

How to Navigate Getting IPv4 Addresses in a Post Run-Out World

Amy Potter

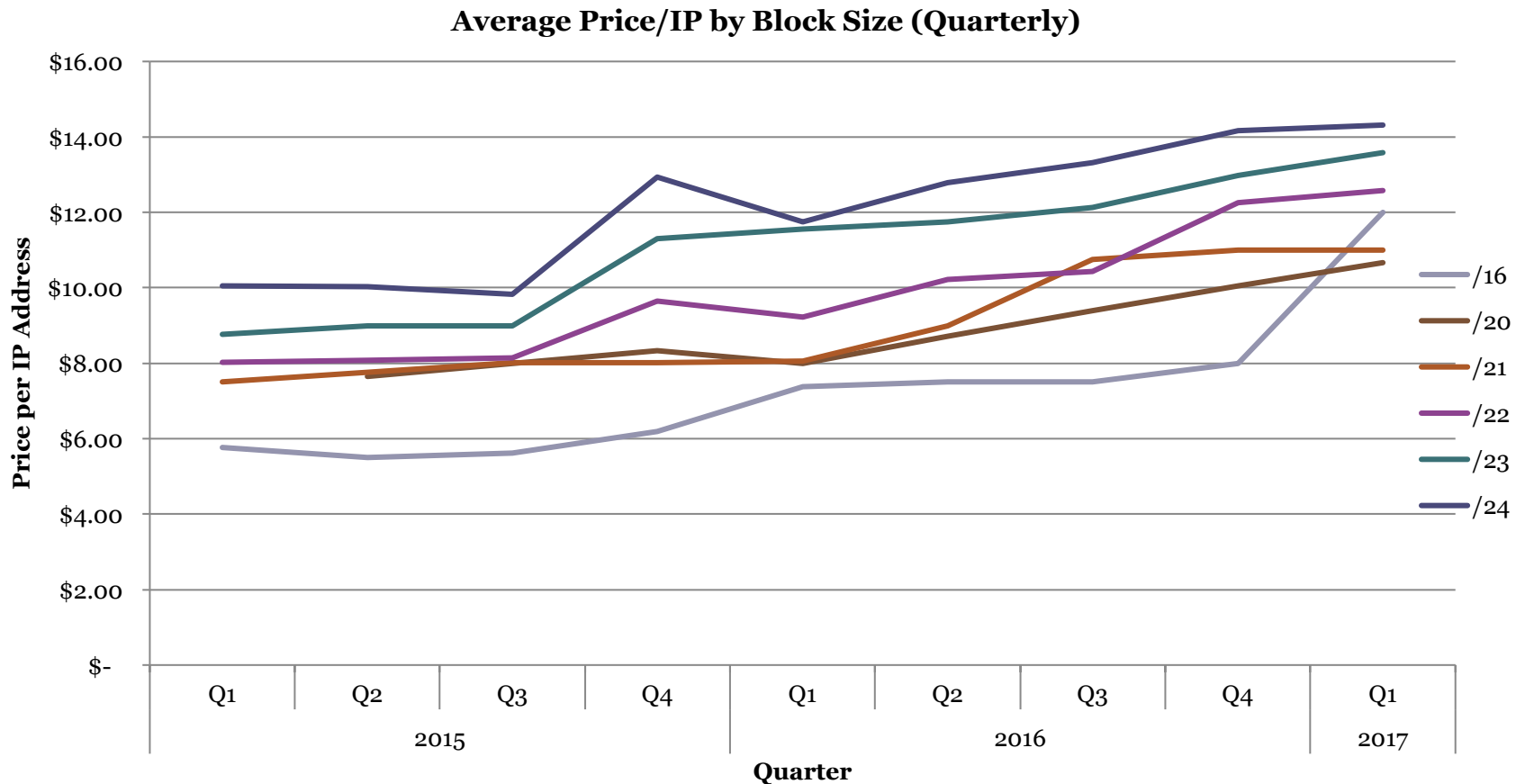
A decorative graphic consisting of several horizontal lines of varying lengths and colors (teal, white, and light blue) extending from the right side of the slide towards the center.

Best Practices for Acquiring IPv4 Address Space

- Assess your situation
 - How much space do you need?
 - How much space can you qualify for with your RIR?
 - Applying for pre-approval
 - How far into the future do you want to plan?
 - Futures contracts vs. immediate transfers
 - When do you need it by?
 - What should you budget?

Pricing Trends

Average Price per IP Quarterly 2015-2017



Best Practices for Acquiring IPv4 Address Space

- Diligence
 - The address space itself
 - Checking blacklists, etc.
 - Either diligence prior to signing contract or make APA subject to your diligence and approval of the address space
 - The seller
 - Make sure the address space is registered to the company you are buying it from
 - 2 exceptions:
 - The addresses are registered to a subsidiary (get evidence of relationship between companies)
 - If you are on a timeline, be aware of potential M&A transfers that might be required
 - The seller is a bankruptcy estate or similar entity (contract should be with the Trustee, get court documents to confirm that the entity contracting with you is in fact the entity appointed by the court and that the IP addresses fall under the assets they have authority to sell)

Best Practices for Acquiring IPv4 Address Space

- Tips for avoiding issues with registration hijackers and other bad actors
 - Compare the registration date of the IP addresses with how long the seller has been in business.
 - If the seller is a newer company and the space is listed as registered to them in the '90s, be diligent about investigating chain title—they should be willing to provide you with evidence.
 - Keep an eye out for red flags with unknown entities. If something seems unusual for a business transaction, investigate.
 - Be cautious of anyone who tells you “Don’t worry about the details, I’ll handle everything.”
 - Your organization should be involved throughout the process, and your seller (or their broker) should openly communicate with you about the process.
 - Structure your contract to protect your organization from risks.
 - Don’t release payment to the seller until the addresses are in your organization’s name.
 - Use an escrow account or delay payment until the transfer is complete.

Best Practices for Acquiring IPv4 Address Space

- Structuring Contracts
 - Timing of Transfer(s) and Payment(s)
 - Immediate Transfer
 - Typically payment goes into escrow, then transfer of the entire space purchased is immediately transferred
 - Futures Contract
 - Space is transferred over time as the buyer is able to qualify with the RIR
 - Payment can be paid in a number of different ways, depending on the needs of the parties and the level of trust between them

Best Practices for Acquiring IPv4 Address Space

- **Tips for a Successful Purchase and Transfer**
 - Plan as far into the future as you can
 - Apply for pre-approval
 - Do your diligence
 - Structure contracts to minimize risks
 - Pay attention to your transfer request