

MEMORANDUM OF COOPERATION

Czech Republic - Czech Trade Inspection Authority

Štěpánská 796/44, 110 00 Prague 1

Company ID No.: 00020869

(hereinafter referred to as "**CTIA**")

and

CZ.NIC, z.s.p.o.

Milešovská 1136/5, 130 00 Prague 3

Company ID No.: 67985726

Entered in the register of associations kept by the Municipal Court in Prague, File no. L
58624

(hereinafter referred to as the "**CZ.NIC Association**")

WHEREAS

- A. The CTIA is a state administrative body which, on the basis of and in accordance with legal regulations, in particular Act No. 64/1986 Coll., on the Czech Trade Inspection Authority, and No. 634/1992 Coll., on consumer protection, inspects natural persons and legal entities that offer, sell, supply or market products, offer or provide services or carry out other activities in accordance with the Act on the Czech Trade Inspection Authority, and thus ensures the protection of consumer rights. Within the framework of the chosen strategy, the CTIA, among other things, cooperates with economic operators on the market and actively assists consumers;
- B. The CZ.NIC Association is the administrator of the national domain .cz, where it operates the registry of domain names registered under the .cz domain, ensures its operation and is also dedicated to education in the field of domain names and activities in the field of cyber security. The CZ.NIC Association is also the operator of the National Security Team CERT, CSIRT.CZ, which deals with cyber security, among other things;
- C. The CTIA and the CZ.NIC Association are interested in cooperation in areas related to the CTIA's competence and the activities of the CZ.NIC association,

they enter into this Memorandum on the day, month and year set forth below.

I. SUBJECT AND PURPOSE OF THE MEMORANDUM

1. On its website, the CTIA provides information about websites that it considers to be so-called unreliable internet shops (e-shops), mainly due to non-compliance with certain legal obligations and the difficulty of enforcing consumer rights.
2. The CZ.NIC Association operates the ADAM project, the purpose of which is to develop software tools and methods for analysing data from DNS traffic, the content of the .cz zone and other sources. Within the framework of this project, the CZ.NIC Association, or rather the CSIRT.CZ security team, operates a DNS crawler, which, among other things, uses machine learning methods to classify web pages in order to increase the security of the .cz zone. In this way, it can help detect so-called unreliable online shops. Information about the DNS crawler is available at <https://csirt.cz/cs/dns-crawler>.
3. The purpose of the Memorandum is cooperation between the CTIA and the CZ.NIC Association so that the CTIA can effectively act in the area of consumer protection in the internet environment, as the CZ.NIC association does not have the tools, knowledge and competences to evaluate, control and determine whether or not an internet shop can be deemed unreliable. The CZ.NIC Association will also receive feedback from the CTIA in the form of information about domain names that the CTIA considers to be unreliable, which will enable it, for example, to develop further activities aimed at ensuring the validity of data in the domain name registry.

II. CONTENT OF COOPERATION

1. The CZ.NIC Association will periodically (usually once a week, on the first working day of the relevant week) make available to the CTIA and update data in the following scope: (i) a list of second level domain names registered under the national domain .cz and (ii) a probability parameter which, based on machine learning methods, automatically classifies the probability of a so-called unreliable internet shop according to the specified parameters. A list of domain names will be provided (without any other data, no personal data will be disclosed) for which this probability parameter exceeds 0.5. The detailed method of disclosure will be agreed by the parties.
2. On the basis of the information provided under the previous article, the CTIA independently assesses and evaluates, within the scope of its competence, whether these are indeed so-called unreliable internet shops and takes further steps in accordance with legislation. Within the framework of these steps, the CZ.NIC Association may provide the CTIA, or other competent authorities, with legal assistance, in particular additional information on specific domain names, if available.
3. The CTIA will periodically (usually once a year, unless it is necessary to do so more frequently for the safety of consumers/users) provide the CZ.NIC Association with information about the results of the evaluation of the submitted data, especially with regard to the detected so-called unreliable online shops.

4. Mutual evaluation of cooperation under this Memorandum will be carried out once a year, usually in January of the following calendar year, or more frequently as agreed by the Parties.

III. NONDISCLOSURE OBLIGATION

1. For the purposes of this Memorandum, confidential information shall be deemed to include, regardless of the form in which it is recorded, any information that has not been designated by either party as public information and that relates to the identification of computer systems and networks, the location of their various elements, security, access credentials, organisational measures, mode of operation, organisation of access, data structure and content, personal data, threat capabilities, security methods, methods of work and other facts that may affect the security of computer networks and systems.
2. For the purposes of this Memorandum, information about handling, through which a special regime of confidentiality is established by law (in particular trade secrets, classified information, banking secrets, professional secrets), as well as information expressly designated as confidential by either party, shall also be considered confidential for the purposes of this Memorandum, irrespective of the form in which it is recorded.
3. Confidential information does not include information that has become publicly available during the term of the Memorandum, unless this occurred in breach of the duty to protect it, information obtained through a process independent of this Memorandum or the other party if the party is able to substantiate that fact, and finally information provided to the party by a third party that has not obtained such information in breach of a nondisclosure obligation. The breach of the obligations referred to in paragraphs 1 and 2 shall not be deemed to have occurred if the obligation to provide the information is imposed by law.
4. Notwithstanding the provisions of paragraphs 1, 2 and 3 of this article, any and all domain name lists made available by the CZ.NIC Association, both as a whole and as any parts thereof, shall be deemed confidential. In particular, the CTIA is not authorised to use the lists of domain names, or any part thereof, in any manner other than for the purposes set forth in this Memorandum, to publish them, or to provide them to any third party; however, the CTIA is authorised to provide the state authorities, within the limits of their legal competence, with the domain names which it assesses as unreliable and to publish them on its website (information about unreliable e-shops). The CTIA is also not authorised to use the lists of domain names as a source for bulk searches of the central domain name registry operated by the CZ.NIC Association.
5. The Parties undertake to ensure the protection of the obtained confidential information in the manner customary for the protection of such information, including by their employees, agents and other cooperating third parties if such information has been lawfully provided to them.

IV. FINAL PROVISIONS

1. This Memorandum shall enter into force on the date of its signing by both parties.
2. Either party may terminate this Memorandum at any time by giving 3 months' notice. However, the obligations of the parties regarding confidentiality and protection of information shall not be affected by the termination of this Memorandum.
3. Both parties agree that each will bear its own costs associated with the activities under this Memorandum.
4. The contents of this memorandum are not subject to any obligation of confidentiality nor are they considered confidential information. Either party is authorised to disclose the full text of the Memorandum.
5. By signing this Memorandum, the parties do not intend to create any legal obligation towards each other, apart from that arising from their mutual declaration of cooperation in the areas mentioned herein.
6. This Memorandum does not commit either party to the conclusion of future agreements, whether relating to the cooperation described in Article I or to any others. Thus, neither party has any automatic reason to assume that the activities under this Memorandum will automatically result in the conclusion of any contractual relationship.

Czech Republic - Czech Trade Inspection Authority

CZ.NIC, z. s. p. o.

Signature: _____
Name: Mgr. Mgr. Vlastimil Turza
Position: Deputy Central Director of the CTIA
Date:

Signature: _____
Name: Mgr. Mgr. Ondřej Filip, MBA
Position: Executive Director
Date: