



Purpose

This guide provides an overview of how liquidators and receivers should deal with .nz domain name/s held by companies they're appointed to.

It has been prepared by the Domain Name Commission Ltd (DNCL) and is intended to be read by liquidators, receivers, administrators and any other person involved in proceedings.



Key points in this guide:

Most New Zealand companies will hold registrations for one or more .nz domain names. Some of their domain names may be used for websites or email; other domain names may not be used at all.

.nz domain name/s can be considered 'property' under the New Zealand Companies Act (1993). Domain name/s may also have resale or other, intangible, value.

There is an ongoing financial commitment on the part of the company in respect of their domain name registration fees. These fees are usually paid annually to a registrar. Liquidators, receivers, administrators and anybody else involved in proceedings have a number of options when it comes to dealing with a company's .nz domain name registrations.

Options include transferring (giving), transferring (selling), or cancelling the registration of the domain names concerned. The best option will depend on specific circumstances.

DNCL is available at any time to give advice and assistance to liquidators, receivers, administrators and anybody else involved in proceedings. Email info@dnc.org.nz.

Introduction

.nz domain names are linked to the digital and marketing presence of nearly all New Zealand companies and organisations.

Almost without exception, domain names will be used commercially for websites and/or email addresses. Companies and organisations may also hold domain names which aren't in use – this could be for brand protection reasons, products in development, etc.

It's highly likely therefore that when a New Zealand-based company is liquidated, it will hold registrations for one or more .nz domain names.

These names can be regarded as 'property' under the New Zealand Companies Act (1993), and may (or may not) have resale or other, intangible, value.



IMPORTANT NOTE:

During proceedings, affected .nz domain name/s should not become bono vacantia (ownerless property).

.nz domain name registration fees during proceedings

All companies that hold .nz domain name registrations have a financial obligation to keep paying their registration fees.

Liquidators and receivers may notice as they go through the accounts of a company that payment for .nz domain names is made to a domain name provider (known as a registrar). Payment is usually made annually.

During proceedings, the task of dealing with domain registration fees most usually falls to the liquidator as part of their duties to end future expenses.

In many cases, the registrar for the domain name/s will become a creditor.

IMPORTANT NOTE: If the company's .nz domain name/s registration fees are not renewed, the name/s will enter a 90-day pending release period. If the domain name/s are not re-registered in the pending release period they will be cancelled. This may affect the operation of the company's web presence and any associated email addresses.

Who is authorised to act regarding a liquidated domain name?

Once proceedings start, only the liquidator or receiver involved has the authority to change any domain name/s registered in the name of the company.

The liquidator or receiver becomes, in effect, the de-facto registrant and should address the status and registration of the affected domain name/s as soon as possible.



Steps to take with .nz domain name/s after appointment of liquidator or receiver.

After a liquidator or receiver is appointed the way a domain name is managed can be summarised as a number of steps in the liquidation of a domain name process.

Liquidation Process

When a liquidator or receiver becomes aware of the existence of .nz domain name/s in proceedings, they should follow the steps below:

Verify who the domain name/s is
 registered to by visiting
 https://www.dnc.org.nz/whois
 and entering the domain name in the
 'Search domains' box.

The search will return details about the registrant (holder) of the .nz domain name/s.

If a liquidator or receiver is unsure what .nz domain names (or how many) the company has registered, a list can be requested from the Domain Name Commission – email info@dnc.org.nz.

Decide whether to transfer (or sell) the affected .nz domain name/s to another person or organisation; Or, to cancel the registration of the domain name/s. Information on how to progress each of these options is outlined below.

Note: in most cases, the domain name/s will be registered to the company. But the name/s may be registered to an individual associated with the company e.g. a director or employee. If this is the case the liquidator or receiver is unable to request changes to the registration of the domain name/s. They will need to contact the individual or individuals concerned to progress things.

If, during verifying the registrant domain name/s, the liquidator or receiver notices that the .nz domain name/s concerned were transferred to an individual after their appointment, they should immediately contact the registrar of the name/s to have this remedied

The Domain Name Commission is also able assist liquidators/receivers in finding what domain names are registered to a company - for this assistance please email info@dnc.org.nz

Progressing options for dealing with the name/s:

Assuming the affected .nz domain name/s are not automatically included in any pending sale of the company, the name/s may have individual resale value and could be regarded as an asset.

It's important therefore that liquidators and receivers carefully consider the options for dealing with the registration of the domain name/s.

Provided the .nz domain name/s are registered in the name of the company, the liquidator or receiver may opt to do any of the following.

Transfer (give) the .nz domain name/s
to another person or organisation.

The liquidator or receiver may transfer the .nz domain name/s concerned to an interested person or organisation, gratis.

This is a straightforward prvocess involving filling out and sending in the relevant registrar's change of registrant' forms.

The liquidator or receiver should contact the registrar for specific details of the transfer process.



Transfer (sell) the .nz domain name/s to another person or organisation.

The liquidator or receiver may try and sell the .nz domain name/s to help maximize the company's assets. This would normally happen if the .nz domain name/s appears to be valuable.

Domain names can be sold in a number of ways, including through online auction sites or specialist domain name marketplace agencies.

Regardless of any monetary 'consideration' involved, the domain name/s will still need to go through the relevant registrar's specific change of registrant process, noted above.

Cancel the .nz domain name/s registration.

The liquidator or receiver may cancel the registration of the .nz domain name/s.

This will normally happen if others' haven't expressed an interest in the domain name/s or if the name/s don't appear to have any value.

Cancelling a .nz domain name is done by contacting the registrar for the name and making a cancellation request.

Note: only individuals over 18 or properly constituted organisations are able to hold .nz domain names. Liquidators and receivers should bear this in mind before progressing any transfer.



REMINDER:

If the .nz domain name/s concerned are registered to an individual rather than the company, the liquidator or receiver is unable to request changes to the registration of the domain name/s. They will need to contact the individual or individuals concerned to progress things.

Role of DNCL:

If DNCL is contacted by any party about .nz domain name/s registered to a company in liquidation or put into receivership, etc. it will, in the first instance, instruct the enquirer to contact the liquidator or receiver.

DNCL is available throughout any proceedings to give advice and assisliquidators and receivers with any aspect regarding .nz domain name/s concerned.



More information:

For any questions or information not covered in this guide, please contact the Domain Name Commission Ltd as soon as possible at info@dnc.org.nz.

Definitions in this guide:

Domain name – a string of characters that are used to locate an individual or organisation on the Internet. Domain names are most commonly used for URLs e.g. dnc.org.nz or dnc.nz. Domain names can also be used for email addresses e.g. info@dnc.org.nz or info@dnc.nz.

Domain Name Commission Ltd – the entity responsible for the day-to-day oversight of the .nz domain name registration and management system.

Proceedings – used in this guide to collectively refer to the processes of liquidation, receivership and administration.

Registrar – an organisation authorised by the Domain Name Commission Limited to provide .nz domain name registration services. Also known as a domain name provider.

Registrant – the person or organisation to which a domain name is registered. The registrant of every .nz domain name is recorded in the .nz register and details can be found by doing a WHOIS search (domain name search) on the domain name at https://www.dnc.org.nz/whois. Registry – the entity that maintains and operates the .nz register of domain names. The registry for .nz is InternetNZ.