy

Current version of Transfer Policy, which includes updates from IRTP A-D, goes into effect

Final Report delivered to Council

First Transfer Policy went into effect

2008

2021

2004

2016

2025

GNSO charters policy work on Transfer Policy (IRTP A-D)

GNSO charters TPR WG and more policy work begins

Final Policy Recommendations - Group 1(a)

Inter-Registrar Transfers

TPR WG - Group 1(a) Recommendations

Rec # 1 & 2 - Terminology Updates

RECOMMENDATION OVERVIEW	
	1. References to WHOIS must be changed to Registration Data Directory Services (RDDS).
	2. References to Administrative Contact or Transfer Contact must be updated to Registered Name Holder.

IMPACT	
	LOW ←
	MEDIUM
	HIGH
	● Terminology changes only

RATIONALE	
	● Harmonizes language with new Registration Data Policy and EPDP Temp Spec policy recommendations.

TPR WG - Group 1A Recommendations

Rec # 3 - Transfer Restriction After Initial Registration

RECOMMENDATION OVERVIEW	3. The Registrar MUST restrict RNH from transferring a domain name to a new Registrar within 720 hours (30 days) of the initial registration date.

IMPACT

LOW ⬅

MEDIUM

HIGH

- Creates new consistent requirement for 30-day restriction (current 60-day restriction is not mandatory and is inconsistently applied)

RATIONALE

- Single requirement across the industry will result in a better experience for registrants.
- Provides opportunities to identify issues with payment, time for complainants to file UDRPs, and reasonable time to wait for a legitimate transfer
- Consistent with post transfer restriction, recommendation 18.

TPR WG - Group 1A Recommendations

Rec # 4, 5, 6 - Transfer Authorization Code: Term + Definition + SLA

RECOMMENDATION OVERVIEW

4. Replaced term "AuthInfo Code" w/ "Transfer Authorization Code" or "TAC"
5. Created definition for TAC, which is required for a domain name to be transferred
6. TAC must be set at the Registry and issued to RNH within 120 hours (5 days)

IMPACT

LOW ←

MEDIUM

HIGH

- 4: Terminology change only (AuthInfo to TAC)
- 5: Evolved definition from AuthInfo Code
- 6: Clarifies status quo

RATIONALE

- Clarity for all parties if single term is used universally
- Revised definition to clarify the TAC's function
- No compelling reason to change the current requirement for issuance timing

TPR WG - Group 1A Recommendations

Rec # 7, 8, 9 - TAC Composition, Verification, & TTL

RECOMMENDATION OVERVIEW	7. TAC Composition meets minimum requirements in RFC 9154 8. TAC stored at the Registry and Registry verifies it meets syntax requirements 9. Valid for 36 hours & can be reset by agreement among parties or for security reasons

IMPACT

LOW
MEDIUM ⬅
HIGH

- Updated security requirements to the TAC will involve planning and system changes for Registrars & Registries
- Enhanced security for registrants

RATIONALE

- Brings requirements for the composition of the TAC in line with RFC 9154 & successor standards
- Registry verification provides check on randomness
- TTL enhancement enforces security around unused TACs

TPR WG - Group 1A Recommendations

RECOMMENDATION OVERVIEW	10. TAC only upon request & Registry must store it securely 11. Registrar MUST send notification of TAC issuance within 10 minutes with details and instructions (provided in recommendations)
IMPACT	LOW MEDIUM ⬅ HIGH ● Updated security requirements to the TAC will involve planning and system changes for Registrars & Registries ● RNH will experience changes from the current Transfer policy
RATIONALE	● Removes likelihood a TAC exists and is stored over extended periods risking breach or compromise ● TAC is only generated when it's needed and must be stored securely ● RNH consistently receives the necessary information for proper call to action, especially where unauthorized or unintended transfers are detected

TPR WG - Group 1A Recommendations

Rec # 12, 13, 14 - TAC Verification, Single Use & Maintenance of Records

RECOMMENDATION OVERVIEW

12. Registry MUST verify TAC is valid in order to accept an inter-Registrar transfer request
13. TAC MUST be used no more than once
14. Registrar MUST retain all records pertaining to TAC management and processing

IMPACT

LOW ←

MEDIUM ←

HIGH

- Verification of "AuthInfo" code is already a requirement under the TempSpec
- Updated security requirements to the TAC will involve planning and system changes for Registrars & Registries
- RNH will experience changes from the current Transfer policy
- Registrars are already required to maintain records regarding transfers

RATIONALE

- Verification is consistent with this per Appendix G of supplemental procedures of the TempSpec
- The "one time use" principle limits the number of transactions, increasing security
- Records maintenance seeks to ensure necessary information is available to for compliance

TPR WG - Group 1A Recommendations

Rec # 15, 16, 17 - Gaining & Losing FOA, Transmission of IANA ID

RECOMMENDATION OVERVIEW

15. Gaining FOA requirement eliminated
16. Registry must provide Gaining Registrar's IANA ID to Losing Registrar
17. Losing FOA (now called Transfer Confirmation) and procedure retained

IMPACT

LOW
MEDIUM
HIGH

- Gaining FOA not used due to TempSpec and compliance enforcement on-hold
- IANA ID req will involve planning and system changes for Rrs & Rys
- Registrants already experience the Losing FOA in today's transfers

RATIONALE

- Transfer process has functioned without the Gaining FOA since GDPR went into effect
- Enables consistent messaging by the Losing Registrar as to where the domain is being transferred
- Losing FOA label is confusing to Registrants, so updating terminology will improve understanding and is a critical feature in the overall security model

TPR WG - Group 1A Recommendations

Rec # 18 - Transfer Restriction After Inter-Registrar Transfer

RECOMMENDATION OVERVIEW

18. Registrar MUST restrict the RNH from transferring a domain name to a new Registrar within 720 hours of the completion of an inter-Registrar transfer; Registrar MAY remove the 720-hour inter-Registrar transfer restriction early if specified conditions are met. Registrar MUST maintain records.

IMPACT

LOW

MEDIUM ⬅

HIGH

- New post-transfer restriction is reduced from an inconsistently-applied 60 days to a consistently-applied 30 days via Consensus Policy

RATIONALE

- A single requirement across the industry will result in a better experience for registrants and will also consistently prevent the transfer of a domain multiple times in rapid succession
- Recognizes that there may be situations where early removal of the 30-day post-transfer restriction is necessary (intentional, mutual agreement, escrow situations, and evidence of acceptable use violations)

TPR WG - Group 1A Recommendations

Rec # 19 - Notification of Transfer Completion

RECOMMENDATION OVERVIEW	19. Registrar MUST send a "Notification of Transfer Completion" to the RNH without undue delay but no later than 24 hours after the transfer is completed

IMPACT	LOW / MEDIUM ← / HIGH	● Requires a new notification, which will require planning and system updates for Registrars

RATIONALE	● Ensures the RNH consistently receives the necessary information for an inter-Registrar transfer ● If the RNH receives the notice and determines that the transfer is unauthorized or unintended, the RNH may seek the appropriate remedy

TPR WG - Group 1A Recommendations

Rec # 20 - Format of Transfer Policy Section I.A.3.7

RECOMMENDATION OVERVIEW	20. If Losing Registrar denies a transfer request for one of the enumerated reasons, Losing Registrar MUST provide the reasoning to the RNH and **upon request** to the Gaining Registrar.
IMPACT	LOW ← / MEDIUM / HIGH • Confirms Status Quo
RATIONALE	• Losing Registrars do not typically provide reasoning the Gaining Registrar, but this update allows a Gaining Registrar to request and obtain the reasoning if needed.

TPR WG - Group 1A Recommendations

Rec # 21-24 - Reasons for Denying Transfer Requests

RECOMMENDATION OVERVIEW	
	Process Stage: Process & Confirm Transfer Request 21. Enumerated reasons Registrar **MAY deny** request (e.g., evidence of DNS abuse) 22. Enumerated reasons Registrar **MUST (formerly MAY)** deny request (e.g., 30 days from registration) 23. Enumerated reasons Registrar **MUST deny** request (e.g., pending UDRP proceeding) 24. Enumerated reasons Registrar **MUST NOT deny** request (no response from RNH)

IMPACT	
	LOW ← MEDIUM HIGH ● Textual changes for Clarity

RATIONALE	
	● The Working Group reviewed all of the reasons for denying/NACK-ing transfers and clarified the language for clarity, readability, and consistency.

Group 1(b) Recommendations

Change of Registrant Data

TPR WG - Group 1B Recommendations

Rec # 25 - Change of Registrant Data

RECOMMENDATION OVERVIEW

25: "Change of Registrant" to be replaced with "Change of Registrant Data"

25.1: CORD = Material Change to the RNH name or organization, or any change to the RNH email address

25.2: "Material Change" remains fit for purpose

25.3: CORD ≠ addition or removal of privacy data in RDDS (when privacy service are provided by the Registrar or its Affiliates)

IMPACT

LOW ⬅

MEDIUM ⬅

HIGH

- 25: Terminology changes
- 25.1-.2: Confirms status quo
- 25.3: New guidance on the addition/removal of privacy services

RATIONALE

- Updated terminology and exceptions more clearly denotes the purpose of the policy
- Helps ensure the policy is followed where relevant and appropriate

TPR WG - Group 1B Recommendations

Rec # 26 - Standalone Policy and Updates to Section II of Transfer Policy

RECOMMENDATION OVERVIEW

26: Create a standalone "Change of Registrant Data" policy, existing outside of the Transfer Policy

26.1: Remove "Designated Agent" from CORD policy

26.2: Remove Section II.B "Availability of Change of Registrant" from CORD policy

26.3: Remove requirement that both the Prior Registrant and the New Registrant confirm COR

26.4: Remove 60-day post-COR Registrar transfer restriction (and opt-out)

IMPACT

LOW ⬅
MEDIUM ⬅
HIGH ⬅

- 26: Only a separation of policies (low)
- 26.1: Term removal alters status quo, requires Rr planning/system changes (med)
- 26.2: Requirements under Section II.B are largely duplicative of other policies (low)
- 26.3: Removal of current confirmation requirement (high)
- 26.4: Removal of inter-registrar transfer restriction (high)

RATIONALE

- CORD is not a Registrar transfer
- Separation ensures CORD process is clearly documented and clearly defined
- CORD process should be available at any time during a domain's registration period
- 60-day post-COR lock causes registrant frustration and not demonstrably prevented domain hijacking
- Other WG recommendations provide more security (ex: TAC, 30-day post-transfer lock, CORD notice)

TPR WG - Group 1B Recommendations

Rec # 27 - Change of Registrant Data Notification

RECOMMENDATION OVERVIEW

27: Registrar MUST send a Change of Registrant Data notification to the RNH no later than 24 hours after CORD occurred (subject to Rec 28)

27.1-.7: CORD notification requirements (language, elements, medium, email specifications, consolidation)

IMPACT

LOW

MEDIUM

HIGH ←

- Requires Rr planning/system changes
- Read together with Rec 28, registrants may opt out of this mandatory notification

RATIONALE

- Notifications help ensure that unintended or unexpected changes are caught and addressed promptly
- Empowers RNH with full context and understanding of the update

TPR WG - Group 1B Recommendations

Rec # 28 - Opt out of Change of Registrant Data Notification

RECOMMENDATION OVERVIEW

28: Registrar MAY provide RNH the option to opt out of receiving Change of Registrant Data notifications

28.1-.6: Opt out requirements (default activation, clear instructions and warning, records, data field options)

IMPACT

LOW

MEDIUM

HIGH ←

- Read together with Rec 27, registrants may opt out of this mandatory notification

RATIONALE

- Notifications are a personal data processing activity which may not be deemed absolutely necessary, so the working group recommends the RNH be able to decide if they want to receive these notices
- However, since the notification is sent for security purposes, it should be required by default
- Empowers RNH to know the consequences of disabling security option before opting out

Group 2 Recommendations

Transfer Emergency Action Contact (TEAC), Transfer Dispute Resolution Policy (TDRP), Full Portfolio Transfers

Introduction to Group 2 Recommendations

Transfer Emergency Action Contact (TEAC)

According to Section I.A.4.6 of the Transfer Policy, Registrars are required to designate a Transfer Emergency Action Contact (TEAC) to facilitate urgent communications relating to inter-Registrar transfers with the goal of quickly establishing a real-time conversation between Registrars in case of an emergency.

Transfer Dispute Resolution Policy (TDRP)

In any dispute relating to inter-Registrar domain name transfers, Registrars are encouraged to first attempt to resolve the problem among the Registrars involved in the dispute. In cases where this is unsuccessful and where a Registrar elects to file a dispute, the Transfer Dispute Resolution Policy (TDRP) details the requirements and process to do so.

ICANN-Approved Transfers

Section I.B of the Transfer Policy provides requirements related to an ICANN-approved bulk transfer of a Registrar's gTLD domain names, or a portion thereof, to another Registrar.

TPR WG - Group 2 Recommendations

Rec # 29, 30, 31, 32: Transfer Emergency Action Contact (TEAC) Timing and Communication

RECOMMENDATION OVERVIEW

29. Update required timeframe for TEAC initial response, from 4 hours to 24 hours / 1 calendar day
30. Initial communication to TEAC within 30 days of unauthorized domain loss, or else written explanation
31. Gaining Registrar must update Losing Registrar at least every 72 hours, with specific actions taken
32. Initial communication to TEAC must be/include email (which "starts the clock")

IMPACT

LOW ⬅
MEDIUM ⬅
HIGH

- 29: Reduces operational burden on Rrs while still requiring timely response
- 30: Sets a new outer bound for communications, mostly status quo
- 31: New requirement, may involve Rr planning/system changes
- 32: New requirement, may involve Rr planning/system changes

RATIONALE

- Concerns about current 4-hour timeframe and significant consequences of missing the deadline
- 30-day timeframe aligns with 30-day transfer restriction
- Regular updates introduces transparency and accountability, while maintaining flexibility
- Requiring the initial TEAC exchange by email ensures that there is a clear, simple paper trail

TPR WG - Group 2 Recommendations

Rec # 33: Request to GNSO for further work on Transfer Dispute Resolution Policy and Potential New Dispute Mechanism

RECOMMENDATION OVERVIEW

33. Recommend the GNSO to request an Issues Report to explore expanding the TDRP to registrant filers and creating a new standalone dispute resolution mechanism for registrants to challenge improper transfers.

IMPACT

LOW ⬅

MEDIUM

HIGH ⬅

- Lack of changes to the TDRP (low)
- Potential future policy work (high)

RATIONALE

- Concern that many issues with unauthorized inter-Registrar transfers fall outside the limited scope of the TDRP, and registrants are left with unfavorable options if registrar is unresponsive or unwilling to file a TDRP complaint.

TPR WG - Group 2 Recommendations: ICANN-Approved Transfers

During this next section of Group 2 Recs, we will be using some explanatory icons to aid understanding.

There are three types of bulk transfers:

1. A registrar is <u>transferring ALL of its gTLD domains</u> to another registrar, because it will no longer operate as a registrar (on a voluntary or involuntary basis). This is akin to a farmer selling their entire farm to a buyer.

2. A registrar is <u>transferring all of its names in a certain gTLD(s)</u> because it will no longer offer those TLDs but will continue operating as a registrar with other approved TLDs, i.e., an RRA is voluntary or involuntarily terminated. This is akin to a farmer deciding to sell all of their cattle to an interested buyer (with no intent in raising cattle anymore), but the farmer will keep growing crops and raising other animals. *Note: there are no specific recommendations for this scenario, but is included for illustrative purposes only.*
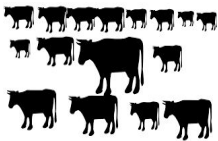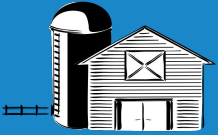
3. A registrar is <u>transferring a portion of its domain name portfolio</u> to another registrar, but will continue offering all of the same TLDs. This is akin to a farmer selling one its cows, but still has cattle and continues to acquire new cattle.

TPR WG - Group 2 Recommendations

Rec # 34: Fees Associated with Full Portfolio Transfers over 50,000 domain names

| RECOMMENDATION OVERVIEW	**34.1.** Registry MAY charge a fee for a full portfolio transfer of 50,000 or more domain names. **34.2.** Registry MUST waive the fee in cases of involuntary full portfolio transfer (ex. ICANN is terminating Rr due to noncompliance)
IMPACT	LOW ⬅ MEDIUM HIGH ● Retention of status quo (50,000 is current threshold) ● Involuntary transfers involving greater than 50,000 domain names are very rare.
RATIONALE	● Implementing a full portfolio transfer requires coordination and administration, so the group recognized the ability to charge a fee was warranted. ● For involuntary full portfolio transfers, it is difficult for ICANN to procure a willing gaining registrar when a fee is involved.

TPR WG - Group 2 Recommendations

Rec # 35, 36, 37, 38: Full Portfolio Transfer Fees and Notices

RECOMMENDATION OVERVIEW
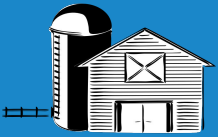
35: Retain the current minimum 50,000 names for fee trigger and the current price ceiling of USD $50,000 (if multiple ROs, collective fee MUST NOT exceed USD $50,000, and MUST be apportioned)

36: If RO opts to waive its portion of the collective fee, remaining ROs MUST NOT adjust their fees higher

37: Upon transfer completion, RO(s) MUST provide notice to ICANN and include the number of domains

38: Upon receipt of all RO notices, ICANN MUST provide affected ROs with the reported numbers and corresponding percentages of domains involved in the bulk transfer

IMPACT

LOW

MEDIUM ⬅

HIGH

- New coordination requirements for Registrars, Registries, and ICANN org
- Having threshold of 50,000 domain names across all TLDs (rather than per TLD), increases the amount of full portfolio transfers where fees are involved
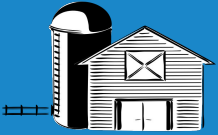
RATIONALE

- Retaining a price ceiling promotes transparency and prevents unintentionally high fees
- Equitable fee apportionment ensures any voluntary fee waiver does not result in gaming
- Introduction of Affiliates into the minimum domain threshold allows Registry Affiliates who meet the threshold to charge a fee

TPR WG - Group 2 Recommendations

Rec # 39: Gaining Registrar Responsibility for Payment of Fees for Full Portfolio Transfer

RECOMMENDATION OVERVIEW

39: Gaining Registrar MUST be responsible for paying any relevant Registry fees related to any voluntary full portfolio transfer that it initiated and approved.

IMPACT

LOW ⬅

MEDIUM

HIGH

- Maintains and clarifies status quo

RATIONALE

- The Gaining Registrar should be responsible for paying the fee to the Registry Operator as (i) the Gaining Registrar is voluntarily inheriting new customers, and (ii) the Losing Registrar may be going out of business and, accordingly, may be unable to pay the fee

TPR WG - Group 2 Recommendations

Rec # 40, 41: Inclusion of Bulk Transfer After Partial Portfolio Acquisition (BTAPPA)

|	
RECOMMENDATION OVERVIEW	**40:** Update Transfer Policy to include the Bulk Transfer After Partial Portfolio Acquisition (BTAPPA) **41**: Expand BTAPPA to allow for transfer when customers of Registrar (such as reseller) elects to transfer its portfolio of names to another registrar
IMPACT	LOW MEDIUM HIGH ⬅ • Represents significant expansion of BTAPPA service
RATIONALE	• Creates consistency and predictability across all Registries • There are situations where resellers may need to move all of their names due to privacy concerns with a particular jurisdiction, and there is not currently a way to do this without significant manual effort.

TPR WG - Group 2 Recommendations

Rec # 42, 43, 44, 45: Requirements of BTAPPA

RECOMMENDATION OVERVIEW
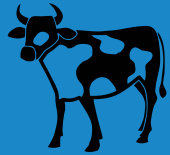
42: Registrar (or reseller) MUST notify affected registrants approximately one month before transfer is to occur.

43: Expiration dates are not affected by BTAPPA; accordingly, no ICANN fees.

44: Registry MUST reject BTAPPA request if there is reasonable evidence BTAPPA is requested to avoid paying fees. Registry MAY reject request if request occurs within six months of another BTAPPA request.

45: Registrar's Registration Agreement must permit BTAPPA.

IMPACT

LOW ⬅

MEDIUM ⬅

HIGH

- 42: New notice requirement for Registrars
- 43, 44: Confirms status quo of current BTAPPA
- 45: May require changes to some Registrar's Registration Agreements

RATIONALE

- Advance notice will allow registrants to transfer their name elsewhere or opt out where applicable
- Because this is a transfer initiated by the registrar rather than the registrant, there is no change to the expiration date.
- Allows Registry to reject BTAPPA request under certain circumstances
- Ensure additional notice to registrants via registration agreements.

TPR WG - Group 2 Recommendations

Rec # 46, 47: BTAPPA Requirements continued

RECOMMENDATION OVERVIEW	**46:** ROs MAY charge a fee for a change of sponsorship, but ROs MUST provide notice to Registrars of any fees associated with a change of sponsorship upon request and prior to the initiation of the transfer
	47: In a change of sponsorship, Gaining Registrar MUST NOT impose a new inter-registrar transfer restriction preventing affected registrants from transferring their domains to another Registrar

IMPACT

LOW

MEDIUM ⬅

HIGH

- 46: May require RO planning/system changes
- 47: May require Rr planning/system changes

RATIONALE

- Clarifies that ROs must provide notice to Registrars if charging a fee
- Change of sponsorship is not initiated by affected registrants and does not affect their expiration dates, therefore the lock follows a typical inter-registrar transfer should not apply in this instance

Question & Answer Segment

Engage with ICANN – Thank You and Questions

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