

RDS Purpose: Domain Name Purchase/Sale
DT4 Answers to Questions – Final 7 March 2018

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Purpose Summary: Information to enable contact between the registrant and third-party buyer to assist registrant in proving and exercising property interest in the domain name and third-party buyer in confirming the registrant's property interest and related merchantability.

Definition: This purpose enables contact between domain name registrants and third-party buyers (e.g., small business owners, corporations, and domain name brokers) for unsolicited domain name purchase queries, and for both parties to complete and confirm agreed domain name transfers from seller to buyer.

1. Who associated with the domain name registration needs to be identified and/or contacted for each purpose?

Third-party buyers (e.g., small business owners, corporations, and domain name brokers) need to identify the person or entity that currently holds the rights to a domain name being purchased.

This party may be the domain name's current owner (the Registrant, reached directly) or the domain name's current user (the customer of a Privacy/Proxy provider, reached by relay through the PP).

Buyers may also need to identify persons or entities that have previously held the rights to a domain name being purchased, to assess the domain name's merchantability.

2. What is the objective achieved by identifying and/or contacting each of those entities?

Prior to acquisition, buyers use contact information to send purchase inquiries, in hopes of finding someone willing to sell the desired domain name.

During due diligence, buyers need to identify the party who currently holds the rights to a domain name, confirm whether that potential seller has a relationship with the Registrant Organization, and identify other domain names with which the buyers or sellers may be associated.

To complete a domain name acquisition, buyers need to identify the old and new Registrant to verify that the domain name change in ownership has been accurately recorded.

3. What might be expected of that entity with regard to the domain name?

The potential seller may prefer not to be contacted for this purpose and is under no obligation to reply to such solicitations. In some jurisdictions, unsolicited solicitations may be considered spam, and repeated "offers to buy" can be construed as harassment.

The buyer expects that the Registrant (or for Privacy/Proxy-registered domain names, the PP customer) has the legal right to sell the domain name.

In the case of relayed communication, both buyer and seller expect communication to the authentic entity who has legal rights to sell the domain name to be relayed by the Privacy/Proxy.¹

Once the seller initiates transfer of the domain name to the buyer, the registrar is expected to complete the transfer process.¹

Additional steps, checks, and processes may need to take place depending on the terms of purchase/sale – this is commonly but not only when additional parties. For example, if an escrow agent is involved, they are expected to verify the transfer to buyer before releasing funds.

¹ The rights and duties of the registrar, the PP, and the registered name holder are detailed in contracts between those parties.