

2010-6: Simplified M&A transfer policy

2010-6: The Problem Statement

- Current policy text is unclear as to whether transfers under 8.2 Mergers and Acquisitions are independent or linked with 8.3 Transfers to Specified Recipients.
- Existing M&A policy is too complicated, and many M&A transfers are abandoned.

2010-6: What does it do?

- Clarifies that transfers can occur under either 8.2 (Mergers and Acquisitions) or 8.3 (Transfers to Specified Recipients) independently
- Simplifies M&A transfer policy
- Allows M&A transfers to be completed based on overall usage
- Directs ARIN to work with resource holder(s) to return unused resources independent of transfer requests

2010-6: The Proposal

Replace section 8.2 with:

8.2. Mergers and Acquisitions

ARIN will consider requests for the transfer of number resources in the case of mergers and acquisitions upon receipt of evidence that the new entity has acquired assets that used the transferred resources from the current registrant. ARIN will maintain an up-to-date list of acceptable types of documentation.

In the event that number resources of the combined organizations are no longer justified under ARIN policy at the time ARIN becomes aware of the transaction, through a transfer request or otherwise, ARIN will work with the resource holder(s) to return, aggregate, or reclaim resources as appropriate via the processes outlined in current ARIN policy (for example, sections 4.6, 4.7, or 12 of the NRPM).

Add "In addition to transfers under section 8.2, " at the beginning of section **8.3. Transfers to Specified Recipients.**

2010-6: Rationale

This policy proposal: attempts to simplify the M&A transfer section of the NRPM; eliminates the ambiguity discussed at the ARIN Public Policy Meeting (PPM) in Dearborn by clarifying that transfers can occur under either 8.2 or 8.3 independently; and attempts to address the concerns raised in the staff policy implementation report at the Dearborn PPM

(https://www.arin.net/participate/meetings/reports/ARIN_XXIV/PDF/thursday/policy_exp_report.pdf)

The idea here is to simply say that ARIN will allow M&A transfers, and to require the return of any number resources for which there is no longer a justified need after the acquisition. Preferably that would happen voluntarily under the policies of NRPM 4.6 (Amnesty), but it also leaves the door open for ARIN to revoke space under NRPM 12 (Resource Review) if necessary. By implication, future needs that would qualify the organization for an allocation/assignment would likewise justify keeping transferred space. In particular, see the language of NRPM section 12, paragraphs 4 and 4a.

This policy also should dramatically increase the completion rate for transfer requests, as the evaluation of whether space is efficiently utilized after the transfer can occur in parallel, completely independently of the transfer request, and can continue even if the transfer request is abandoned.

The bulleted lists of acceptable documentation removed from the NRPM should be maintained by ARIN elsewhere on the website, such as at <https://www.arin.net/resources/request/transfers.html> .

2010-6: FAQ

Q1: What about legacy resources?

A1: Resources subject to the legacy RSA are exempt from a number of ARIN policies, such as usage justification. However, the recipient of transferred resources must sign a standard RSA covering the received resources. At that point, the resources lose their legacy status and become subject to all ARIN policies, including section 12.

Q2: I'm not sure how NRPM 4.7 will come into play with this policy. Is the aggregation policy actually applicable here? I understand how 4.6 would work, but just not making the connection with 4.7.

A2: If the organization is returning pieces of space, or, wants to return multiple disparate chunks and get a single aggregate in the process, that shouldn't be precluded. NRPM section 4.7 facilitates that.

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Questions/Comments?