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15 June 2007

Government Chief Information Officer Commerce, Industry and Technology Bureau 15/F Wanchai Tower 12 Harbour Road, Wan Chai Hong Kong (Attn: Systems Manager (H)41) By Fax Only <2802 4549>

Dear Sir

Re: Public Consultation on the Review on Administration of Internet Domain Names in Hong Kong

Thank you for the letter from Mr Stephen Mak on 7 May 2007, inviting for views on the Administration of Internet Domain Names in Hong Kong.

After consolidating members' views and feedbacks within the organization, we agree with the consultants that the current arrangement of having the government delegating the ccTLD management function to an arms-length and non-profit making organization (HKIRC) should be retained.

We also hold similar views with the consultants that HKIRC should adopt the guiding principles as per listed in the consultation paper for proper ccTLD management and administration, as the ".hk" ccTLD is a public resource of the HKSAR and should be administered in a way that would maximize the benefits to the Hong Kong community.

We are thus in support of the move that the majority of the directors of the management board and the chairman be appointed by the Government. In this respect, we would like to recommend that the directors appointed, and in particular the chairman, should be reputable and independent business people familiar with the Internet community: To put it in a nutshell, the entire operation is a business and it is essential for the non-profit organization to be self-sustainable even in a non-competitive environment. Besides, the strategy of HKIRC is very much influential to the local economy comprising huge number of SMEs. It is therefore important to ensure that the business community is properly represented when taking care of the Internet population. The appointment of reputable and independent businessmen will help guarantee the management board focusing on proper corporate and operational governance.



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With a view to agree that HKIRC should increase both the number of the HKIRC Members and their level of engagement, we have also received views regarding the election of directors, suggesting that each registered domain name should be entitled a vote in its membership class during the election of a director. This is similar to the demand for a poll instead of a show of hands when resolving a critical issues in a general meeting of a company where shareholders' casting of votes are proportional to the number of shares they hold. It is believed that the arrangement will ensure all domain name users will be treated fairly and equitably in the process of electing a director to represent the interests of their respective membership class.

We hope this submission is helpful for you to finalize the proposals on the changes and arrangements.

Yours faithfully

Leo KAN

Chairman, IT Committee

LK/cm