

# *General Meeting*

**7 October 2014**

*afnic*

On October 7 at 17:00, the members of Afnic gathered for their annual meeting in the premises of the Novotel Paris Vaugirard hotel, 257 Rue de Vaugirard, Paris 15.

Notice of the meeting, which included the agenda, had been sent electronically to all the members on September 17, 2014.

The date and place of the meeting, the agenda as well as the working papers were available in the members' area of the Afnic website.

## Agenda

1. Opening speech by the Chairman
2. Appointment of a Recording Secretary and a Scrutineer
3. 2013 Annual Report
4. Presentation of the Financial Statements
5. Statutory Auditor's Report
6. Approval of the financial statements for 2013 and assignment to the "other reserves and working capital" item

## Attendees

On entering the meeting room, each member signed an attendance sheet, available at the Afnic's Member Services department.

23 members were present or represented, including 22 entitled to take part in the voting:

### **2 founding members, represented by 2 board members:**

- ✓ INRIA, represented by Emmanuel Sartorius, Chairman of the Board
- ✓ Ministry of electronic communications, represented by Geoffroy Hermann

### **11 registrar members:**

- ✓ Business Domains, represented by Fabien Riehl having mandated Frédéric Guillemaut
- ✓ Connection SA, represented by Thierry Wilhem having mandated Jean-Benoit Richard
- ✓ Dataxy, represented by Bernard Dulac
- ✓ Epistrophe, represented by Philippe Batreau
- ✓ France Télécom Orange, represented by Didier Delabre, having mandated Sophie Jean-Gilles



- ✓ Gandi, represented by Nicolas Lhuillery
- ✓ MailClub, represented by Frédéric Guillemaut
- ✓ Meyer et Partenaires represented by Steve Furhmann, having mandated Nicolas Lhuillery
- ✓ Namebay, represented by Eric Lantonnet
- ✓ Rapidomaine, represented by Alexandre Badelon
- ✓ SFR, represented by Serge Ribeiro, having mandated Eric Lantonnet

**3 user members, legal entities:**

- ✓ ACFCI, represented by Thierry Hinfray
- ✓ CIGREF, represented by Jean-François Pépin, having mandated Thierry Hinfray
- ✓ GESTE, represented by Maxime Jaillet

**5 individual user members:**

- ✓ Sébastien Bachollet, having mandated Frédéric Guillemaut
- ✓ Mathieu Pitté, having mandated Elisabeth Porteneuve
- ✓ Elisabeth Porteneuve
- ✓ Rina Singer, having mandated Annie Renard
- ✓ David-Irving Tayer, having mandated Emmanuel Sartorius

**1 honorary member (non-voting) :**

- ✓ Annie Renard, former Afnic CTO

**1 corresponding member, international college:**

- ✓ NIC Madagascar represented by Lala Andriamampianina, having mandated Emmanuel Sartorius

**Other attendees:**

- ✓ Christophe Rambeau, external auditor
- ✓ Afnic : Mathieu Weill, CEO - Pierre Bonis, Deputy CEO - Virginie Navailles, Member Services Manager - Régis Massé, CTO - Julien Naillet, Communication director.

# Minutes

## 1. Opening speech by the Chairman

The General Meeting being regularly constituted, the Chairman, Mr. Emmanuel Sartorius, opened the meeting. He welcomed the participants.

The President recalled that the purpose of the annual general meeting was to validate the Afnic accounts for 2013 that could not be approved on June 7, 2014 following the answer on June 4, 2014 from the tax authorities to the request for an advance tax ruling submitted by Afnic on the treatment of payments to the Support fund for the development of the Internet (FSDI).

## 2. Appointment of a Recording Secretary and a Scrutineer

Ms. Virginie Navailles, Member Services Manager, and Mr. Pierre Bonis, Deputy CEO, were respectively appointed Recording Secretary and Scrutineer

## 3. 2013 Annual Report

The accounts having been presented on June 7, 2014 and added to the record, Mathieu Weill asked the participants if they had any questions.

Following a reference to progress of 60% in the commitments of the State-Afnic agreement, Mr. Geoffroy Hermann asked whether the various commitments were weighted. Pierre Bonis answered they were not. If the balance sheet had been drawn up in terms of importance, about 80% of commitments would have been met. Afnic had undertaken first and foremost to keep the dated commitments in the convention and all of these would be met by year-end 2015. The ISO27001 security certification was the most important commitment that had yet to be fulfilled.

Mathieu Weill confirmed the progress, particularly on the new *.fr* services (FR Lock, opening to the multi-annual registration of domain names with 1 and 2 characters), the implementation schedules for which had been presented earlier in the day to the consultative committees.

## 4. Presentation of the Financial Statements

Pascale Gatti quickly described the main business and operating results that had been presented at the Annual General Meeting of June 7, 2014 in order to explain in more detail the changes related to the tax authorities decision to reject the advance tax ruling.



Turnover had increased by 4.5% compared with 2012 but was slightly below expectations due to the slowdown in the growth of the .fr TLD.

Operating expenses before FDSI amounted to € 13.6 million (+ 21%). The pre-tax operating income remained positive at around € 0.5 million. Income and expenses were consistent with the 2013 budget plus or minus 1%.

The costs of the new gTLD business amounted to € 1.7 million, or 12% of operating expenses. In 2013, the turnover in gTLDs was very low. It would grow in 2014 with Afnic's sustained development of the business and was expected to grow more significantly in 2015.

The investments had been significant in 2013, in particular to provide for the implementation of the gTLDs and the consolidation of the infrastructure, allowing Afnic to become a multi-registry operator. They broke down as follows: 60% for ccTLDs and 40% for gTLDs.

Headcount was increasing with skills in line with Afnic's development through 14 recruitments (technical, marketing, commercial, administrative staff) and 8 internal transfers.

Earnings before FSDI stood at 125,142 euros and was slightly lower than budget due to the decline in creations of domain names under the .fr TLD, and accounting income for the 2013 financial period showed a loss of – 541,849 euros.

The answer from the tax authorities to the tax exemption request mainly resulted in an increase in the corporate tax, which affected the payment to the FSDI amounting to EUR 994,878 for the second half of 2012 and the 2013 financial period, and the precautionary reserve of the association, which were revised to stand at EUR 110,542 for 2013.

## 5. Statutory Auditor's Report

See the statutory auditor's general report and special report on regulated agreements, as well as the 2013 financial statements published on the Afnic website:

<https://www.afnic.fr/fr/mon-afnic/mes-documents/vie-associative/assemblee-generale/documents-preparatoires-4.html>

The statutory auditor, Mr. Christophe Rambeau, certified that the 2013 financial statements:

- |                                      |               |            |
|--------------------------------------|---------------|------------|
| ✓ Balance-sheet total of             |               | 16,172,879 |
| euros                                |               |            |
| ✓ Income statement showing a loss of | 541,849 euros |            |

constituted a true and fair view of the financial position and assets of Afnic as of the end of the financial year.

In addition, Mr. Christophe Rambeau stated that he had not been advised of any agreement entered into in the past or during the year to be submitted for the approval of the General Meeting pursuant to the provisions of Article L612-6 of the French commercial code.

## 6. Approval of the financial statements for 2013 and assignment to the "other reserves and working capital" item

In accordance with the articles of association, the General Meeting was to make its decisions by a simple majority of the members present or represented.

### ***Approval of the financial statements for 2013***

*The General Meeting, having heard the report of the auditor and the additional oral explanations provided, approved the financial statements as presented for the year ended December 31, 2013*

*The General Meeting gave discharge to the directors for the performance of their duties during the past financial year.*

**→ *The resolution was unanimously adopted***

### ***Allocation to the "other reserves and working capital" item:***

*The General Assembly, on the proposal of the Board of Directors, made the following decisions:*

- ✓ Allocate to the "other reserves and working capital" item the net loss of € 541,849.*

**→ *The resolution was unanimously adopted***

### ***Allocation of the precautionary reserve account to the "other reserves and working capital" item***

*The share of income allocated in 2012 to the precautionary reserve account for an amount of € 18,360 is aggregated with the "Other Reserves and Working Capital" item.*

There being no further items on the agenda, the session closed at 18:00.