

**INTERIM CODE OF PRACTICE FOR
REGISTRARS AND RESELLERS IN THE .AU DOMAIN:
CLARIFICATION OF PARAGRAPH 2**

1. BACKGROUND

- 1.1 This document clarifies paragraph 2 of the auDA Interim Code of Practice for Registrars and Resellers in the .au Domain (Published: 3 October 2001).
- 1.2 Paragraph 2 of the Interim Code reads as follows:

"2. Bad Faith Registrations and Frontrunning

Registrars and resellers should refrain from registering domain names on their own behalf or on behalf of any director, officer, employee or agent of such registrar or reseller. Further, registrars and resellers shall not engage in Frontrunning. For purposes hereof, "Frontrunning" shall mean employing a process designed to anticipate a consumer's preference for a domain name (via sniffing of WHOIS data or other process), or otherwise obtaining specific information regarding such preference, with the intent of registering such domain name on behalf of the registrar or reseller, or any director, officer, employee or agent of the registrar or reseller, and subsequently registering that domain name on behalf of the parties above."

2. MEANING OF PARAGRAPH 2

- 2.1 Paragraph 2 is intended to discourage registrars and resellers from licensing domain names on their own behalf for the sole purpose of offering those domain names for sale to another registrant. Paragraph 2 is not intended to prevent registrars and resellers from licensing domain names on their own behalf for their own legitimate business use.
- 2.3 Therefore, auDA has issued this document to clarify that registrars and resellers who voluntarily agree to abide by the Interim Code of Practice will not be in breach of paragraph 2 if they license domain names on their own behalf for their own legitimate business use.

