

**Minutes of the General Assembly of CZ.NIC, z. s. p. o., Interest Association of Legal Entities**  
**held in the Thákurova Congress Centre conference room at Thákurova 3, Praha 6 on 20 July 2005 from 9:30**  
**(abbreviated version intended for publication)**

**1. Roll call**

Started at 9:30.

**2. Opening**

The meeting was opened at 10:00.

With 26 out of 33 members of the Association present, the General Assembly formed a quorum.

**3. Election of the General Assembly Bodies**

The bodies of the General Assembly were elected unanimously as follows:

- Chairman of the General Assembly: Mgr. Petr Hostaš
- Verifier of the minutes: ing. Michael Macek
- Scrutators: Bc. Jiří Kubiček a Mgr. Jan Redl
- Minutes clerk: Zuzana Durajová

The presence of guests was approved unanimously.

**4. Information on Membership Changes**

The General Assembly acknowledged the information that no applications for membership in the Association had been lodged since the last General Assembly and that two members had changed their trade names.

**5. Report on Activities of the Board of Directors**

The General Assembly acknowledged the Report on Activities of the Board of Directors.

**6. Report of the Advisory Board**

The General Assembly acknowledged the Report of the Advisory Board.

**7. 2004 Financial Statements, Distribution of Income/Loss from Operations**

Voting on the 2004 Financial Statements:

Present: 28; for: 28; against: 0; abstained: 0

*The 2004 Financial Statements were approved.*

Voting on the settlement of loss:

Present: 28; for: 28; against: 0; abstained: 0

*The General Assembly approves the following settlement of the loss amounting to CZK 2,036,814: Part of the loss amounting to CZK 423,988 shall be settled from the profit gained in previous years; the rest of the loss amounting to CZK 1,612,826 will remain unsettled and will be settled from the profit gained in incoming years.*

**8. 2004 Annual Report**

Present: 28; for: 28; against: 0; abstained: 0

*The submitted version of the 2004 Annual Report was approved.*

**9. Remunerations for Members of the Board for the year 2004**

Present: 28; for: 24; against: 0; abstained: 4

*The remunerations for members of the board for the year 2004 were approved as follows:*

Name	Number of days served as a member of the board in the year 2004	Remuneration (CZK)
Marek Antoš	23	18,852
Ondřej Filip	366	300,000
Petr Král	327	268,032
Míchal Krsek	23	18,852
Tomáš Maršálek	366	300,000
Jiří Orság	327	268,032
Karel Taft	282	231,147
Total		1,404,915

**10. Election of Member of the Board**

Present: 28

*Ing. Jiří Kysela was elected in the first round of the election, gaining 16 affirmative votes.*

Candidate (mover)	For	Against	Abstained	Result
Martin Kukačka (Web4U)	5	12	11	-7

Jiří Kysela (Czech On Line)	20	4	4	16
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#### **11. Election of Member of the Advisory Board – item included in the agenda on the motion of the Advisory Board**

Present: 29

*Dr. Jiří Peterka was elected in the first round of the election, gaining 18 affirmative votes.*

Candidate (mover)	For	Against	Abstained	Result
Martin Kukačka (Web4U)	2	16	11	-14
Jiří Peterka (CESNET)	23	5	1	18

#### **12. Outsourcing Agreement with EURid**

Present: 29; for: 22; against: 2; abstained: 5

*The Outsourcing Agreement with the EURid Association was approved.*

#### **13. Loan Agreement with EURid**

Present: 29; for: 18; against: 8; abstained: 3

*The Loan Agreement with the EURid Association was not approved.*

#### **14. Publishing Information on General Assemblies**

*It is ordered by the General Assembly that the Board of Directors publish abbreviated minutes of general assemblies including namely:*

- *agenda of the assembly;*
- *motions and counter-motions for resolutions regarding the individual items of the agenda and their respective movers;*
- *results of voting including the summarized ratio of votes in the individual ballots*

*In the event of an important interest of the Association or in the interest of protecting rights and justified concerns of third parties (providing that members of the Association, members of the Association's bodies and suppliers of the Association are not considered as third parties for the purpose of this provision), the Board of Directors may decide not to publish the wording of any motion for a resolution. Nevertheless, the name of the given item of the agenda and result of voting must be published even in such a case.*

Present: 29; for: 25; against: 1; abstained: 3

*Publishing minutes of general assemblies according to the submitted motion was approved.*

#### **15. Medium-Term Strategy of the Association for the Period 2005 - 2009**

Present: 29; for: 28; against: 0; abstained: 1

*The General Assembly approved the Medium-Term Strategy of the Association for the Period 2005 – 2009 in the wording submitted by the Board of Directors.*

#### **16. Modification of the Association's Statute**

Present: 29; for: 12; against: 11; abstained: 6

*The motion for a modification of the Association's Statute submitted by the Board of Directors was not adopted.*

#### **Voting on counter-motion No. 1 submitted by a member of the Association – T-Systems PragoNet:**

##### New wording of Article 12.2:

The status of an observer shall be also given to a member of the Association supplying the Association with goods or services worth more than CZK 2,000,000 per year (VAT excluded) or purchasing from the Association goods or services worth more than CZK 2,000,000 per year (VAT excluded). Such a member shall have the status of an observer for the whole duration of the contract (contracts) on whose basis the goods or services are supplied or purchased unless provided otherwise in Article 56.3. of the Statute. In the event that the contracts concluded by the Association and its member-supplier and the Association and its member-customer are invalid, the decisions adopted by the General Assembly (appropriate Chamber) with the application of the member's voting rights limitation shall not be affected.

##### New wording of Article 24.2:

Statutory bodies, members of statutory bodies or employees of persons directly supplying the Association with goods or services worth more than CZK 2,000,000 per year (VAT excluded) or statutory bodies, members of statutory bodies or employees of persons purchasing from the Association goods or services worth more than CZK 2,000,000 per year (VAT excluded) may not become members of the Commission.

##### New wording of Article 29.1:

The Board of Directors of the Association has 5 members. Only natural persons who have attained the age of 18 years, who are fully capable of entering into legal acts and without criminal records within the meaning of the Small Trades Licensing Act may become members of the Board. Statutory bodies, members of statutory bodies or employees of persons directly supplying the Association with goods or services worth more than CZK 2,000,000 per year (VAT excluded) or statutory bodies, members of statutory bodies or employees of persons purchasing from the Association goods or services worth more than CZK 2,000,000 per year (VAT excluded) may not become members of the Board of Directors.

##### New wording of Article 30.1, letter b)

To act as a statutory body, member of a statutory body or employee of a person supplying the Association with goods or services worth more than CZK 2,000,000 per year (VAT excluded) or statutory body, member of statutory bodies or employee of a person purchasing from the Association goods or services worth more than CZK 2,000,000 per year (VAT excluded).

##### New wording of Article 36.1:

The Advisory Board has 5 members. Only natural persons who have attained the age of 18 years, who are fully capable of entering into legal acts and without criminal records within the meaning of the Small Trades Licensing Act may become members of the Advisory Board. Statutory bodies, members of statutory bodies or employees of persons directly supplying the Association with goods or services

worth more than CZK 2,000,000 per year (VAT excluded) or statutory bodies, members of statutory bodies or employees of persons purchasing from the Association goods or services worth more than CZK 2,000,000 per year (VAT excluded) may not become members of the Advisory Board.

New wording of Article 56.3:

The provisions of Article 12.2. shall apply only to contracts coming in force after the effective date of this Statute. With respect to contracts concluded for a determined period of time which became effective before the effective date of this Statute, the provisions of Article 12.2 shall apply in the event that the effect of such contracts is extended after the effective date of this Statute. With respect to contracts concluded for an indeterminate period of time which became effective before the effective date of this Statute, the provisions of Article 12.2 shall apply as from 1 July 2008.

Present: 29; for: 1; against: 25; abstained: 3

*Counter-motion No. 1 submitted by T-Systems PragoNet was not adopted.*

Voting on counter-motion No. 2 submitted by a member of the Association – T-Systems PragoNet:

Article 5.2. The entry membership subscription is CZK 50,000.

Article 60.2. – We suggest that the article be deleted.

Present: 29; for: 13; against: 11; abstained: 5

*Counter-motion No. 2 submitted by T-Systems PragoNet was not adopted.*

Voting on counter-motion No. 1 submitted by the Advisory Board (modification of Article 30.1. – the wording was included in the enclosure to the invitation letter in the Report of the Advisory Board):

30.1. The ban on competitive conduct shall apply to members of the Board. Members of the Board shall not:

a) conclude any transactions in their own name or on their own account if the subject matters of such transactions are identical or similar to the scope of business of the Association, or mediate such transactions in their own name or on their own account or on the account of a third party;

b) act as statutory bodies, members of statutory bodies or employees of persons supplying the Association directly or as subcontractors of third parties with goods or services worth more than CZK 2,000,000 per year (VAT excluded).

Should the above provision be breached by a member of the board, he/she shall immediately resign from the office a member of the Board and, upon request of the Association, he/she shall surrender the profit from the transaction in which he/she has breached the ban on competitive conduct or assign the appropriate rights to the Association. This provision shall not interfere with the Association's title to claim damages.

Present: 29; for: 23; against: 2; abstained: 4

*Counter-motion No. 1 submitted by the Advisory Board was adopted.*

Voting on counter-motion No. 2 submitted by the Advisory Board (modification of Articles 8.4., 9.2., 9.3., 10.4 b), 16.4., 40.1., 40.2.):

Article 8.4. Should a member of the Association ceases or begins to comply with the special conditions of membership in the General Assembly Chamber Association and as a consequence thereof, he/she is to be included a different Chamber, he/she shall notify the Board of Directors accordingly within one month, specifying the Chamber in which he/she is to be included. The Board of Directors shall include the member in a Chamber and advise the member accordingly within 2 months after the notification is delivered. The membership in a Chamber shall become effective as at the date of inclusion by the Board of Directors. If such a member does not meet the conditions of membership in the Chamber specified by him/her in his/her notification, the Board of Directors shall decide on including the member in the appropriate Chamber. If included in a different Chamber than that specified in his/her notification, the member of the Association is entitled to ask the Commission for a revision of the decision in 30 days after being delivered a notification from the Board of Directors on his/her being included in such a Chamber. The Commission is obliged to deal with such a request at its earliest possible session.

Article 9.2. The Association may be joined. The joining member shall send an application for admission to the Association. The application or an enclosure thereof shall include documents demonstrating the compliance with the conditions of membership in the Association, as well as a notification specifying which of the Chambers of the General Assembly is to be joined by the joining member.

Article 9.3. Within 2 months after the application for admission to the Association is delivered, the Board of Directors shall advise the joining member whether the conditions of joining the Association have been fulfilled or not. Should the joining member fail to remove defects within 2 months after receiving a notification from the Board of Directors in accordance with the previous sentence, the Association shall return the admission fee to the joining member. Any subsequent attempt to join the Association by the joining member shall require lodging a new application.

Article 10.4. b) Within 2 months after receiving a notification of transferring the membership, the Board of Directors shall advise the transferor and the transferee whether the conditions of transferring the membership in the Association have been complied with or not. Should the transferor and the transferee fail to remove defects within 2 months after receiving a notification from the Board of Directors in accordance with the previous sentence, the Board of Directors shall refuse to register the transfer of membership.

Article 16.4. The General Assembly shall be convened by the Board of Directors or the Advisory Board 30 days before the General Assembly date at the latest. The General Assembly is convened by sending a letter of invitation to all members of the Association, members of the Commission and Advisory Board.

Article 40.1. The Association shall introduce a failproof system of electronic voting intended for members of the Association's bodies. The rules of such electronic voting shall be set by the Commission. The electronic voting of the Association's body shall be equally valid as voting at a regular session of such a body.

Present: 29; for: 18; against: 0; abstained: 11

*Counter-motion No. 2 submitted by the Advisory Board was not adopted.*

Voting on a counter-motion submitted by a member of the Association – KRAXNET:

Article 28.3 a) To be replaced: (The Board of Directors approves) technical documents relating to the rules of domain names registration.

To be added in Article 15: (Position and competency of the General Assembly) – approving the rules of domain names registrations and changes.

Present: 29; for: 3; against: 14; abstained: 12

*The counter-motion submitted by a member of the Association – KRAXNET – was not adopted.*

Voting on a counter-motion submitted by a member of the Association – IBA Chomutov:

41.1. The office of a member of the Commission is not conformable with the office of a member of the Board of Directors or Advisory Board.

Present: 29; for: 16; against: 4; abstained: 9

*The counter-motion submitted by a member of the Association – IBA Chomutov – was not adopted.*

Voting on a counter-motion submitted by a member of the Association – InWay:

The modification of the Statute should be recommitted and undergo the preparatory proceedings again.

Present: 29; for: 3; against: 17; abstained: 9

*The counter-motion submitted by a member of the Association – InWay – was not adopted.*

Voting on a counter-motion submitted by a member of the Association – CESNET:

Modification of Article 56.3. – “The provision of Article 12.2. shall apply exclusively to contracts that will become effective after their effective date. With respect to contracts concluded for an indeterminate period of time that became effective before the effective date of this Statute, the provisions of Article 12.2. shall apply on condition that the operation of such contracts is extended after the effective date of this Statute. With respect to contracts concluded for an indeterminate period of time which became effective before the effective date of this Statute, the provisions of Article 12.2. shall apply as from 1 July 2008.

Present: 29; for: 12; against: 0; abstained: 17

*The counter-motion submitted by a member of the Association – CESNET – was not adopted.*

The Advisory Board then submitted their counter-motion No. 2 for voting on the respective articles in the wording mentioned in the enclosure to the letter of invitation in the Report of the Advisory Board.

Voting on the counter-motion submitted by the Advisory Board – modification of Article 8.4.

Present: 29; for: 13; against: 0; abstained: 16

*The counter-motion submitted by the Advisory Board (modification of Article 8.4.) was not adopted.*

Voting on the counter-motion submitted by the Advisory Board – modification of Articles 9.2., 9.3.

Present: 29; for: 5; against: 6; abstained: 18

*The counter-motion submitted by the Advisory Board (modification of Articles 9.2., 9.3.) was not adopted.*

Voting on the counter-motion submitted by the Advisory Board – modification of Article 16.4.

16.4. The General Assembly shall be convened by the Board of Directors or the Advisory Board 30 days before the General Assembly date at the latest. The General Assembly is convened by sending a letter of invitation to all members of the Association, members of the Commission and Advisory Board.

Present: 29; for: 27; against: 0; abstained: 2

*The counter-motion submitted by the Advisory Board (modification of Article 16.4.) was adopted.*

Voting on the counter-motion submitted by the Advisory Board – modification of Articles 40.1., 40.2:

Present: 29; for: 12; against: 0; abstained: 17

*The counter-motion submitted by the Advisory Board (modification of Articles 40.1., 40.2.) was not adopted.*

Voting on a counter-motion submitted by a member of the Association – Web4U:

It was suggested to modify the wording of Article 24.1. as follows: “The Commission has 18 members” and to delete Article 24.3.

Present: 29; for: 1; against: 22; abstained: 6

*The counter-motion submitted by a member of the Association – Web4U – was not adopted.*

Voting on draft Statute submitted by the Board of Directors in the wording of the adopted counter-motions (modifications of Articles 30.1. and 16.4.):

Present: 29; for: 21; against: 3; abstained: 5

*The General Assembly adopted the motion for the change of the Statute in the wording of the adopted counter-motions.*

**17. Modification of the Standing Orders and Electoral Regulations**

Present: 29; for: 23; against: 0; abstained: 6

*The General Assembly approved the Standing Orders and Electoral Regulations of the CZ.NIC Association, z.s.p.o. in accordance with the motion submitted by the Board of Directors.*

The negotiations conducted by the General Assembly were concluded at 15:35.

Mgr. Petr Hostaš Chairman of the General Assembly	Ing. Michael Macek Verifier of the Minutes	Zuzana Durajová Minutes Clerk
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