From: Robert ArdillSent: Friday, 22 February 2019 12:32:07 PMTo: auDA Policy ReviewSubject: Direct Registration and Drop Catchers

Hi,

I read through the consultation paper. The paper make no reference to domain drop and associated entities profiting through this process (ie. NetFleet and <u>drop.com.au</u>)

Section 3.3 seems to indicate the practice is prohibited, under the current rules, but clearly these entities are still operating and marketing their services.

They are blatantly facilitating speculation in the market, by advertising up coming drops to entities that have no substantial connection to the domains. <u>land.com.au</u> was a recent example.

It's my opinion that these drop catchers actions are in breach of AUDA policy as they purchase the domain them self, then hold that domain for an auction period, which they have a financial interest (%) in then transfer ownership.

Either the policy endorses this activity via an exemption to 3.3 or prohibits it. Currently it appears to not clearly defined.

My person preference is these activities have a negative impact on the domain name operation, by driving up prices of domains and attracting speculation. The practice should be prohibited and certainly not allowed under any new 2LD domains.

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Regards Rob Ardill