



Shared Registry System

Billing Business Rules

Version: 3.0
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1 Introduction

1.1 Change History

Version	Date	Description
1.0	May 2003	Original Document
2.0	July 2003	Enhancement to the Renew Parameter - Override Automatic Billing Catch-up 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is to provide the registrars with a method of overriding the automatic billing catch-up process when a domain is out-of-date.
3.0	April 2018	Formatting changes, NZRS to InternetNZ

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

Subject	Rule	Description
General	1	<p><i>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).</i></p> <p>Notes</p> <ul style="list-style-type: none">I) One exception to this rule is when a valid renew request is present in a SRS protocol DomainUpdate transaction and the domain is out-of-date (Refer to Billing Rule #5, Renew Now).II) Registrar Account transactions will be created as early as possible within a new billing period, normally on the first day.III) 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)IV) “Correct order” means order by BilledUntil date (for Renewal transactions) and by Front End received date (for update transactions). (Refer to Billing Rule #4 and #15)
Monthly Anniversary	2	<p><i>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)</i></p> <p>Notes</p> <ul style="list-style-type: none">I) There are a few legacy domains imported into the SRS with a Registration date that didn't match its BilledUntil date. In this case the new BilledUntil date will be the same as the imported BilledUntil date).
Create	3	<p><i>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.</i></p> <p>Notes</p> <ul style="list-style-type: none">I) Refer to Billing Rule #6 for Grace Periods
Renewal (Auto)	4	<p><i>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)</i></p> <p>Notes</p> <ul style="list-style-type: none">I) Domain names with a Pending Release status will not be automatically renewed by the SRS and therefore no billing will be generated and the registrar will not be billed.II) When domain name with an Active status become due for renewal (the BilledUntil date is passed), they will automatically be renewed by the SRS and the registrar will be billed for the domain name's new billing period.

Renewal
(Manual)

- 5 *A domain name can be renewed outside of the SRS automatic renewal process (Billing Rule #4) by using one of the renewal transactions provided in the SRS and EPP protocols.*

Notes

- I) For the SRS refer to the DomainUpdate transaction with the Renew=1 parameter and for EPP refer to the domain:renew transaction.
- II) For domains that have a Pending Release status:
 - a. SRS protocol, domain names can only be renewed by a renewal transaction if an uncancel parameter is part of the transaction.
 - b. EPP protocol, sending a domain:renew request results in the state of the domain changing to Active, then the domain is renewed.
- III) The renewal transaction will be rejected if the end of the new billing period is more than 120 months from the current date.
- IV) The requesting registrar will be billed for the domain name's new billing period and Registrar Account transactions will be created immediately. 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 renewal transaction request.
- V) A renewal transaction for a domain name after it's current billing period has expired (and before the automatic renewal process has run for "Active" domains) will result in the following:

If the term specified in the renewal transaction request is too small to bring the domain up-to-date, then the transaction is rejected with the message:
"The term for a renew transaction must be sufficient to bring the domain up to date"

If the term specified in the renewal 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.
(Refer to Billing Rule #9 for Uncancel).

Grace
Periods

- 6 *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.

Notes

- I) 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.

For example,

 - a. For a pending release domain that is two months out-of-date and is uncancelled and renewed for twelve months in one transaction, the renewal will not have a RenewalGracePeriod.
(If the domain is cancelled the twelve month renewal and billing will not be rolled back. The grace period started from the BilledUntil date two months ago.)
 - b. For a pending release domain that is two months out-of-date and is uncanceled in one transaction and then renewed for 12 months in a second transaction. The cancel will trigger the auto-renewal process to bring the domain up-to-date. This time the renew transaction will have a RenewalGracePeriod.

- Cancel 7 *Canceling a domain name after the end of its Grace Period will have no effect on the billing for that domain name and will incur no further billing during the pending release period.*
- Domain names cancelled during their grace period will result in billing transactions associated with the grace period being deleted and the domains will incur no further billing during the pending release period.*
- Notes:
- I) Where a domain name is cancelled within the RegistrationGracePeriod, all Registrar Account transactions for that domain will be deleted.
 - II) Where a domain name is cancelled within the RenewalGracePeriod of any Renew transaction, that Registrar Account transaction will be deleted and the BilledUntil date of the domain rolled back to the previous value.
- Uncancel 8a **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.
- Uncancel without specifying the Renew parameter 8b **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.***
- Notes:
- I) The uncancelling registrar pays for any outstanding billing.
 - II) 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.
- Uncancel Renew parameter is specified 8c **Pending Release Domain and current billing period has expired**
*Billing rule #5 Renew Now, will be applied if a domain name during it's pending release period is uncanceled **and the Renew parameter is specified.***
- Notes:
- I) Where a domain name is cancelled within the RegistrationGracePeriod, all Registrar Account transactions for that domain will be deleted.
 - II) The uncancelling registrar pays for any outstanding billing.
 - III) Registrar Account transactions will be created immediately for any outstanding billing periods.
- Transfer 9 *A Transfer only request of a domain name will have no effect on any billing that has occurred or that is outstanding for that domain.*
- Notes
- I) Registrars can use the SRS XML protocol to set the domain term to zero. This indicates that the domain should be cancelled when the next renewal is due. In this case for a transfer only request, no outstanding billing will be generated for the losing registrar and any outstanding billing will be applied to the gaining registrar.
 - II) 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.

- III) For the SRS, 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 #8).

Billing Term	10	<i>The billing term for a domain name will reset to the minimum term after any Renew, Create or Transfer transactions are processed.</i>
		Notes: <ul style="list-style-type: none">I) 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.II) 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.
Locked	11	<i>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.</i>
Invoice	12	<i>Invoicing of registrars will not occur until after expiry of the longest grace period from the end of the month.</i>
Pending Release	13	<i>If a domain which is pending release becomes due for renewal, it will not be renewed (and therefore not billed).</i>
Registrant Ref	14	<i>The domain name's registrant reference field is a means of identification by which the Registrant may be known in the Registrar's system.</i>
		Notes: <ul style="list-style-type: none">I) If the domain name is transferred, the registrant reference field is updated, if it is provided in the transfer, otherwise it is blanked out.II) 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.III) If the registrar id has changed then the registrant reference field that is applicable to the registrar id being billed will be used.
Update Excluding Renew	15	<i>Billing Rule #4 will apply to any "Active" domain name that 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.</i>
		Notes: <ul style="list-style-type: none">I) 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).II) For example if a domain update transaction (no renewal) 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.

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

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).

Registered Date 2001-04-30 00:00:00+12:00

Domain Name	Billed Until Date	Comments
dotnz.net.nz	2018-02-28 00:00:00+13:00	Renew 1 month
dotnz.net.nz	2018-01-30 00:00:00+13:00	Renew 1 month
dotnz.net.nz	2017-12-30 00:00:00+13:00	Renew 1 month
dotnz.net.nz	2017-11-30 00:00:00+13:00	Renew 1 month
dotnz.net.nz	2017-10-30 00:00:00+13:00	Renew 1 month
dotnz.net.nz	2017-09-30 00:00:00+13:00	Renew 1 month
dotnz.net.nz	2017-08-30 00:00:00+12:00	Renew 1 month
dotnz.net.nz	2017-07-30 00:00:00+12:00	Renew 1 month
dotnz.net.nz	2017-06-30 00:00:00+12:00	Renew 1 month
dotnz.net.nz	2017-05-30 00:00:00+12:00	Renew 1 month
dotnz.net.nz	2017-04-30 00:00:00+12:00	Renew 1 month
dotnz.net.nz	2017-03-30 00:00:00+13:00	

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
internetnztest.co.nz	Active	2003-4-30 ,12:00:00	2003-10-30,11:01:05	Renewed for 6 months
internetnztest.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
internetnzt1.co.nz	B	Active	1	2003-4-30,15:42:50	2003-5-30,11:35:01	Transfer to Reg B,
internetnzt1.co.nz	A	Active	1	2003-4-30,15:42:50	2003-5-30, 11:35:01	Transfer to Reg B, Auto Renew for Reg A
internetnzt1.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 12 month renewal.

Domain Name	Reg Id	Status	Term	Time of Update	Billed Until Date	Change
internetnzt2.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
internetnzt2.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	Change
internetnzt2.co.nz	B	Active	1	2003-4-30,16:50:17	2003-5-16,09:47:01	Transfer to Reg B, Uncancel
internetnzt2.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
internetnzt2.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
internetnzt2.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
internetnzt2.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
internetnztest.co.nz	Active	2	2003-4-30 , 15:12:38	2003-5-31 , 15:01:01	Domain Update Request - Term updated on Domain
internetnztest.co.nz	Active	1	2003-4-30 , 15:12:38	2003-5-31 , 15:01:01	Domain Update Request - Auto Renew of the Domain
internetnztest.co.nz	Active	1		2003-4-30 , 15:01:01	Before update