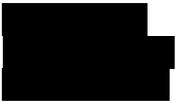


.au Domain Administration Limited

ACN 079 009 340 (Company)

Minutes of the Board of Directors held on Monday 17 June 2019
at Level 17, 1 Collins Street, Melbourne, Victoria 3000, scheduled at 10.00am

<u>Directors Participating:</u>	Chris Leptos	Independent Chair (<i>part attendance</i>)
	Erhan Karabardak (EK)	Director
	James Deck (JD)	Director
	Suzanne Ewart (SE)	Independent Director
	Grant Wiltshire (GW)	Director
	Holly Raiche (HR)	Director
	Joseph Manariti (JM)	Director
	Nigel Phair (NP)	Director
	Damian Smith (DS)	Director
<u>Company Secretary</u>	Sonia Joksimovic	
<u>In attendance:</u>	Cameron Boardman	Chief Executive Officer (<i>part attendance</i>)
	Dr Bruce Tonkin	Chief Operating Officer (<i>part attendance</i>)
<u>Invitee:</u>	Richard Bullock (RB)	DoCA Representative (Board Observer – <i>part attendance</i>)
	Richard Bean (RB1)	Nomination Committee Member (<i>part attendance</i>)
	Keith Besgrove (KB)	Nomination Committee Member (<i>part attendance</i>)
	Karen Hayes (KH)	Nomination Committee Member (<i>part attendance</i>)
	Jacqui Lefevre (JL)	Nomination Committee Member (<i>part attendance by phone</i>)
		Marketing Agency (<i>part attendance for agenda 12 only</i>)
		Marketing Agency (<i>part attendance for agenda 12 only</i>)
		Marketing Agency (<i>part attendance for agenda 12 only</i>)
<u>Apologies:</u>	Sandra Hook (SH)	Independent Director (<i>part attendance by phone only for in-camera sessions 1.00pm – 2.30pm and 5.35pm-6.00pm</i>)

Item 1 – Meeting Open

The Chair welcomed all present, noted a quorum was present and declared the meeting duly convened and constituted at 10.00am.

The Chair noted Sandra Hook had advised in advance her apology for today's meeting.

Item 2 – Declaration of Interests**Item 2.1- Directors' Standing Notice**

The standing Disclosure of Interest Register was noted and taken as read.

The Directors and Management declared there were no new declarations of interest to declare.

EK noted that an email declaring his updated disclosures had been sent to the Chairman for file keeping purposes and Directors review and information.

Item 3 – Approval of minutes from previous meeting

The Minutes from the previous Board meeting, were tabled and taken as read.

Whilst the Board of Directors confirmed their respective approval of the minutes from the previous meeting held 20 May 2019, the Chairman advised that the format of the minutes were not in alignment with advice provided by Ashurst Lawyers and therefore the minutes from the 20 May 2019 are not to be confirmed and approved and instead to be held over to the next meeting, until this typographical amendment has been made [ACTION].

The Chairman advised the Directors of additional agenda items to be discussed at today's meeting, which include:

- 4.3 APTLD; and
- 4.4 ICANN Marrakesh

Item 3.2 – Action Items/Matters arising from the previous meeting

The Chair reviewed the Action Items arising from the previous Board meeting, noting those actions **completed** and open items were included in the Board meeting for discussion.

Item 4 – Director Update

Item 4.1 – Nomination Committee Update

The Chair provided a verbal update on meetings held to date, noting Nomination Committee members have been invited to attend the meeting to meet with Directors.

The Directors noted the Company Secretary has not been invited to Committee meetings to date, which the Directors queried and discussed.

Richard Bean, Keith Besgrove, Karen Hayes, Jacqui Lefevre (by phone) from the Nomination Committee joined the meeting at 10.30am

The Directors had a round table introduction with respective Nomination Committee members present and discussion was held regarding the process of Director elections in alignment with the Committee's roles and responsibilities.

The Chair thanked the Nomination Committee Members for joining the meeting.

Richard Bean, Keith Besgrove, Karen Hayes, Jacqui Lefevre (by phone) from the Nomination Committee then left the meeting at 11.22am

The Chair adjourned the meeting for a short break at 11.22am and the meeting reconvened at 11.30am.

Item 4.2 Director Remuneration

The Chair provided a verbal update follow a recommendation from the Nomination Committee, noting a variation to the Director fee pool should be considered and approved by Directors.

It was noted the Nomination Committee discussed anomalies in the current remuneration structure for board members, noting that some board members are remunerated on a flat fee while others are paid per meeting.

The Chair advised therefore, that the proposed Director fees, effective 1 July 2019, are as follows:

- Directors, \$30,000 p.a. plus super [*previously paid per meeting*]
- Committee Chairs, \$40,000 p.a. plus super [*noting no change proposed*]
- Chair and NomCom Chair, \$70,000 p.a. plus super [*noting no change proposed*].

The Directors rejected the recommendation from Chris Leptos to increase the fee pool for Director Fees, effective 1 July 2019, noting the proposed increase is in contradiction to advice provided by the Chair at the Company's 23

November 2018 AGM, whereby it was confirmed there would be no change to the maximum annual aggregate amount to Directors entitled to be paid out of the funds of auDA.

It was **agreed** Chris Leptos would convey the Director's decision to the Nomination Committee respectively [ACTION].

Item 4.3 APTLD

EK advised proposed travel to APTLD Malaysia for September 2019, which was discussed.

RESOLUTION: The Board **RESOLVED** to approve for fellow Director, Erhan Karabardak, to attend APTLD Malaysia event and for auDA to pay for the associated travel and accommodation costs.

It was **agreed** EK would circulate the APTLD Malaysia Event Agenda to Directors for their review and expressions of interest to attend [ACTION].

Item 4.4 ICANN Marrakesh

The Chair noted that contrary to the previous 20 May 2019 Board meeting advice, he would no longer be attending ICANN In Marrakesh, which was noted.

Bruce Tonkin joined the meeting at 11.58am

Item 5 – DoCA Update

Item 5.1 DoCA feedback on Licencing Rules

The DoCA Feedback on Licencing Rules Report was tabled and taken as read.

Richard Bullock provided a verbal update on the Licencing Rules, as approved in principle at the 20 May 2019 Board meeting, noting a "public interest test" was *currently in progress* for consultation to better understand stakeholder management and an update from the Department would be advised in due course.

The Chair thanked the DoCA Representative for joining the meeting and respective contribution and adjourned the meeting for short break at 12.43pm.

Richard Bullock left the meeting at this time.

*The meeting resumed as an **in-camera session** with Directors and the Chair only at 1.00pm*

An in-camera session was held between 1.00pm – 2.50pm and Sandra Hook joined this discussion (in part) by phone.

The meeting resumed at 2.50pm.

The CEO and Company Secretary re-joined the meeting at this time.

It was noted the Chair, Chris Leptos, left the meeting at this time.

It was further noted the Board had **RESOLVED** for Erhan Karabardak, to be appointed as Acting Chair to assist facilitation of the Board meeting as scheduled.

The Acting Chair brought forward agenda 12 *Assessment of .au Brand Development Campaign*, noting presentations by three (3) respective parties had been scheduled regarding auDA Campaigns for decision.

Item 12 Assessment of .au Brand Development Campaign

It was noted that in alignment with the April Board meeting, auDA Directors had approved the release of an RFP in relation to the development and execution of a new .au brand campaign, incorporating brand for auDA.

The Directors noted thirteen (13) agencies were contacted by Management during this process and three (3) agencies had been shortlisted to present the Company's proposed campaign for respective approval.

The Directors noted respective presentations, [as scheduled during the course of the meeting], from:



The Board **RESOLVED** to appoint BWM Dentsu, as recommended by Management, as the marketing agency to develop and implement the Company's .au brand campaign.

The Acting Chair reviewed the Board Meeting agenda and reprioritised items, which the Directors approved.

Finance Update

Item 8.1 FY20 Budget

The FY20 Budget and Operating Plan was tabled and taken as read and the CEO was invited to update Directors.

It was noted a workshop with the Company's Finance & Audit Committee had been scheduled to review the proposed FY20 Budget and Operating Plan for Directors approval.

RESOLUTION: The Board **RESOLVED** to approve the FY20 Budget [and Operating Plan], as endorsed by the Company's Finance & Audit Committee.

The Board conveyed their appreciation to the Company's CFO, James Shady for his contribution with completing the Company's FY20 Budget.

Item 8.2 Appointment of Investment Management Firm

The Appointment of Investment Management Firm Report was tabled and taken as read.

The Directors noted respective RFT Evaluation Matrix Reports for shortlisted firms, received from:



RESOLUTION: The Board **RESOLVED** to approve Credit Suisse, as the new investment management firm, as recommended by Management and endorsed by the Company's Finance & Audit Committee, to assist in the development of an investment policy and manage the Company's reserve funds.

It was noted the auDA Foundation's Board is to also consider the appointment of Credit Suisse.

Item 13 Security and Risk Committee Update

The Committee Chair, Suzanne Ewart, provided Directors an update on the Security and Risk Committee meeting held 3 June 2019, which was noted.

It was noted the Company's Delegation of Authority Policy has been endorsed by the Committee and at the request of the Chair, Chris Leptos, forwarded to the Company's Finance & Audit Committee for review [**ACTION**].

Item 14 Governance Committee Update

It was noted that there had been no Governance Committee held since its 13 May 2019 meeting, noting an update on this meeting was tabled at the 20 May 2019 Board meeting.

*The Acting Chair adjourned the meeting for an **in-camera session** with Directors only at 4.00pm.
An in-camera meeting was held at 4.00pm – 4.23pm*

The meeting resumed at 4.23pm.

The CEO and Company Secretary re-joined the meeting at this time and Erhan Karabardak and Suzanne Ewart stepped out of the meeting at this time.

It was noted the Chair, Chris Leptos, had tendered his resignation taking effect 5.00pm Monday 17 June 2019.

Erhan Karabardak and Suzanne Ewart rejoined the meeting at 4.49pm

The Acting Chair reviewed the Board Meeting agenda and reprioritised items that had not been discussed and continued the meeting as scheduled to address these items, which the Directors approved and the COO rejoined the meeting at this time.

Item 6 Corporate Documents

Item 6.1 Proposed Marketing & Community Activities Strategy & Item 6.2 auDA Events and Community Activities Strategy

The Proposed Marketing & Community Activities & Events Strategy Report, was tabled and taken as read.

RESOLUTION: The Board **RESOLVED** to approve publication of the Strategy and associated budget commitment for FY20, as tabled.

Item 7 Policy Reforms

Item 7.1 Update on the Draft Registrar Policy and Registrar Agreement

The Update on the Draft Registrar Policy and Registrar Agreement Report, was tabled and taken as read.

The K&L Gates auDA Registrar Agreement (Draft no 1 dated 31 May 2019) with tracked changes, was tabled and taken as read.

Item 7.2 Revised Draft Licensing Rules

The Revised Draft Licensing Rules, was tabled and taken as read.

RESOLUTION: The Board **RESOLVED** to approve the Revised Draft Licensing Rules, as tabled, subject to feedback from DoCA on the 'public interest test' currently in progress for consultation.

Item 7.3 Outstanding .au Namespace Implementation Issues

The Outstanding .au Namespace Implementation Details Report, was tabled and taken as read.

RESOLUTION: The Board **RESOLVED** to approve the following implementation details, as tabled, subject to feedback from DoCA on the ‘public interest test’ currently in progress for consultation:

- **Cut-off date:** 4 February 2018
- **Commencement date:** [REDACTED], subject to finalising implementation plans with the registry and registrars that will need to update their agreements and their software;
- The wholesale fee for direct registration .au domain names match the open 2LDs names;
- The application fee associated with implementation model be set annually and at the rate of the wholesale fee for open 2LDs;
- Reserve domain names within gov.au (e.g. <names>,gov.au) in the form <name>gov.au
- Consistent with clause 2.6.4 (2) of the .au Domain Administration Rules: Licencing, publish the following list of names for 21 public comment as potential names to be reserved for future second level namespaces as requested by the Australian Government’s Digital Transformation Agency; nationalpark.au; archives.au, palimantet.au, election.au, mil.au, library.au, court.au, royalcommission.au

It was noted that EK abstained from voting on this agenda item, in alignment with his standing interest declarations.

Item 7.4 .nt.gov.au Registry Participation

The .nt.gov.au Registry Participation Report, was tabled and taken as read.

RESOLUTION: The Board **RESOLVED** adding nt.gov.au to the registry to participate in the priority process for direct registration.

Item 11 Website RFP

The Website RFP Report, was tabled and taken as read.

RESOLUTION: The Board **RESOLVED** to approve the engagement of Itomic Pty Ltd to redevelop auDA websites, as tabled, subject to Management 1. resourcing capability and 2. undertaking referrer checks.

Item 9 CEO Report

Item 9.1 Management Report

The Management Report was tabled and taken as read.

Item 9.2 Marketing and Innovation Assessment

The Marketing and Innovation Assessment Report was tabled and taken as read.

*[It was **agreed** out-of-session that a Circular Resolution would be distributed to Directors for respective approval].*

9.3 [REDACTED] Marketing Fund Application

The [REDACTED] Marketing Fund Application Report was tabled and taken as read.

*[It was **agreed** out-of-session that a Circular Resolution would be distributed to Directors for retrospective approval].*

Item 10 Membership Attraction (standing item)

The Membership Attraction Report was tabled and taken as read.

The meeting agenda reverted in a sequential order.

Item 15 Other Business

No other Business was noted.

It was **agreed** an in-camera session at the conclusion of the formal meeting would be held to discuss the resignation of Chris Leptos, including next steps.

Item 16 Review Meeting – Feedback to the Chair

This item was deferred to the next meeting for respective feedback.

Item 17 Board Calendar and Next Meeting

It was noted the next Board meeting is scheduled **Monday 22 July 2019 at 10.00am.**

In camera meeting

The CEO, COO and Company Secretary left the meeting at 5.35pm

An in-camera session with Directors was held between 5.35pm to 6.00pm.

The meeting was closed at 6.00pm.

Signed as a true and correct record.

Dated this day of

Suzanne Ewart
Independent Chair