.au Domain Administration Limited
ACN 079 009 340 (auDA)

Minutes of a Meeting of the Board of Directors

Date/Time:	Monday, 15 April 2019	
	9.00 am – 3.55 pm (Melbourne Time)	
Venue:	Level 17, 1 Collins Street, Melbourne VIC	
Directors:	Chris Leptos AM (CL)	Independent Director and Chairman
	Erhan Karabardak (EK)	Director
	James Deck (JD)	Director
	Sandra Hook (SH)	Independent Director
	Holly Raiche (HR)	Director – joined the meeting at 9.05 am
	Suzanne Ewart (SE)	Independent Director
	Grant Wiltshire (GW)	Director
Attendees:	Richard Bullock (RB)	Board observer – Department of Communications and the Arts (DoCA) (joined by teleconference at 9.04 am)
	Cameron Boardman (CB)	auDA CEO
	James Shady	auDA CFO and minutes
	Bruce Tonkin	auDA COO
Chairman:	Chris Leptos AM (CL)	
Apologies:	Joseph Manariti (JM)	Director
	Nigel Phair (NP)	Director
	Damian Smith (DS)	Director
	Hasaka Martin (HM)	Company Secretary

1. OPENING REMARKS

CL **NOTED** that a quorum, being a majority of directors, was present and declared the meeting open at 9.00 am (Melbourne time).

2. DECLARATION OF INTEREST

CL enquired whether any directors had interests to declare and noted that directors had been requested to submit a standing declaration of interests to the CFO prior to this Board meeting, and that those declaration that had been received on a timely basis had been loaded into the cloud sharing service and were available for inspection.

JD noted he had a client with an export business to China, JD advised the interest was immaterial to the International Domain Name ("IDN") matter.

CL advised that he knows Michael Dodge (an ABL partner) who had been appointed to the General Advisory Standing Committee (GASC). ABL from time to time undertake work for Flagstaff Partners.

EK advised the meeting that a proposed appointee to the Technical Advisory Standing Committee (TASC), Ms Bec Martin was an employee of Message Media and that Message Media was a client of his firm, Cooper Mills Lawyers.

3. MINUTES FOR APPROVAL AND MATTER ARISING / ACTION ITEM LIST

3.1. Minutes of the previous meeting

Minutes of the Board meeting held on 18 March 2019 were tabled for approval. The Board discussed the proposed redactions and the registration of domain names for use by auDA.

The minutes were **APPROVED** without amendment.

3.2. Matters arising and Action items

Matters arising and Action Item list from the Board meeting held on 18 March 2019 was tabled.

The Board **RESOLVED** to approve the registration of domains in the .au zone's second levels to support a microsite for the consultation campaign, **forexample** across all .au second levels (i.e .com.au, .net.au, .org.au, .id.au,. asn.au, etc)

4. DIRECTOR UPDATES

4.1. Nomination Committee (NomCom)

SH provided an update on the NomCom process noting that candidate probity checking was underway and that 50% of the candidate probity checking had been completed

4.2. Nomination Committee Appointment Letter

The NomCom appointment letter prepared by Ashurst was tabled for approval.

The Board resolved to **APPROVE** the form of appointment letter proposed by Ashurst.

The Board **RESOLVED** that pursuant to rule 5.3 of the Constitution, each of the candidates referred to in DoCA's letter (dated 29 March 2019) be appointed as a member of the Nomination Committee, subject to receipt by the Company of a copy of the Letter of Appointment counter-signed by (a) that member, (b) not less than three proposed members of the Nomination Committee (other than the Independent Chairperson and Government Representative) and (c) the Government Representative, and the completion of appropriate probity checks.

For the purposes of rule 25.1 of the Constitution, the Board **RESOLVED** that the Nomination Committee will be taken to have been established when the appointments of the Independent Chairperson, Government Representative and not less than three other members of the Nomination Committee occur.

The draft resolution prepared by Ashurst regarding the NomCom appointment letter was circulated during the meeting.

4.3. Nomination Committee Roadmap

The CRK proposal to assist the NomCom was tabled for approval. CL noted that the NomCom may choose to accept or reject the CRK proposal.

SH noted that the Governance Committee had considered CRK's proposal and supported it.

The Board resolved to **APPROVE** the CRK proposal for forwarding to the NomCom.

The Board resolved to **APPROVE** the release of director declarations of interest to the NomCom.

4.4. COYSEC update

CB gave an update on recent activity, indicating that 3 further candidates has been interviewed and that 2 of the candidates were appointable and that reference checking was proceeding.

CL noted there should be an appointment this month.

4.5. ICANN66 EOIs

CL called for director EOIs for ICANN66 (Montreal).

Action item *– Written EOI for ICANN66 to be submitted.*

Action item *– ICANN and apTLD trip reports to be added to Board Resources.*

4.6. Caretaker period for Federal Government

CL enquired of RB whether auDA was able to continue its activities unimpeded by the election process.

RB advised auDA should continue on a business as usual basis

FINANCE UPDATE

4.7. Finance reports

Item 5.1 (Finance Reports) was tabled for adoption.

4.8. FAC minutes

Item 5.2 Minutes of the FAC held on 11 April 2019 were held over until the next meeting.

CL noted that the FAC had requested that CFO (JS) review auDA's delegations manual and provided this to the SRC for further feedback.

The Board **RESOLVED** to adopt the Finance Report and to note investment portfolio report.

4.9. Tier 1 financial reporting

Item 5.3 a letter of advice from KPMG (auDA's external audit firm) in respect of financial reporting obligations for FY19 was tabled. The Chairman having previously proposed that auDA should adopt a higher level of financial disclosure ("Tier 1" disclosure) for FY19, rather than the lower level of disclosure ("Tier 2" disclosure) currently adopted by auDA.

It was noted that the Board Committees (FAC, SRC and Governance) had at the Chairman's request discussed Tier 1 disclosure changes.

The Board **REQUESTED** further information on "*actual*" changes to the format and content of auDA annual reports be prepared and presented to it based on auDA's FY18 annual report.

Action item – *FY18 annual report to be updated (using REDLINE) to Tier 1 disclosure by KPMG*

Action item – *SRC to review delegations manual*

5. **PRP update**

Director disclosures

EK noted his declaration had been added to the register of director interests and confirmed the Chairman that he would refrain from voting on the implementation of direct registration at the second level. EK noted he would provide his feedback on the proposed rules to all the directors.

Noted that JD disclosure document had been provided over the weekend and needed to be added to OwnCloud.

Staff disclosures

SH enquired how key management personnel conflicts were being managed. CL indicated this was a matter for the CEO.

The CEO was asked to make a formal disclosure of interests to the May board meeting ahead of any decision on direct registration, regarding his own interests and potential conflicts, and the process for dealing with interests and potential conflicts of staff.

5.1. Update in consultation

CB provided an overview of the submissions received in response to the release of the final PRP report, indicating that most of responses received had focused on the PRP proposal regarding monetisation and warehousing.

Action item: *Management to publish the list of respondents and their responses*

5.2. Management response and timeline

CB provided an overview of management's response to the PRP's recommendations, including recapping the consultation timeline and outlined the five papers attached to Item 6.2:

1. auDA Management's response to the PRP's final report and recommendations
2. a table summarising management's response
3. Management's Board presentation
4. the proposed .au Licencing rules, and
5. the proposed .au Namespace Implementation Model.

CL led the Board through a review of each PRP recommendation and the response proposed by management.

5.3. Licencing rules

Item 6.3 the proposed licencing rules were presented by CB.

The Board after discussing the proposal to introduce a limited group of International Domain Name (IDN) character sets in the .au namespace and noting that the introduction of IDNs does not need to coincide the proposed implementation of direct registration the Board **RESOLVED** that IDN's should be included in the current consultation, with consideration of wider consultation for IDNs to be decided at the May 2019 meeting.

5.4. .au namespace implementation rules

BT presented the proposed direct registration implementation model.

The Board **RESOLVED** to approve for public consultation for a period of 4 weeks the papers 6.2.1, 6.2.2. 6.2.3, 6.3 and 6.4.

Action item: Management response papers to be published for public consultation (complete)

6. **CEO Report**

6.1. Consultation campaign update

CB presented the www.shorternames.com.au microsite and campaign video. CB noted that the campaign video would run on catch up TV, banners on News and Fairfax websites, Facebook, industry websites and it was anticipated that there would 100k to 150k impressions.

The inaugural quarterly newsletter was tabled for discussion.

Directors variously provided feedback on the wording of the www.shorternames.com.au microsite.

Action item: Immediately post meeting directors to provide feedback to management on microsite language (complete)

6.2. RFP: .au brand development campaign

CB tabled the item 7.2 for approval indicating that management wished to have responses available for the June Board meeting.

The Board variously expressed views on the RFP document. Directors were invited to provide comments to management on the RFP document before it was issued.

The Board **AGREED** that the RFP for the .au brand development campaign could be released after director feedback had been solicited and incorporated as appropriate.

Action item: Obtain board feedback on the RFP for the .au brand development campaign

6.3. RFP: auDA website

CB tabled the item 7.3 for approval indicating that management wished to have responses available for the June Board meeting.

CB noted that the auDA website RFP was a technical RFP rather than creative RFP. CB indicated he would have the relevant staff member reach out to directors to obtain feedback.

The Board **AGREED** that the RFP for the auDA website could be released after director feedback had been solicited and incorporated as appropriate.

Action item: Obtain board feedback on the RFP for the auDA website

6.4. Management report

Item 7.4 Management Report was taken as read.

HR raised question in relation to the types of complaint which were being received and resolved by auDA compliance team.

BT undertook to provide further information on the types of complaint in the Compliance analysis.

Action item: Compliance analysis to incorporate more data on type of complaint.

6.5. GASC and TASC update

Item 7.5 Management Report was taken as read.

The Board **RESOLVED** to approve the appointment of Ms Sae Ra Germaine and Ms Bec Martin to the Technical Advisory Standing Committee (TASC)

7. MEMBERSHIP ATTRACTION CAMPAIGN

CB provided an update on the membership campaign and presented the membership campaign microsite: www.joinauda.org.au and note the campaign launch event was being held that evening.

8. SECURITY AND RISK COMMITTEE (SRC) UPDATE

SE provided a verbal briefing on matters arising from the SRC's meeting held on 8 April 2019 and noted that:

- the SRC intended to table an update risk register at the May Board meeting. The Chairman requested the updated risk register be held over until the June 2019 Board meeting.
- Security Shift's proposal to undertake the Phase 2 ISO implementation work had been accepted, being more competitive than rival proposals
- Honan (incumbent insurance broker) had been requested through the CFO (JS) to commence preparation of auDA's FY20 insurance program.

9. GOVERNANCE COMMITTEE UPDATE

SH noted that the Governance Committee met on 9 April 2019 and had discussed:

- CRK's proposal to support the NomCom
- Culture Zone's stakeholder and staff engagement proposed scope of works, and the
- adoption of Tier 1 financial reporting.

10. OTHER BUSINESS

None.

11. REVIEW MEETING – FEEDBACK TO THE CHAIR

The Board discussed the timeliness and appropriateness of the board papers, and overall effectiveness of the meeting.

12.   BOARD CALENDAR AND NEXT MEETING

Item 13.1 Next Board meeting

The Board **AGREED** that the next Board meeting would be Monday, 20 May 2019.

Action item – Placeholders to be sent to directors in respect of the May board meeting, noting a 9.00 am commencement and 5.00pm finish – JRS/SB

13.   *in camera* SESSION FOR DIRECTORS

An *in camera* session was not held.

14.   CLOSE OF BUSINESS

There being no further business the chair closed the meeting at 3.55 pm (Melbourne time).

Confirmed and signed as a true and correct record:

Chair   **Date**