Auction Rules

1. Introduction
   a. This document is intended to provide potential .ДЕТИ auction participants with all the information they may need to know to successfully participate in .ДЕТИ auctions.
   b. Any questions about auctions may be directed to admin@dotdeti.ru.
   c. Note that all times associated with auction scheduling are in GMT/UTC (Greenwich Mean Time/Universal Time Coordinates). Times displayed in the online auction interface are also displayed in GMT/UTC. Times provided in email notifications may be expressed in a different time zone, and if so, will be identified accordingly. The auction bidding page provides a reference for converting GMT to other time zones.
   d. For more information on the .ДЕТИ launch plans, participants are encouraged to visit the registry website at http://dotdeti.ru
   e. To qualify to participate in any .ДЕТИ auction, applicants will have to submit a deposit to the Registry in advance. The registry will confirm receipt of payment of the deposit to Pool.com, validating the auction account.

2. Auction Account
   a. When you first submit your application to an accredited registrar, you will have a number of steps to follow before your domain is subject to auction. The registrar will conduct a series of validation steps including verifying your eligibility (as applicable to the specific launch period you are participating in). Once your application has been “accepted” it will be compared to other applications to determine if any are for the same domain name. If there are none, then your name will be allocated to you by the registry, if you are a Sunrise, Limited Registration or Landrush applicant. If there is at least one other “competing” Sunrise, Limited Registration or Landrush application, then your name will be placed in auction.
   b. The data you provide in the domain application as submitted by you to your registrar (which may not necessarily be your whois data) will be used to automatically establish your auction account. Note, this information is kept confidential and is only used to establish the data needed to communicate with you in the auction process. Your Registrant email address is used as the primary login ID.
   c. Contact information that you have provided in the domain application as submitted by you to your registrar will also be used by Pool.com to contact you for ongoing auction issues. If, for any reason, the contact information you have provided in the domain application as submitted by you to your registrar is inaccurate, you may lose the domains you have won in auction.
   d. When your auction account is created, we establish a unique bidder alias which is used to identify you to other auction participants. This bidder alias does not reflect any information about your account. If allowed by the registry, you can change your bidder alias to one of your choosing prior to participating in any auctions, but once set, it cannot be changed again.
   e. As soon as auctions are scheduled (they will not have started at this point) you will receive an “Account Activation Email” from no-reply@dotdeti.ru. In that email will be a special link that will
allow you to activate your account. By clicking the link, you will be redirected to the auction site at where you will be prompted to enter a new password.

f. Once you have entered your password, your auction account is ready and you will be able to view your auctions. **Important Note:** In order to place bids in ДЕТИ Auctions, you must have placed your deposit with the Registry.

g. It is your responsibility to safeguard your account userid and password. You accept full responsibility for any bids submitted, or modifications made to your account, using this password.

h. You shall ensure that all information in your domain name applications and all Auction account information is at all times current, complete, and accurate. Any failure to keep your information current, including a failure to respond to requests by the Registry or Pool.com, is a material breach of the auction terms and conditions and may result in you being declared ineligible to participate in ДЕТИ Auctions.

3. **Bidding**

a. Your Pool.com ДЕТИ Auction account will give you access to all of your auctions that have been applied for using the same email address. It does not matter through which registrar you have submitted your application; all of your auctions will appear in your same ДЕТИ Auction account login, as long as you are using the same email address.

b. Auctions follow a standard process flow: scheduled (upcoming), open and closed. You will receive an Auction Scheduled notice at least thirty-one (31) days in advance of the auction starting. Once an auction starts (you will receive an Auction Start notice when an auction opens), you may place bids through the interface. Once closed, the auction is complete and if you were the winning bidder, you would proceed to the payment process with the Registry.

c. If you choose to bid for a particular domain and you are the highest bidder at the end of an auction, you are obligated to complete the transaction and pay to the Registry the amount of your winning bid. **Carefully consider your bids prior to placing them - bids are not retractable under any circumstances.**

d. All bid placement is a two-step process. The first, allows you to enter your bid. Then, you will be prompted to confirm the bid you are placing to make sure there are no errors. Carefully review your bids before confirmation since any bid placed establishes your legal responsibility to complete the transaction up to that bid amount should the auction close with you as the winning bidder.

e. A valid bid must be at least one bidding increment above the current auction value. Any bid submitted that is higher than one such increment above the current auction value will be treated as a proxy bid, meaning the system will only bid the required minimum in order to obtain the auction lead up to the bid value. (See also Proxy Bidding below)

f. If no bids are placed on a particular domain, the Registry will make the final determination as to which applicant is allocated the domain.

g. You will know if you are winning the auction as the current auction price in the auction interface will be highlighted in green (if you are losing the auction the name will be in red). This appears in the list of auctions on the Open Auctions page. At the time you place your bid, the system will confirm that you are the current high bidder if your bid exceeds the current highest bid (which may not be the auction value if the previous high bid was a proxy bid). When an auction ends,
the auction system sends a confirmation email to the winning bidder, explaining which domain they have acquired, and the amount paid for the domain.

4. Proxy Bidding

a. At any point in the auction, in order for a bid to be considered “valid” (acceptable by the system) it must be at least one bidding increment above the current auction value. For example, if the auction is currently priced at 2250RUB and the bidding increment is 350RUB, then the lowest possible acceptable bid is 2600RUB. The bidding increments change as the auction value increases. The bidding increment table is included below.

b. Any bid placed that is more than a single increment above the current auction price is considered a proxy bid. If your bid is more than the maximum bid submitted by the current leader, the system will only bid that portion of the bid submitted necessary to assume the auction lead. If your bid is less than or equal to the maximum bid submitted by the current leader, then the full value of your bid will be accepted. There can only be one maximum bid for any auction at any point in time which may or may not be the actual auction value. The table on the next page provides an example of an auction that includes two proxy bids shown in yellow.
### Sample Auction with Two Proxy Bids

<table>
<thead>
<tr>
<th>Round</th>
<th>Bidder 1</th>
<th>Bidder 2</th>
<th>Auction Value</th>
<th>Auction Lead</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>Bidder 1</td>
<td>The opening bid must be a minimum of 500RUB</td>
</tr>
<tr>
<td>2</td>
<td>600</td>
<td>500</td>
<td>500</td>
<td>Bidder 1</td>
<td>This bid would be rejected because it is not at least one increment (500RUB) higher than the auction value. A valid bid must be at least 1,000RUB</td>
</tr>
<tr>
<td>3</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>Bidder 2</td>
<td>Now that a valid bid is submitted, we have a new leader</td>
</tr>
<tr>
<td>4</td>
<td>20,000</td>
<td>1,500</td>
<td>1,500</td>
<td>Bidder 1</td>
<td>Here is the first example of a proxy bid, the system only uses the minimum required. The remainder will be bid by system automatically if necessary</td>
</tr>
<tr>
<td>5</td>
<td>3,000</td>
<td>3,500</td>
<td>3,500</td>
<td>Bidder 1</td>
<td>Bidder 2 submits a valid bid. The system immediately and automatically updates the auction based on the previous maximum and Bidder 1 is still the leader.</td>
</tr>
<tr>
<td>6</td>
<td>25,000</td>
<td>20,800</td>
<td>20,800</td>
<td>Bidder 2</td>
<td>Another example of a proxy bid, the system only uses that portion of the bid necessary to give Bidder 2 the lead, in this case the previous maximum plus one bid increment at this level (800RUB).</td>
</tr>
<tr>
<td>7</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>Bidder 2</td>
<td>This is a valid bid since it is at least one increment above the current auction value. Bidder 2 is still the leader because they placed this bid level first.</td>
</tr>
</tbody>
</table>
c. The auction system will continue to automatically bid on your behalf up to and including the value of your proxy bid (consider it your maximum) whenever you are outbid. You will see the same behavior if someone else has placed a high proxy bid and your bid is simply one increment above the current value. You may see the system immediately rebid on the proxy holder’s behalf and thus retain the lead.

d. If a valid bid submitted matches an existing maximum proxy bid, then the auction value will be set to that maximum bid and the first participant having placed that bid will retain the lead.

e. A proxy bid is a convenient way for you to submit your maximum bid and allow the system to manage your bidding up to, but not exceeding, that amount on your behalf. Of course, if your maximum bid is exceeded, you will receive an “Outbid” email notification allowing you the opportunity to increase your maximum bid as appropriate.

f. The value of a proxy bid is never displayed to other participants unless the auction value has surpassed the proxy bid value.

5. Extensions

a. The normal auction schedule lasts seven (7) days. Normally, auctions will start on Monday through Thursday. In the event of significant auction activity, an auction close may extend during the last twenty-four (24) hours of scheduled operation.

b. Auction extensions are meant to provide a mechanism that is fair for bidders in all time zones to respond to being outbid.

c. An auction extension will occur whenever the auction lead changes in the last twenty-four (24) hours of the schedule of an auction. The close will be revised to reflect a new closing time set at twenty-four (24) hours after the change in auction lead occurred. Essentially, this means that a winning maximum bid has to remain unchallenged for a period of twenty-four (24) hours before the auction will close.

d. It is important to note that extensions are not simply based on the auction value changing since this could occur as a result of proxy bidding where the same bidder retains their lead. In this case, the maximum bid has not changed, the leader has not changed and therefore no extension will occur.

e. No Sunrise auction will extend past eight (8) additional days past the original closing date (fifteen (15) days in total). The same policy will apply to Limited Registration and Landrush auctions, but the registry may change the maximum duration of the auction at its own discretion.

6. Auction Communications

a. Throughout the auction process you will receive ongoing email communications from Pool.com. These will originate from no-reply@dotdeti.ru. Please ensure this email address is whitelisted with your email provider to ensure important auction notices are not routed to your spam folder.

b. Participants in an auction will receive email notifications for a variety of purposes. These include:
   - Initial account verification (as explained in Section 2)
   - An auction is scheduled
   - An auction is started
   - The participant has been outbid and they will lose the auction if no further action is taken
• An auction end date/time has been extended
• Last day auction notification (for participants who have not placed any bids for that auction.)
• The participant has won an auction
• Request for payment
• Confirmation of payment processed and allocation pending
• Once a domain name is allocated, the ДЕТИ registry will contact registrars directly indicating the status of the application for all their participant's domain names. Registrars will then contact registrants regarding the awarding or loss of a domain auction.

7. Payment

   a. All auctions are conducted and settled in Russian Rubles (RUB).
   b. The registrar through whom you submitted your application is responsible for collecting any registration fees from you independent of the auction fees (which will be collected by the registry). Any questions about registration fees should be directed to your registrar.

8. Domain Allocation

   Upon successful completion of payment of auction fees to the registry, Pool.com has no role to play in the actual registration of your domain. This process happens external to and independent of Pool.com and may be changed by the registry at any time. Once you receive confirmation of payment from the registry please contact your registrar for further domain management.

9. Payment Default

   a. In the event you as the winning bidder decide to not honor your payment obligations (or in the event of a reversal of payment or a charge back by a credit card company or other payment provider) on any outstanding balance, you will not be given the domain name (the domain name will not be allocated to you) and you will forfeit your deposit.
   b. For auctions of Sunrise applications, in the event the winning bidder defaults on payment, the domain name will be offered to the second highest bidder. In case the second highest bidder also defaults on payment, the domain name will be released and can be allocated again in accordance with ДЕТИ registry policies applicable for the time of the release.

10. Special Cases

   There are a number of additional special cases where a domain name will be released and can be allocated again in accordance with ДЕТИ registry policies applicable for the time of the release. These include:

   • None of the applicants activated their auction account
   • None of the applicants paid the required deposit
   • None of the applicants submitted a valid bid
11. **ДЕТИ Auction Minimum Bidding Increments (Rubles)**

<table>
<thead>
<tr>
<th>Bottom Range</th>
<th>Top Range</th>
<th>Minimum Increment</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>15,999</td>
<td>500</td>
</tr>
<tr>
<td>16,000</td>
<td>31,999</td>
<td>800</td>
</tr>
<tr>
<td>32,000</td>
<td>79,999</td>
<td>1,500</td>
</tr>
<tr>
<td>80,000</td>
<td>324,999</td>
<td>3,000</td>
</tr>
<tr>
<td>325,000</td>
<td>799,999</td>
<td>15,000</td>
</tr>
<tr>
<td>800,000</td>
<td>Or greater</td>
<td>30,000</td>
</tr>
</tbody>
</table>