

Meeting Minutes

Meeting	Board Meeting	
Date / Time	16 December 2020 / 4 – 5 pm AEDT	
Location	Team Meeting	
Present	Alan Cameron AO, Chairperson Alice McCleary, Director Jackie Korhonen, Director James Atkins, Director Tania Fryer, Director	Matthew Healy, Director Peter Elford, Director Kate Cornick, Director (until 4:30)
Also in attendance	Rosemary Sinclair, CEO Sonia Joksimovic, Co Sec James Shady, CFO	Bruce Tonkin, COO
Apologies	Angelo Giuffrida, Director Sandra Davey, Director	Katherine Sainty, GC Linda Brown, Co Sec

1. Acknowledgement of Country

The Chair acknowledged the Gadigal people of the Eora nation where he was located and paid respects to elders past and present on the lands on which others were participating.

2. Welcome, quorum and introductions

The Chair welcomed all present, noting those who were an apology and that due to a prior commitment, Kate Cornick was available until 4.30pm.

The Board also noted, that while the Company's General Counsel was unavailable to attend the meeting, the CEO was involved and briefed on the legal due diligence undertaken.

The Chair confirmed there was a quorum for the meeting and opened the meeting at 4.05pm.



3. Declarations of interests

The Board noted the Declarations of Interests.

The Chair noted that Director, Angelo Giuffrida, absented himself, to avoid any perception of a conflict of interest.

4. Previous Committee Meeting Matters

4.1 Approval of 2 December 2020 Minutes

The Board reviewed the Minutes of the meeting held on 2 December 2020.

The Board **resolved** to approve the Minutes of 2 December 2020 as a true and correct record of the meeting subject to a minor amendment.

4.2 Action Item Review

The Board reviewed the actions, noting they remained in progress.

5. Donuts / Afiliis Change of Control

The Board noted the following reports, which were taken as read:

- Donuts/Afiliis Change of Control Report – dated 14 December 2020
- Attachment A: auDA Due Diligence Report on the Acquisition of Afiliis Inc by Donuts Inc -dated December 2020
- Attachment B: Donuts Inc. Counterparty assessment by Ernst Young – dated 13 December 2020
- Attachment C: Draft Deed of Consent [prepared by Sainty Law]
- Attachment D: Draft auDA Parent Company Deed of Guarantee and Indemnity between .au Domain Administration Limited (auDA) and DTLD Holdings LLC (Delaware, USA).

The Directors noted the findings from auDA's due diligence on the proposed Donuts Inc purchase of Afiliis Inc and the request for a change of control associated with the Registry Licence Agreement (**RLA**).

The CEO updated Directors on auDA's due diligence process which leveraged the criteria and evaluation approach from the 2017 Registry Transformation Project tender process.

The Board noted the due diligence process focused on four (4) areas where there may be risks as a result of the change of control:



- Legal Assessment – led by General Counsel and CEO
- Technical and Operational Assessment – led by COO
- Personnel Assessment – led by COO
- Financial Assessment – led by CFO and EY.

The CEO spoke to the Legal Assessment, which the Board then discussed.

Kate Cornick left the meeting.

The COO spoke to both the Technical and Operational Assessment and the Personnel Assessment, which the Board then discussed.

The CFO spoke to the Financial Assessment, which the Board then discussed.

The CEO noted that for each of the risks identified and reported there are extensive controls in the existing Registry Licence Agreement (RLA) and that the key treatment to address these risks are:

- A Deed of Consent (Attachment C) – which confirms that the RLA is valid and binding and confirms key terms that relate to the controls identified in the Due Diligence Report and
- A Parent Company Guarantee and Indemnity (Attachment D) – to be signed [*subject to Board approval*] by DTLD Holdings LLC (as the ultimate holding company of Donuts Inc) that guarantees the performance of the Registry Operator's (Afilias Australia Pty Ltd) obligations under the RLA.

Action: The draft Deed of Consent (Attachment C) requires further review by General Counsel in regard to information warranties.

The Board commended Management on the quality of the due diligence assessment and documents prepared for review.

The Chair confirmed there were no outstanding questions from Directors.

The Board **resolved** to approve the request for a change of control of the Registry Operator (Afilias Australia Pty Ltd) from Afilias Inc. to DTLD Holdings LLC, under the Registry License Agreement (RLA), subject to the parties entering into a Deed of Consent and DTLD Holdings LLC entering into a Parent Company Deed of Guarantee and Indemnity for the performance of the Registry Operator obligations under the RLA.

The Board **resolved** [unders127 of the *Corporations Act*] to authorise the Chair Alan Cameron and the Chair of the Security and Risk Committee, Peter Elford to execute (1)



Deed of Consent (Attachment C) [as amended and (2) Parent Company Guarantee and Indemnity (Attachment D).

6. Meeting Close & Next Meeting Dates

The Board noted the next meeting dates:

- 2 February 2021 – SRC
- 16 February 2021 – Board

Meeting closed at 5:15pm.

Signed as a true and correct record

Alan Cameron

Independent Chairperson

Date: