



# **Shared Registry System**

## **Billing Business Rules**

Version:  
Author:  
Date:

2.0  
Dave Baker  
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# 1 Introduction

## 1.1 Change History

Version	Date	Description
1.0	May 2003	<b>Original Document</b>
2.0	July 2003	<b>Enhancement to the Renew Parameter - Override Automatic Billing Catch-up</b> The purpose of this enhancement is to provide the registrars with a method of overriding the automatic billing catch-up process when a domain is out-of-date.  If a valid renew request is present in a DomainUpdate transaction then no billing catch-up will occur. A renew request in a DomainUpdate transaction will either be rejected (invalid request) or the domain will be renewed for the term specified in the transaction.  <b>Billing Rules 1,4,5,6 8, 9 and 15 have been updated.</b>

## 1.2 Overview

This document details the business rules that are followed by the SRS for the billing of domain names.

All dates referred to in this document are made up of the date + time + timezone.

Wherever the term "A register will be billed" is used in this document, Registrar Account transactions will be created. Refer to the Glossary for the definition of Registrar Account transaction.

## 2 Billing Rules

Rule	Subject	Description
1	General	<p>The SRS will ensure that all Registrar Account transactions are processed in the “correct order”, even if there has been a delay in processing (the scheduled automatic renewal process may run late for example). There is one exception to this rule and that is when a valid renew request is present in a DomainUpdate transaction and the domain is out-of-date (Refer to Billing Rule #5, Renew Now).</p> <p>Registrar Account transactions will be created as early as possible within a new billing period, normally on the first day.</p> <p>Currently the automatic renewal process occurs at 23:30 each day and any domains that are due for renewal will be renewed. (Refer to Billing Rule #5 Renewal)</p> <p>“correct order” means order by BilledUntil date (for Renewal transactions) and by Front End received date (for update transactions).</p> <p>For example if a DomainUpdate transaction without a Renew parameter is received (Front End received date) after the BilledUntil date for a domain and before the scheduled SRS renewal process, then a Renewal auto-catch-up transaction will run before the update transaction is processed. The requesting Registrar will be billed for the domains new billing period.</p>
2	Monthly Anniversary	<p>Billing will be generated in units of the minimum term (one month). The new BilledUntil date will fall on the “monthly anniversary” of the registration date (or the previous valid day if this is not a valid date) unless this domain name came across from the DRS with a Registration date that didn't match its BilledUntil date. In this case the new BilledUntil date will be the same as the old BilledUntil date from the DRS (called the BillDay).</p>
3	Create	<p>A registrar will be billed if they create a domain name. A domain name's billing period will begin on its registration date and extend for the number of monthly increments indicated by the billing term in the Create transaction. (Refer to Billing Rule #6 for Grace Periods)</p>

- 4 Renewal "PendingRelease" domain names will not be automatically renewed by the SRS and therefore no billing will be generated and the registrar will not be billed.

When an "Active" domain name becomes due for renewal (the BilledUntil date is passed), it will automatically be renewed by the SRS and the registrar will be billed for the domain name's new billing period.

The domain name's new billing period will begin from its old BilledUntil date and extend for the number of monthly increments indicated by the billing term on the domain as at the old BilledUntil date. (Refer to Billing Rule #6 for Grace Periods)

- 5 Renew Now A domain name can be renewed outside of the SRS automatic renewal process (Billing Rule #4) by using the Renew=1 parameter on the DomainUpdate transaction (Renew transaction).

A "PendingRelease" domain names can only be renewed by a Renew transaction if an uncancel parameter is part of the transaction (Refer to Billing Rule #9 for Uncancel).

An "Active" domain name can be renewed using the Renew transaction.

If the Renew=1 parameter is present and the Term=n parameter is not present then the Renew transaction is rejected with message:

"You must specify the term of the renewal"

The Renew transaction will not be accepted if the end of the new billing period is more than 120 months from the current date.

The requesting registrar will be billed for the domain name's new billing period and Registrar Account transactions will be created immediately.

#### **Domain during it's current billing period (BilledUntil in the future)**

A Renew transaction for a domain name during its current billing period will result in the domain being renewed and the requesting registrar will be billed for the domain name's new billing period. The domain name's new billing period will begin from the effective BilledUntil date and extend for the number of monthly increments indicated by the term specified in the Renew transaction request.

## **Domain after it's current billing period has expired (out-of-date)**

A Renew transaction for a domain name after it's current billing period has expired (before the automatic renewal process has run for "Active" domains) will result in the following:

If the term specified in the Renew transaction request is too small to bring the domain up-to-date, then the WHOLE transaction is rejected. i.e. don't do the billing catch-up or any updates to the domain. The transaction is rejected with message:

"The term for a renew transaction must be sufficient to bring the domain up to date"

If the term specified in the Renew transaction request is sufficient to bring the domain up-to-date, then a billing catch-up will NOT be run, the domain will be renewed. The domain name's new billing period will begin from the effective BilledUntil date and extend for the number of monthly increments indicated by the term specified in the Renew transaction request.

### 6 Grace Periods

RegistrationGracePeriod for a domain will begin at the current date and time of Registration.

RenewalGracePeriod for a domain will begin at either the BilledUntil date or the date and time of the Renew transaction, whichever is earlier.

Cancelling a domain name after the end of its Grace Period will have no effect on the billing for that domain name.

If a registrar renews a domain or transfers and renews a domain that is out-of-date, the grace period starts from the BilledUntil date. Therefore a domain that is two months out-of-date and renewed for twelve months and then cancelled the following day, the domain will not be rolled back, the twelve month renewal will stand. The grace period started from the BilledUntil date two months ago. Alternatively a registrar could uncancel the domain and allow the auto-renewal process to bring the domain up-to-date and then send a renewal transaction to renew the domain for the required amount and this renewal will have a grace period.

- 7 Cancel Domain names cancelled outside their grace period will incur no further billing during the pending release period.

Domain names cancelled during their grace period will not be billed.

Where a domain name is cancelled within the RegistrationGracePeriod, all Registrar Account transactions for that domain will be cancelled.

Where a domain name is cancelled within the RenewalGracePeriod of any Renew transaction, that Registrar Account transaction will be cancelled and the BilledUntil date of the domain rolled back to the previous value.

- 8 Transfer Transferring a domain name without specifying the Renew parameter in the transfer request will have no effect on any billing that has occurred or that is outstanding for that domain. I.e. The registrar that held the domain name when it was due for renewal will be billed and this billing will stand even if the domain name is transferred to another registrar inside the RenewalGracePeriod.

Transferring a domain name and specifying the Renew parameter in the transfer request will result in any outstanding catch-up billing being included in the Renew request made by the gaining registrar and therefore the gaining registrar pays for any outstanding billing (Refer to Billing Rules #5 and 9).

- 9 Uncancel **Pending Release Domain during it's current billing period**

If a "PendingRelease" domain name with its BilledUntil date in the future is uncanceled then no billing will be generated for the domain.

**Pending Release Domain and current billing period has expired**

Billing rule #4 Renewal, will be applied if a "PendingRelease" domain name with its BilledUntil date in the past is uncanceled **without specifying the Renew parameter** in the uncanceled request. This is an Automatic Billing Catch-Up case. **If** the domain was cancelled outside the renewal grace period then the SRS will renew the domain with increments of the minimum term until the domain is paid up-to-date. **Else if** the domain was cancelled inside the renewal grace period then the SRS will renew the domain with the term that was in effect at the current BilledUntil date on the domain.

Otherwise

Billing rule #5 Renew Now, will be applied if a domain name during its pending release period is uncanceled **and the Renew parameter is specified** in the uncanceled request. Any outstanding catch-up billing is included in the renew request made by the uncancelling registrar and therefore the uncancelling registrar pays for any outstanding billing.

Registrar Account transactions will be created immediately for any outstanding

billing periods.

- 10 **Billing Term** The billing term for a domain name will reset to the minimum term after any Renew, Create or Transfer transactions are processed.
- This will prevent domain names which have been billed for a longer term being automatically renewed for the same term, before the registrar has determined the terms of the renewal, or even if a renewal is required.
- To continue billing the domain name for multiple months at renewal, the registrar will have to set the billing term again, using the standard update process.
- 11 **Locked** Domain names will not be billed while they are locked. Once a domain name is unlocked, Registrar Account 'catch-up' transactions will be created in the normal manner if the domain is active.
- 12 **Invoice** Invoicing of registrars will not occur until after expiry of the longest grace period from the end of the month.
- 13 **Pending Release** If a domain which is pending release becomes due for renewal, it will not be renewed (and therefore not billed).
- 14 **Registrant Ref** The domain name's registrant reference field is a means of identification by which the Registrant may be known in the Registrar's system.
- If the domain name is transferred, the registrant reference field is updated, if it is provided in the transfer, otherwise it is blanked out.
- If the registrar id has not changed between the BilledUntil date and the time that the Registrar Account transaction is created, then the domain name's registrant reference field will be included in a Registrar Account transaction.
- If the registrar id has changed then the registrant reference field that is applicable to the registrar id being billed will be used.
- 15 **Update Excluding Renew** If an "Active" domain name is updated after its current billing period has expired and before the automatic SRS renewal process has run, a billing catch-up will be automatically run using the billing term at the BilledUntil date. (Refer to Billing Rule #4 Renewal)
- A new BilledUntil date will be generated. The Update transaction will then be applied to the updated domain name with the new BilledUntil date (as described in Billing Rule #1).

# 3 GLOSSARY

## **Registrar Account Transactions**

The SRS generates Registrar Account Transactions immediately when a billing event occurs (e.g. a domain is renewed). Registrar Account Transactions are created in a “Pending Confirmation” status and defined as ‘transactions that have not yet been confirmed by the accounting system’.

Registrar Account Transactions “Pending Confirmation” are to be considered subject to change at all times. The SRS may elect to modify, or even delete them, without warning. They are the sole source of information provided by the SRS to the Registry accounting system. They also provide billing queries from the SRS with information about what is likely be billed, allowing Registrars to see a more complete picture of their financial commitment to the Registry.

## **Pending Release Period**

A period of time (currently 90 days) after a domain is cancelled during which the domain will not be made available for others to register. The Registrant will retain the right to re-instate their rights to the domain during this period.

## **Front End received date**

The date the XML update request was received by the SRS Front End Server.

## Appendix A - Examples

### Rule 2 Monthly Anniversary

“monthly anniversary” of the registration date

Example showing the new BilledUntil date will fall on the “monthly anniversary” of the registration date (or the previous valid day if this is not a valid date).

Note: A fix was applied in this SRS release (1.5) to correct the problem where a domain with a registered date at the end of a month (e.g. 31<sup>st</sup>) and the domain was renewed on the 28/2/2003 and the new BilledUntil date was set to 28/3/2003. It should have been set to 31/3/2003.

Registered Date      2001-12-31, 14:23:27

Domain Name	Billed Until Date	Comments	SRS Release
testdomain.co.nz	2004-2-29 , 14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2004-1-31 , 14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-12-31,14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-11-30,14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-10-31,14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-9-30 , 13:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-8-31 , 13:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-7-31, 13:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-6-30 , 13:23:27	Renew 3 months Renewed to 30 June, last day of month	1.5
Testdomain.co.nz	2003-3-28 , 13:23:27	Renew 1 month, <b>Renewed to 28 March not the 31<sup>st</sup>. Fixed in 1.5</b>	Pre Release 1.5
Testdomain.co.nz	2003-2-28 , 14:23:27	Renew 1 month Renewed to end of Feb	Pre Release 1.5
Testdomain.co.nz	2003-1-31 , 14:23:27		Pre Release 1.5

## Rule 2 Monthly Anniversary

“monthly anniversary” of the DRS BilledUntil date

Example of a domain name that came across from the DRS with a Registration date that didn't match it's BilledUntil date.

This example shows the new BilledUntil date will fall on the “monthly anniversary” of the old BilledUntil date from the DRS (called the BillDay) (or the previous valid day if this is not a valid date).

Registered Date 2001-11-03, 00:00:00  
DRS BilledUntil Date 2003-01-31, 14:23:27  
BillDay 2003-01-31, 14:23:27

Domain Name	Billed Until Date	Comments	SRS Release
Testdomain.co.nz	2004-2-29 , 14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2004-1-31 , 14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-12-31,14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-11-30,14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-10-31,14:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-9-30 , 13:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-8-31 , 13:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-7-31, 13:23:27	Renew 1 month	1.5
Testdomain.co.nz	2003-6-30 , 13:23:27	Renew 3 months	1.5
Testdomain.co.nz	2003-3-28 , 13:23:27	Auto Renew 1 month	Pre 1.5
Testdomain.co.nz	2003-2-28 , 14:23:27	Auto Renew 1 month	Pre 1,5
Testdomain.co.nz	2003-1-31 , 14:23:27		Pre 1.5

## Rule 5 Renew Now

Example of a domain renewed for 6 months a few hours after the current term has expired.

**Note: No Automatic renew is applied to the domain.**

Domain Name	Status	Time of update	Billed Until Date	Change
Nzrstest.co.nz	Active	2003-4-30 ,12:00:00	2003-10-30,11:01:05	Renewed for 6 months
Nzrstest.co.nz	Active		2003-4-30 ,10:01:05	Before update

## Rule 8 Transfer

Example of a transfer from Reg A to Reg B just after the current term has expired.

Note: Reg A that held the domain name when it was due for renewal will be billed and even though the name was transferred in the RenewalGracePeriod,

**Note: Reg A is not able to cancel the domain and reverse the 1 month renewal that they have incurred after it has transferred.**

Domain Name	Reg Id	Status	Term	Time of transfer	Billed Until Date	Change
nzrst1.co.nz	B	Active	1	2003-4-30,15:42:50	2003-5-30,11:35:01	Transfer to Reg B,
nzrst1.co.nz	A	Active	1	2003-4-30, <b>15:42:50</b>	2003-5-30, 11:35:01	Transfer to Reg B, Auto Renew for Reg A
nzrst1.co.nz	A	Active	1		2003-4-30, 11:35:01	Before Transfer

## Rule 9 Uncancel

Example of a domain name that is PendingRelease and has 3 months outstanding on it's BilledUntil date. It is transferred to Reg B, uncancelled, and renewed for 12 months.

The domain is renewed for 12 months (**No Catch-up**).

Reg B will get a bill for a twelve month renewal.

Domain Name	Reg Id	Status	Term	Time of Update	Billed Until Date	ChangedByRegistrarId
nzrst2.co.nz	B	Active	1	2003-4-30,16:50:17	2004-2-16,09:47:01	Transfer to Reg B, Uncancel and Renew for 12 months for Reg B
nzrst2.co.nz	A	Pending Release	1		2003-2-16,10:47:01	Before Transfer

Example of a domain name that is PendingRelease and has 3 months outstanding on it's BilledUntil date. It is transferred to Reg B, uncancelled.

The domains BilledUntil is automatically brought up-to-date with three one month auto renewals.

Reg B will get a bill for three one month renewals.

Domain Name	Reg Id	Status	Term	Time of Update	Billed Until Date	ChangedByRegistrarId
nzrst2.co.nz	B	Active	1	2003-4-30,16:50:17	2003-5-16,09:47:01	Transfer to Reg B, Uncancel
nzrst2.co.nz	B	Pending Release	1	2003-4-30,16:50:17	2003-5-16,09:47:01	Transfer to Reg B, Auto Renew for Reg B
nzrst2.co.nz	B	Pending Release	1	2003-4-30,16:50:17	2003-4-16,09:47:01	Transfer to Reg B, Auto Renew for Reg B
nzrst2.co.nz	B	Pending Release	1	2003-4-30,16:50:17	2003-3-16,09:47:01	Transfer to Reg B, Auto Renew for Reg B
nzrst2.co.nz	A	Pending Release	1		2003-2-16,10:47:01	Before Transfer

### Rule 15 Update Excluding Renew

Example of an update to the term of a domain 11 minutes after the current term has expired.

Note: Automatic renew is applied before the update to the term field.

Domain Name	Status	Term	Time of Update	Billed Until Date	Change
nzrstest.co.nz	Active	2	2003-4-30 , 15:12:38	2003-5-31 , 15:01:01	Domain Update Request - Term updated on Domain
nzrstest.co.nz	Active	1	2003-4-30 , 15:12:38	2003-5-31 , 15:01:01	Domain Update Request - Auto Renew of the Domain
nzrstest.co.nz	Active	1		2003-4-30 , 15:01:01	Before update