



Hong Kong Internet
Registration Corporation Limited
香港互聯網註冊管理有限公司

Request for Proposals on Review of HKIRC Corporate Governance

Version 1.0

Date: 14 November 2016

Hong Kong Internet Registration Corporation Limited

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1. Summary

HKIRC is looking for a consultant, consulting firm or auditing professional(s) (the “Contractor”) to provide the review services on HKIRC Corporate Governance.

The Contractor shall conduct their review independently with no influence on the reviewing process by staff and directors. This is essential to ensure high credibility of the review results and recommendations. The Contractor shall identify areas for improvement and provide feasible solutions and specific recommendations with reference to established common good industry practice.

The scope of service is detailed in section 4 of this document.

Parties interested in providing this service shall submit **Express of Interest (EOI) by 24 November 2016**. For those who have submitted EOI, they should **submit proposal** (see Appendix B) to HKIRC **no later than 5:30 pm (Hong Kong time) on 30 November 2016**.

The party submitting the tender for the Services (the “Tenderer”) should first submit Express of Interest by email to HKIRC contacts (refer Appendix B – HKIRC Proposal Requirements, electronic copy). The Tenderer must provide their information as required in the proposal cover page (Appendix B, 1.3 Cover Page).

2. Definitions

The following terms are defined as in this section unless otherwise specified.

“Contractor” means the individual or company providing the Services.

“Executive Committee” means an operating committee established by the HKIRC’s board of directors. The committee members are drawn from members of the board of directors. The Board of directors delegates the Executive Committee all its power to direct the affair of HKIRC except for those powers reserved by the Board. Refer to <https://www.hkirc.hk/pdf/Executive%20Committee.pdf> for details.

“HKIRC” means Hong Kong Internet Registration Corporation Limited, the company requesting the proposal for “the Services”

“HKDNR” means Hong Kong Domain Name Registration Company Limited, a wholly-owned subsidiary of HKIRC. This company is also one of the registrars of HKIRC.

“ISMS” means Information Security Management System. It consists of an information security organization and a set of policies, guidelines and procedures concerned with information security management.

“Services” means the review services with requirements stipulated in Section 4 of this document.

“Tenderer” means the company submitting the tender for the Services

“POBO” means the Prevention of Bribery Ordinance in Hong Kong

“RFP” means this Request for Proposal.

3. About HKIRC

Hong Kong Internet Registration Corporation Limited (HKIRC, <http://www.hkirc.hk>) is a non-profit-distributing and non-statutory corporation responsible for the administration of Internet domain names under '.hk' country-code top level domain and its equivalents. HKIRC provides registration services through its wholly-owned subsidiary, Hong Kong Domain Name Registration Company Limited (HKDNR, <http://www.hkdnr.hk>), as well as other accredited registrars, for domain names ending with '.com.hk', '.org.hk', '.gov.hk', '.edu.hk', '.net.hk', '.idv.hk', '.hk', '.公司.香港', '.組織.香港', '.政府.香港', '.教育.香港', '.網絡.香港', '.個人.香港' and '.香港'.

HKIRC endeavors to be:

- Cost-conscious but not profit-orientated
- Customer-orientated
- Non-discriminatory
- Efficient and effective
- Proactive and forward-looking

3.1 HKIRC and HKDNR are public bodies under POBO

HKIRC and HKDNR are under POBO as public bodies. All the prescribed officers and employees, other than the ordinary members of HKIRC who are not vested with management responsibility, are public servants. In order to ensure that our contractors and service providers also observe a high integrity standard, please read and comply with Probity Clauses in Appendix C in this document and sign the warranty in Appendix D. **HKIRC will not consider proposals from companies which have not signed and sent to us on time the Warranty in Appendix D.**

More information about HKIRC can be found at <http://www.hkirc.hk>.

4. The Required Services

4.1 Scope of Service

The following defines the scope of service to be provided by the Contractor.

The Tenderer can add or counter propose any tasks that they deem necessary for completeness and effectiveness.

Background

1. Public Consultation conducted by the HKSARG in 1999

In October 1999, a task force was set up to review the administration and assignment of Internet domain names and Internet protocol (IP) address in Hong Kong. A public consultation paper was issued on 5 June 2000. 35 submissions were received expressing comments. After the review of comments, the task force proposed a gradual transformation of the functional unit of the Joint Universities Computer Centre (“JUCC”) responsible for the domain name administration to the new corporation should be taken forward with priority.

2. The Set Up of HKIRC

Prior to 25 March 2002, all Internet domain names under .hk country code top-level domain were managed and administered by JUCC through its wholly-owned subsidiary, Hong Kong Domain Name Registration Company Limited (“HKDNR”).

In the year 2002, the Government of the Hong Kong Special Administration Region (“HKSARG”) and HKIRC signed a Memorandum of Understanding (“MOU”). HKSARG designated HKIRC to manage and administer the .hk domain names. HKIRC was set up as a member-based, not-for-profit company limited by guarantee with the objects as follows. These objectives were stated in the Memorandum and Articles of Association of HKIRC.

- (a) promote Hong Kong as an international centre for e-commerce and to encourage for the benefit of the Hong Kong community a better understanding and use of the Internet and related technology;
- (b) develop the administration of Internet domain names in Hong Kong;
- (c) administer a registration system for all levels of Internet domain names under the Hong Kong country code “.hk ccTLD” and its other equivalents and to establish and develop a self-regulatory framework in respect of such registration system;
- (d) provide services for registration of all levels of Internet domain names under the .hk ccTLD and its other equivalents including but not limited to registry services, registrar services and other services ancillary thereto;

- (e) administer and manage the allocation and assignment of Internet Protocol addresses in Hong Kong;
- (f) liaise with local and international bodies on issues relating to the development and administration of domain name systems and Internet Protocol addresses;
- (g) develop and establish a policy framework for the development and administration of Internet domain names under the .hk ccTLD and its other equivalents;
- (h) establish appropriate complaints handling and dispute resolution processes which provide for conciliation or redress of grievances on matters associated with the administration or use of Internet domain names under the .hk ccTLD and its other equivalents;

On 25 March 2002, JUCC sold HKDNR to HKIRC. JUCC transferred all the issued shares in HKDNR to HKIRC.

3. **Hong Kong Government Restructured the Board of Directors of HKIRC**

Following a review of international good practices on domain name administration and public consultation, Hong Kong Government and HKIRC were desirous to restructure the Board of Directors of HKIRC, and established a Consultative and Advisory Panel (“CAP”). The item to restructure in the Board of HKIRC has passed as a special resolution in the general meeting on 23 August 2008. CAP was established on 17 June 2009. More information of the CAP can be found here: <https://www.hkirc.hk/content.jsp?id=53>

4. **Designation Agreement for the Management and Administration of .hk Domain Names**

Hong Kong Government reconfirmed the exclusive designation of HKIRC to manage and administer .hk domain names. It is by the execution of the Designation Agreement (refer here: <https://www.hkirc.hk/pdf/DA20100317.pdf>) signed between HKIRC and the Hong Kong Government. After then, the MOU signed in 2002 has expired and become void. As stipulated in the Designation Agreement, the duties of HKIRC in managing and administering .hk domain names shall be as follows:

- (a) Providing services of domain name registration and conversion of domain names into IP addresses, and services incidental or related to services in respect of .hk domain names;
- (b) Operating and maintaining a stable, secure and interoperable domain name system which abides by the policies and technical requirements laid down by ICANN;
- (c) Establishing and maintaining an alert mechanism which will inform Hong Kong Government promptly of the following:
 - (i) Serious or prolonged disruption of domain name system operation for .hk domain names and of domain name registration services, and
 - (ii) Incident leading to a failure on the part of HKIRC to perform duties
- (d) Establishing and maintaining complaint handling process to provide for conciliation or redress of grievances arising from domain name registration service and other service provided by HKIRC;

- (e) Establishing and maintaining domain name dispute resolution process, with reference to industry practice such as ICANN's Uniform Domain Name Dispute Resolution Policy; and
- (f) Liaising with national and international bodies on issues relating to the development and administration of domain name system.

In discharging its duties in managing and administering .hk domain names, HKIRC shall not restrict the rights of any persons under the laws of Hong Kong of freedom of speech, of publication, of communication and religious belief, and shall comply with the laws of Hong Kong related to privacy including without limitation the Personal Data (Privacy) Ordinance (Cap 486).

5. Membership Structure and Composition of the Board of Directors of HKIRC before Dec 2008

Members of HKIRC were divided into 6 classes, government class, user class, service provider class, information technology industry class, commerce and industry class and tertiary institution class. The Board consisted of not less than 8 and not more than 13 directors including 1 seat for government class, 6 seats elected from user class members, 2 seats from service provider class members, 2 seats from information technology industry class members, 1 seat from commerce and industry class members and 1 seat from tertiary institution class members.

6. Membership Structure and Composition of the Board of Directors of HKIRC after Dec 2008

The Board of Directors resolved on 23 August 2008 to change the membership structure and the composition of the Board of Directors. After the changes, members are divided into 2 classes only, Supply and Demand class. The Board of Directors composed of 8 members, 4 directors appointed by the Government and 4 elected directors amongst which 2 directors are elected by Supply class members and 2 by Demand class members.

7. Committees Formed Under the Board

There are two Committees set under the Board namely the Audit Committee and the Executive Committee.

8. Supply and Demand Class Membership

Eligible members shall be any persons / companies resided or registered in Hong Kong holding a .hk domain name.

Supply class members are also the Registry Operator, the accredited-registrars or the service partners in respect of .hk country-code top level domain name, or any persons who is a service provider of Internet-related services or any association representing the interests of such persons.

Demand class members are any person who does not qualify for membership in the Supply Class.

9. Switching of Membership Class

Demand Class Members are allowed to switch their membership class from Demand Class to Supply Class but not the vice versa.

10. Number of Members

As of 18 May 2016, there are 3,561 members. 3,037 are Demand Class members. 524 are Supply Class members.

Objectives and Expected Outcomes

The study is to help HKIRC understand the gap, basing upon the Designation Agreement, Memorandum of Understanding and the objectives of the Memorandum and Articles of Association of HKIRC, for the current situation. The review shall also help HKIRC identify what they shall do to close the gap and to ensure proper governance, smooth and fair operations as well as HKIRC's effectiveness in safeguarding the public interest in administering the ".hk" domain names.

Scope of the Review

Taking into account the existing institutional and governance framework which is reflected in the Designation Agreement, the Memorandum of Understanding and the objectives of the Memorandum and Articles of Association of HKIRC, and make reference to the corporate governance guidelines and practices promulgated by relevant professional bodies, identify the gap of current situation of HKIRC Corporate Governance and the necessary improvement to close the gap. The review should be a full-scope review and should not be confined to the review of documents. It should look into the current institutional arrangements holistically, and make recommendations to ensure proper governance, smooth and fair operations as well as HKIRC's effectiveness in safeguarding the public interest in administering the ".hk" domain names.

The review should take into account operational experience and challenges, the latest international developments and best practices in the administration and management of ccTLD domain names.

Specifically, the review should also cover the following

- a. Review of high level document of the Company including Director's Kit (e.g. Code of Conduct for Director, Confidentiality Undertaking etc), Standing Orders, Terms of Reference of all Committees, and M&A (e.g. composition of the Board, proceedings of Board meeting, how views from members can be transmitted to the Board etc.) to ensure consistency with the Designation Agreement, Memorandum of Understanding objectives in the M&A of the Company, compliance with prevailing rules and regulations and with reference to best practices promulgated by professional bodies, ICAC and Company Registry, etc.;
- b. Evaluate and Recommend on the level of authority of the Board and Committees set under the

- Board (e.g. whether the Executive Committee should have the same authority as the whole Board to discuss Company issues (except some limited topics)), and review the functions of the Committees with a view to clearly defining them;
- c. Review and recommend effective mechanisms to handle the Directors' conflict of interest issues;
 - d. Review the effectiveness of the existing membership structure in terms of the extent of participation of HKIRC members in the governance of HKIRC and make recommendations on improvement as appropriate;.
 - e. Review the policy and procedures of switching of membership class, propose amendments to ensure openness, fairness and minimize the likelihood of abuse as necessary;
 - f. Review the effectiveness of communications with different stakeholders, e.g. OGCIO, members, market players, general public etc.;
 - g. Review the effectiveness of the Consultative and Advisory Panel in light of corporate governance;
 - h. Identify the weaknesses of the existing corporate governance structure in the Company and propose measures for improvement.

Methodology and Deliverables

- a. Gather and take into account views and expectation of stakeholders including OGCIO on the current corporate governance structure in the governance of HKIRC and any issues thereof. Meet with OGCIO to ensure a clear understanding of the existing institutional setup and governance framework for the administration of Internet domain names in Hong Kong,
- b. Evaluate the effectiveness of the current corporate governance structure, in contributing to the effectiveness of the company meeting the requirement from Hong Kong Government stated in the Designation Agreement, Memorandum of Understanding and the objectives in the M&A of HKIRC.
- c. Deliverable – a report assessing the extent of success or failure of the current arrangement versus the benchmark for effective participation. Analyse information gathered and recommend options and measures for improvements.
- d. Based on the findings, prioritize the options and the actions required to implement the different options.
- e. Face-to-face presentations to management, Committee and the Board will be required before the deliverables will be adopted and signed off by HKIRC.

Additional deliverables

The Contractor may propose additional or different deliverables as deemed appropriate.

Information security

- a. The Contractor shall follow HKIRC Information Security Policy and Guidelines set out by HKIRC on personal and co-operation data security.
- b. Contractor's Information Security Policy is subject to HKIRC review as needed.

Duration of the Review

This service is expected to be delivered over a period of two (2) months. The Contractor should advise HKIRC if he thinks the duration suggested is inappropriate. Payment is based on satisfactory completion of milestones, not on duration of work.

Location of Work and Travel

If the Contractor normally resides overseas, he will have to specify the number of trips to HKIRC office in Hong Kong, the duration of each trip, and the approximate timing of these trips. The Contractor should also suggest the preferred communication means when he is not in HKIRC office.

Project management

- a. The Contractor must develop the project plan, specify project tasks and quality related tasks, implementation of the plan, and ensuring the overall quality of the project
- b. The Contractor shall manage the below aspects of the project
 1. Scope
 2. Time
 3. Cost
 4. Quality
 5. HR
 6. Communications
 7. Risk
 8. Procurement
 9. Information Security
 10. Change Control
 11. Exception
- c. In particular, for communications, the Contractor shall provide regular project status report and meeting (biweekly) with the management.
- d. The Contractor shall provide briefing sessions to the Audit Committee, Executive Committee or the Board of HKIRC based on the timing of their scheduled meetings. The sessions aim to explain the progress of the Review, findings, and recommendations of the individual stages of the Review.

5. Information Security

The company submitting the proposal (“the company”) shall acknowledge and agree that, if the company is selected as the Contractor, it shall be bounded by our Non-Disclosure Agreement (NDA) and Information Security Policy (highlights of the policies are illustrated in Appendix A). The company shall also comply with the obligations under the Personal Data (Privacy) Ordinance and any other obligations in relation to personal data.

The company shall be provided with a set of NDA and Information Security Compliance Statement after HKIRC received the company’s Express-of-Interest before the stipulated time. The NDA and the Information Security Compliance Statement shall be signed and returned to HKIRC attached with documents required by the Compliance Statement before the scheduled deadline. **HKIRC will not consider proposals from companies which have not signed both the NDA and the Information Security Compliance Statement.**

The proposal should be marked “RESTRICTED” at the centre-top of each page in black color. It must be encrypted if transmitted electronically.

Each proposal will be reviewed under the terms of non-disclosure by the HKIRC’s staff and Directors of HKIRC.

6. Ethical Commitment

6.1. *Prevention of bribery*

- (A) The Contractor shall not, and shall procure that his directors, employees, agents and sub-contractors who are involved in this Contract shall not, except with permission of Hong Kong Internet Registration Corporation Limited (hereafter referred to as the Organisation) solicit or accept any advantage as defined in the Prevention of Bribery Ordinance (Cap 201) in relation to the business of the Organisation. The Contractor shall also caution his directors, employees, agents and sub-contractors against soliciting or accepting any excessive hospitality, entertainment or inducements which would impair their impartiality in relation to the business of the Organisation. The Contractor shall take all necessary measures (including by way of internal guidelines or contractual provisions where appropriate) to ensure that his directors, employees, agents and sub-contractors are aware of the aforesaid prohibition and will not, except with permission of the Organisation, solicit or accept any advantage, excessive hospitality, etc. in relation to the business of the Organisation.
- (B) The Contractor shall not, and shall procure that his directors, employees, agents and sub-contractors who are involved in this Contract shall not, offer any advantage to any Board member or staff in relation to the business of the Organisation.

6.2. *Declaration of Interest*

- (C) The Contractor shall require his directors and employees to declare in writing to the Organisation any conflict or potential conflict between their personal/financial interests and their duties in connection with this Contract. In the event that such conflict or potential conflict is disclosed in a declaration, the Contractor shall forthwith take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict or potential conflict so disclosed. The Contractor shall require his agents and sub-contractors to impose similar restriction on their directors and employees by way of a contractual provision.
- (D) The Contractor shall prohibit his directors and employees who are involved in this Contract from engaging in any work or employment other than in the performance of this Contract, with or without remuneration, which could create or potentially give rise to a conflict between their personal/financial interests and their duties in connection with this Contract. The Contractor shall require his agents and sub-contractors to impose similar restriction on their directors and employees by way of a contractual provision.

- (E) The Contractor shall take all necessary measures (including by way of internal guidelines or contractual provisions where appropriate) to ensure that his directors, employees, agents and sub-contractors who are involved in this Contract are aware of the provisions under the aforesaid sub-clauses (C) and (D).

6.3. Handling of confidential information

- (F) The Contractor shall not use or divulge, except for the purpose of this Contract, any information provided by the Organisation in the Contract or in any subsequent correspondence or documentation, or any information obtained when conducting business under this Contract. Any disclosure to any person or agent or sub-contractor for the purpose of the Contract shall be in strict confidence and shall be on a “need to know” basis and extend only so far as may be necessary for the purpose of this Contract. The Contractor shall take all necessary measures (by way of internal guidelines or contractual provisions where appropriate) to ensure that information is not divulged for purposes other than that of this Contract by such person, agent or sub-contractor. The Contractor shall indemnify and keep indemnified the Organisation against all loss, liabilities, damages, costs, legal costs, professional and other expenses of any nature whatsoever the Organisation may suffer, sustain or incur, whether direct or consequential, arising out of or in connection with any breach of the aforesaid non-disclosure provision by the Contractor or his directors, employees, agents or sub-contractors.

6.4. Declaration of ethical commitment

- (G) The company submitting the proposal (“the company”) shall acknowledge and agree that, if the company is selected as the Contractor, it shall be bounded by the ethical commitment clauses. The company shall submit a signed declaration in a form (see Appendix E) prescribed or approved by the Organisation to confirm compliance with the provisions in aforesaid sub-clauses (A), (B), (C), (D), (E) and (F) on prevention of bribery, declaration of interest and confidentiality. If the company fails to submit the declaration as required, the Organisation shall be entitled to withhold payment until such declaration is submitted and the company shall not be entitled to interest in that period. To demonstrate compliance with the aforesaid sub-clauses (A), (B), (C), (D), (E) and (F) on prevention of bribery, declaration of interest and handling of confidential information, the company and the sub-contractors employed for the performance of duties under this Contract are required to deposit with the Organisation a copy of the internal guidelines issued to their staff.

7. Schedule

<i>Project schedule</i>	
<i>Tasks</i>	<i>To be Completed by</i>
1 Publish RFP	14/11/2016
2 Express of interest	24/11/2016
3 Sign NDA, InfoSec Compliance Statement, the Warranty in Appendix D and the Declaration Form on the compliance with the ethical commitment requirements in Appendix E by all interested Tenderers	30/11/2016, 5:30pm
4 Deadline for Tenderers to submit proposal and quotation	30/11/2016, 5:30pm
5 Selection of Contractor by panel	13/12/2016
6 Conclude final decision and appoint the Contractor	23/12/2016
8 Sign service contract with the appointed Contractor	29/12/2016
9 Commencement	30/12/2016
10 Complete with deliverables	28/02/2017

The proposed schedule may change. In case of change, HKIRC will inform Tenderers of the change accordingly.

8. Payment Schedule

Interested Tenderers shall provide the breakdown of the project cost in the proposal. The cost shall be broken down by phases and by the process for each functional area.

The following payment schedule is recommended but interested Tenderers may propose their own in their proposals.

Breakdown each year of service by man-hour involved:

Milestone/Acceptance of security audit for each individual year	Total
Man-hour cost (HK\$/man-hour)	

No. of man-hour	
Total (HK\$)	
Payment % for each year	100%
1. Upon delivery of the report assessing the extent of success or failure of the current arrangement versus the benchmark for effective participation. Also based on the findings, prioritize the options and the actions required to implement the different options. (30%)	
2. Upon delivery of face-to-face presentation to the Board the final report (70%)	

9. Elements of a Strong Proposal

All submitted proposal must follow the format as stated in Appendix B - HKIRC Proposal Requirements

Proposals are evaluated based on major criteria as follows (the percentages given are the weighting)

- Company Background (15%)
- Methodology (15%)
- Understanding of our requirements (20%)
- Knowledge and advice on project (25%)
- Proposed cost of the project and its flexibility (25%)

10. Service agreement negotiation and signature

The service agreement will be drawn up between the selected Tenderer and HKIRC. HKIRC welcomes the Tenderer’s proposal on a suitable service agreement for the project.

The service agreement must be signed by both parties within 1 weeks from the project award date. If the agreement is not signed within the said period, HKIRC will start the negotiation with the next qualified Tenderer on the selection list.

11. HKIRC Contacts

<i>Contacts</i>	
Hong Kong Internet Registration Corporation Limited Unit 2002-2005, 20/F FWD Financial Centre, 308 Des Voeux Road Central, Sheung Wan, Hong Kong +852 23192303 – telephone +852 23192626 – fax http://www.hkirc.hk <i>If you are not sure about the appropriate person to call, the receptionist can help you.</i>	Head of Operations and Business Development Bonnie Chun +852 23193808 bonnie.chun@hkirc.hk Senior Finance Officer Elisa Chung +852 23193806 elisa.chung@hkirc.hk Executive Officer Kris Lam +852 23193813 kris.lam@hkirc.hk

Appendix A – HKIRC Information Security Policy and Guidelines: An Extract Relevant to Outsourcing

This document provides an extract of the HKIRC Information Security Policy and Guidelines with the purposes of (a) introducing various measures and controls to be executed by HKIRC regarding outsourcing and (b) setting the expectation of any potential contractors that their participation and conformance in these measures and controls are essential contractual obligations.

The original Policy and Guidelines applies to HKIRC's employees, contractors and third party users. However, a potential contractor may interpret the clauses up to their roles and responsibilities only. Nonetheless, the keyword “**contractors**” hereby refer to all relevant staff of the contractor and of any other subcontractors under the contractor's purview.

Herein, HKIRC would also set the expectation of any potential contractors that upon their indication of interest to the project, they shall be required in the subsequent stages (a) to sign off a non-disclosure agreement (NDA) on all information to be provided and (b) to sign off a Compliance Statement where compliance requirements are specified in more details.

(A) Extract from the HKIRC Information Security Policy

8. Human resources security

8.1 Security objective: To ensure that employees, contractors and third party users understand their responsibilities, and are suitable for the roles they are considered for, and to reduce the risk of theft, fraud or misuse of facilities.

8.1.1 Security roles and responsibilities of employees, contractors and third party users shall be defined and documented in accordance with the organization's information security policy.

8.1.2 Background verification checks on all candidates for employment, contractors, and third party users shall be carried out in accordance with relevant laws, regulations and ethics, and proportional to the business requirements, the classification of the information to be accessed, and the perceived risks.

8.1.3 As part of their contractual obligation, employees, contractors and third party users shall agree and sign the terms and conditions of their employment contract, which shall state their and the organization's responsibilities for information security.

8.2 During employment

Security objective: To ensure that all employees, contractors and third party users are aware of

information security threats and concerns, their responsibilities and liabilities, and are equipped to support organizational security policy in the course of their normal work, and to reduce the risk of human error.

8.2.1 Management shall require employees, contractors and third party users to apply security in accordance with established policies and procedures of the organization.

8.2.2 All employees of the organization and, where relevant, contractors and third party users shall receive appropriate awareness training and regular updates in organizational policies and procedures, as relevant for their job function.

8.3 Termination or change of employment

Security objective: To ensure that employees, contractors and third party users exit an organization or change employment in an orderly manner.

8.3.2 All employees, contractors and third party users shall return all of the organization's assets in their possession upon termination of their employment, contract or agreement.

8.3.3 The access rights of all employees, contractors and third party users to information and information processing facilities shall be removed upon termination of their employment, contract or agreement, or adjusted upon change.

12. Information systems acquisition, development and maintenance

12.5.5 Outsourced software development shall be supervised and monitored by the organization

13. Information security incident management

13.1 Reporting information security events and weaknesses

Security objective: To ensure information security events and weaknesses associated with information systems are communicated in a manner allowing timely corrective action to be taken.

13.1.2 All employees, contractors and third party users of information systems and services shall be required to note and report any observed or suspected security weaknesses in systems or services.

(B) Extract from the HKIRC Information Security Guidelines

6. ORGANIZING INFORMATION SECURITY

6.2 EXTERNAL PARTIES

6.2.1 Identification of Risks Related to External Parties

The risks to the organization's information and information processing facilities from business processes involving external parties should be identified and appropriate controls implemented before granting access.

6.2.3 Addressing Security in Third Party Agreements

Agreements with third parties involving accessing, processing, communicating or managing the organization's information or information processing facilities, or adding products or services to information processing facilities should cover all relevant security requirements.

7. Asset management

7.1.3 Acceptance Use of Assets

Rules for the acceptable use of information and assets associated with information processing facilities shall be identified, documented, and implemented.

8. Human resources security

8.1.1 Roles and Responsibilities

Security roles and responsibilities of employees, contractors and third party users shall be defined and documented in accordance with the organization's information security policy.

8.1.2 Screening

Background verification checks on all candidates for employment, contractors, and third party users shall be carried out in accordance with relevant laws, regulations and ethics, and proportional to the business requirements, the classification of the information to be accessed, and the perceived risks.

8.1.3 Terms and Conditions of Employment

As part of their contractual obligation, employees, contractors and third party users shall agree and sign the terms and conditions of their employment contract, which shall state their and the organization's responsibilities for information security.

8.2.1 Management Responsibilities

Management shall require employees, contractors and third party users to apply security in accordance with established policies and procedures of the organization.

12. Information systems acquisition, development and maintenance

12.5.5 Outsourced Software Development

Outsourced software development shall be supervised and monitored by the organization.

Appendix B – HKIRC Proposal Requirements

Successful Tenderer is the one who submitted a clearly worded proposal that shows the following attributes:

- a persuasive section on the company background
- internationally recognised certification if any
- a strong and flexible service and tools meeting HKIRC requirements with minimum customization
- high level of interaction between HKIRC and the Tenderer
- excellent fit with the capabilities and facilities of HKIRC
- strong company and project management team

1.1 Proposal Deadline

All proposals must reach HKIRC as stated in Section 7, Project Schedule, item no. 4.

1.2 Proposal Content

The proposal should contain the following:

- Cover Page
- Executive Summary
- Conflict of Interest Declaration
- Company Background
 - Financial Situation
 - Track Records
 - Organization and management team
 - Project team with credentials
 - Company credentials
 - Staff credentials
- Project management methodology
- Understanding of our requirements
- Knowledge and Advice on Projects
- Deliverables and Service level
- Proposed Cost of Services and Payment Schedule
- Implementation Time Table
- Commercial and Payment Terms. e.g. Compensation for delay.

<i>Proposal requirements</i>	
Submission deadline	Please refer to Section 7 - Project Schedule, item no. 4 for the proposal submission deadline.
Delivery address	Hong Kong Internet Registration Corporation Limited Unit 2002-2005, 20/F FWD Financial Centre, 308 Des Voeux Road Central, Sheung Wan, Hong Kong
Hard copies	Sending hard copies is not mandatory. For sending hard copies, 2 copies of the full proposal are required. The proposal shall be sent to the attention of Kris Lam (Executive Officer) or Elisa Chung (Senior Finance Officer)
Electronic copy	Electronic copy is mandatory. It shall be sent by email to kris.lam@hkirc.hk and elisa.chung@hkirc.hk ; also cc bonnie.chun@hkirc.hk .
Proposal format	Specified in this document
Page count	30 pages or fewer. Stapled. Do not bind
Font	Electronically published or typed. Times New Roman 12 point font.

1.3 Cover Page

Prepare a non-confidential cover page with the following information in the order given.

<i>Cover Page</i>	
Project Title	Review of HKIRC Corporate Governance
Project Manager	Name:
	Title:
	Mailing address:
	Phone:
	Fax:
	Email:
Company	Contact person:

Title:
Company name:
Mailing address:
Phone:
Fax:
Email:
Website:

1.4 Executive Summary

The executive summary provides a brief synopsis of the commercial and technical solution the Tenderer proposed for the project. This summary must be non-confidential. It should fit on a single page.

The executive summary should be constructed to reflect the merits of the proposal and its feasibility. It should also clearly specify the project's goals, costs and resource requirements. It should include:

- Rationale for pursuing the project, the methodology/technology needed and the present state of the relevant methodology/technology.
- Brief description of the Tenderer's financial situation.
- Brief description of the Tenderer's facilities and experience on colocation services

1.5 Conflict of Interest Declaration

Declare any conflict of interest in relation to the project and the '.hk' ccTLD registry HKIRC.

1.6 Company Background

The Tenderer must describe its company background. Major activities, financial situation, organizational structure, management team and achievements in software development or service outsourcing of the company should be elaborated. Tracked records are preferred.

List the key technical and management personnel in the proposal. Provide a summary of the qualifications and role of each key member.

1.7 Project management methodology

The Tenderer must describe the methods to be used, and briefly explains its advantage and disadvantage. Track records are preferred.

1.8 Understanding of our requirements

The Tenderer shall describe their understanding of our requirements. With the use of a table, the Tenderer should clearly state their compliance on the requirements listed in the scope of service section; and briefly explain how they are achieved.

1.9 Knowledge and Advice on Projects

The Tenderer should describe their knowledge and advice to ensure the success of this project or projects with similar nature.

1.10 Deliverables and Service level

The Tenderer should detail the project deliverables, and the service level of the proposed services.

1.11 Proposed Costs of Service

Such costs include:

- Fixed setup cost
- Labour unit costs for additional requirements. They are typically quoted in unit man day. Quoted in normal working hour, non-working hour and in emergency.
- Travelling costs including flights, accommodation and per diem if the Contractor normally resides in an economy outside Hong Kong
- Equipment that is permanently placed or purchased for HKIRC, if any.
- Subsequent support or maintenance service.
- Other direct costs including services, materials, supplies, postage, etc.

1.12 Implementation Time Table

The Tenderer should present in this section the implementation schedule of the project. The schedule should be realistic and achievable by the Tenderer.

1.13 Commercial and Payment Terms

The Tenderer should describe the commercial and payment terms of the services e.g. compensation for the delay of the project.

Appendix C – Probity Clauses

Probity Clauses in Tender/ Quotation Invitation Documents

Offering Advantages

- (1) The Tenderer shall not, and shall procure that his employees, agents and sub-contractors shall not, offer an advantage as defined in the Prevention of Bribery Ordinance, (Cap 201) in connection with the tendering and execution of this contract.
- (2) Failure to so procure or any act of offering advantage referred to in (1) above committed by the Tenderer or by an employee, agent or sub-contractor of the Tenderer shall, without affecting the Tenderer's liability for such failure and act, result in his tender being invalidated.

Anti-collusion

- (1) The Tenderer shall not communicate to any person other than the Hong Kong Internet Registration Corporation Limited ("HKIRC") the amount of any tender, adjust the amount of any tender by arrangement with any other person, make any arrangement with any other person about whether or not he or that other person should or should not tender or otherwise collude with any other person in any manner whatsoever in the tendering process. Any breach of or non-compliance with this sub-clause by the Tenderer shall, without affecting the Tenderer's liability for such breach rules and laws or non-compliance, invalidate his tender.
- (2) Sub-clause (1) of this Clause shall have no application to the Tenderer's communications in strict confidence with his own insurers or brokers to obtain an insurance quotation for computation of tender price and communications in strict confidence with his consultants / sub-contractors to solicit their assistance in preparation of tender submission.
- (3) The Tenderer shall submit to the HKIRC a duly signed warranty in the form set out in Appendix D to the effect that he understands and will abide by these clauses. The warranty shall be signed by a person authorized to sign the contract on the Tenderer's behalf.
- (4) Any breach of any of the representations and/or warranties by the Tenderer may prejudice the Tenderer's future standing as a HKIRC contractor.

Appendix D – Warranty

To: Hong Kong Internet Registration Corporation Limited (“HKIRC”)

Dear Sir/Madam,

- (1) By submitting a tender, _____[the name of your company] (the “Tenderer”) represents and warrants that in relation to the tender of the Review of Registry/Registrar Model Implementation for .hk Domain Name:
- (i) it has not communicated and will not communicate to any person other than the HKIRC the amount of any tender price’
 - (ii) it has not fixed and will not fix the amount of any tender price by arrangement with any person;
 - (iii) it has not made and will not make any arrangement with any person as to whether it or that other person will or will not submit a tender; and
 - (iv) it has not otherwise colluded and will not otherwise collude with any person in any manner whatsoever in the tendering process.
- (2) In the event that the Tenderer is in breach of any of the representations and/or warranties in Clause (1) above, HKIRC shall be entitled to, without compensation to any person or liability on the part of the HKIRC:
- (i) reject the tender;
 - (ii) if HKIRC has accepted the tender, withdraw its acceptance of the tender; and
 - (iii) if HKIRC has entered into the contract with the Tenderer, terminate the contract.
- (3) The Tenderer shall indemnify and keep indemnified HKIRC against all losses, damages, costs or expenses arising out of this Warranty in relation to any breach of any of the representations and/or warranties in Clause (1) above.
- (4) Clause (1) shall have no application to the Tenderer’s communications in strict confidence with its own insurers or brokers to obtain an insurance quotation for computation of the tender price, or with its professional advisers, and consultants or sub-contractors to solicit their assistance in preparation of tender submission. For the avoidance of doubt, the making of a bid by a bidder to HKIRC in public during an auction will not by itself be regarded as a breach of the representation and warranty in Clause (1)(i) above.
- (5) The rights of HKIRC under Clauses (2) to (4) above are in addition to and without prejudice to any other rights or remedies available to it against the Tenderer.

Authorized Signature & Company Chop: _____

Name of Person Authorised to Sign (in Block Letter) : _____

Name of your company in English (in Block Letters) : _____

Date: _____

Appendix E – Declaration Form on the compliance with the ethical commitment requirements

To: Hong Kong Internet Registration Corporation Limited (HKIRC)

We, _____ (“the company”) shall acknowledge and agree that, if the company is selected as the Contractor, it shall be bounded by the Ethical Commitment clauses:

- 1) We confirm that we have complied with the following provisions and have ensured that our directors, employees, agents and sub-contractors are aware of the following provisions:
 - a) prohibiting our directors, employees, agents and sub-contractors who are involved in this Contract from offering, soliciting or accepting any advantage as defined in section 2 of the Prevention of Bribery Ordinance (Cap 201) in relation to the business of HKIRC except with the permission of HKIRC;
 - b) requiring our directors, employees, agents and sub-contractors who are involved in this Contract to declare in writing to their respective company management any conflict or potential conflict between their personal/financial interests and their duties in connection with this Contract, and in the event that a conflict or potential conflict is disclosed, take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict or potential conflict so disclosed;
 - c) prohibiting our directors and employees who are involved in this Contract from engaging in any work or employment (other than in the performance of this Contract), with or without remuneration, which could create or potentially give rise to a conflict between their personal/financial interests and their duties in connection with this Contract and requiring our agents and sub-contractors to do the same; and
 - d) taking all measures as necessary to protect any confidential/privileged information or data entrusted to us by or on behalf of HKIRC from being divulged to a third party other than those allowed in this Contract.

Signature:

 _____ (Name of the company)
 _____ (Name of the Signatory)
 _____ (Position of the Signatory)
 _____ (Date)