

**.au Domain Administration Limited**  
**ACN 079 009 340**

**Minutes of a Meeting of the Board of Directors**

**Date/Time:** Monday, 20 August 2018  
10.00 am – 3.00 noon (Melbourne Time)

**Venue:** In person at Level 17, 1 Collins Street, Melbourne, Vic, 3000

**Directors:**

Chris Leptos AM (CL)	Independent Director and Chairman
Cameron Boardman (CB)	Director and CEO
Erhan Karabardak (EK)	Supply Director
James Deck (JD)	Supply Director
Suzanne Ewart (SE)	Independent Director
Sandra Hook (SH)	Independent Director
Joe Manariti (JM)	Supply Director
Damian Smith (DS)	Demand Director
Grant Wiltshire (GW)	Supply Director
Nigel Phair (NP)	Demand Director
Holly Raiche (HR)	Demand Director

**Attendees:**

Hasaka Martin (HM)	Company Secretary
Richard Bullock	Department of Communication and the Arts (DoCA) by phone
Tony Lang	Barrister

**Chairman:** Chris Leptos AM (CL)

**Apologies:**

**1. OPENING REMARKS**

The Chair **NOTED** that a quorum was present and declared the meeting open at approximately 10.00 am (Melbourne time).

The Chair reviewed the safety and evacuation procedures.

The Chair welcomed Mr Richard Bullock from the Department of Communications and the Arts (DoCA), who had been invited to be present for the meeting as a Government observer.

The Chair requested an update on Business Name registration be added to the Other Buysiness.

**2. DECLARATION OF INTEREST**

No new declarations were noted

**3. MINUTES FOR APPROVAL**

The Board **RESOLVED** to approve the minutes of the board meetings held on 20 July 2018 and 27 July 2018.

#### 4. **MATTERS ARISING/ACTION ITEM LIST**

The Chair led a review of the action items, noting the action items for which there was an update:

##### International Engagement Strategy

Mr Boardman noted the International Engagement Strategy would be included in the broader stakeholder engagement plan to be submitted to the board.

Directors **RESOLVED** to close the item pending the release of the Stakeholder Engagement Plan.

##### Board Pack Software

Mr Martin noted that there had been a trial of SharePoint to distribute board papers. Directors expressed the view that SharePoint was not a suitable platform.

Directors **RESOLVED** to note the update.

##### Domain Monetisation

Mr Boardman noted information was planned to be provided as digital fact sheets.

Directors **RESOLVED** to close the item pending the release of fact sheets.

##### Risk Workshop

Directors were of the view that the workshop should be conducted after the General Meeting proposed for 27 September.

Directors **RESOLVED** to note the update.

##### Governance Committee - Membership Model Consideration

Directors **RESOLVED** to close the item pending the consideration of the proposed membership model which is on the agenda.

##### Security and Risk Committee – RTP Legal Action Update

Directors **RESOLVED** to close the item pending the recommendation of the SRC which is on the agenda.

#### 5. **DIRECTORS' UPDATE**

##### **Item 5.1**

### Item 5.2 EGM Update

The Chair invited the Mr Lang to give an overview of the proposed membership model and any practical alternatives to the proposed model.

Mr Lang noted that a process of constitutional change would normally take at least two years and possibly longer, while auDA was required to implement the change in less than six months.

Mr Lang highlighted the characteristic of the proposed membership model, noting that:

- There is a single class of associate members;
- The elected directors would be elected by the associate members;
- The members of the nomination committee (NomCom) are also governing members;
- The governing members would be the only members recognised as members under the *Corporations Act 2001*;
- The constitution would allow for the associate members to become governing members;
- The independent directors would be nominated by the NomCom;
- The Board would comprise a majority of independent directors;
- The model would allow for stability and a smooth transition to the new single class of membership.

Directors discussed the desirability of an early transition to a single class of membership, and the need for KPIs to ensure this was achieved.

The Directors **RESOLVED** to authorise the CEO to continue consultations around the membership model.

### Item 5.3 auDA Foundation Update

The Director **RESOLVED** to take the 'Future of the auDA Foundation' paper as read.

Mr Smith summarised the key findings of a sub-committee tasked with examining the Foundation, noting there were a number of key decisions for the board to consider:

- Should auDA support philanthropic and capacity-building activity as part of auDA's social licence?;
- If yes, is this activity best delivered by the Foundation?
  - What governance model should apply?
  - What funding model should apply?
  - What kind of activities should the Foundation support?

Mr Smith addressed the sub-committee's view on each of the key decisions noting that any further consideration by the board should be held over until after the EGM.

A summary of the subcommittees view was:

- auDA should support philanthropic and capacity-building activity as part of auDA's social licence;
- a separately run Foundation was the best way to deliver the program;
- the Foundation funding could be generated in various ways (income generated from its investments; auDA funding from normal operating funds from FY20 onwards; industry support; and in-kind donations from auDA (staff, office support, etc).

Directors were generally of the view that that the Foundation should employ a CEO.

The Directors **RESOLVED** to note auDA Foundation update

#### **Item 5.4 International Engagement Update**

The Directors **RESOLVED** to take the International Engagement Update papers as read.

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The Chair noted there had been an invitation to all directors to express their interest in attending the next ICANN meeting. Mr Manariti and Mr Deck were the only directors to confirm their availability to attend the next ICANN meeting.

*Mr Manariti and Mr Deck left the room*

The Directors noted that it was important that auDA have both management and board representation at ICANN meetings.

The Directors **RESOLVED** to approve the attendance at ICANN by Mr Manariti and Mr Deck, noting that:

- an engagement plan for Mr Manariti and Mr Deck would be agreed with the CEO prior to the ICANN meeting; and
- a report into the activities and learnings at ICANN will be presented to the Board after the ICANN meeting.

*Mr Manariti and Mr Deck re-entered the meeting*

#### **Item 5.5 Allegations of criminal cartel conduct by Mr Josh Rowe**

The Chair updated Directors on previously circulated communications between auDA and Messrs Josh Rowe, Paul Szyndler and Jim Stewart.

It was noted that Mr Szyndler and Mr Stewart had written to auDA confirming that Mr Rowe acted on his own, and without their authority, and were therefore not responsible for Mr Rowe's actions.

Mr Rowe has been asked to issue a public retraction.

#### **Item 5.5 Director Vacancy - Demand Class**

The Chair noted the resignation of Mr Tim Connell received on 7 August 2018 and sought the Directors views on the timing for the recruitment process.

The Directors were of the view that the recruitment process should be conducted after the EGM (27 September), as the appointment may be under a new constitution and there would be more certainty around the nominations process after the EGM.

*Mr Boardman left the meeting.*

#### **Item 5.6 CEO Remuneration**

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*Mr Boardman entered the meeting.*

*The meeting was adjourned at approximately 2.50 pm on Monday, 20 August 2018.*

*The meeting restarted at 5.05pm on Thursday, 23 August 2018.*

The Chair **NOTED** that a quorum was present and declared the reconvened meeting open at 5.01pm (Melbourne time) on Thursday, 23 August 2018.

The Chair noted apologies from Ms Hook, Mr Phair and Ms Raiche.

The remaining Directors joined by phone.

Mr Richard Bullock (DoCA) also joined by phone.

The Chair requested that two items (auDA Business name update and Josh Rowe update) be added under Other Business.

## **6. CEO Update**

The Directors **RESOLVED** to take the CEO report as read.

The Chair sought question and comments on the CEO report:

Directors discussed auDA's domain complaints process.

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Directors discussed the Whois lookup tool, and noted that it is now located at <https://whois.ada.org.au>

Mr Boardman noted that the PRP had proposed the formation of a Domain Investor Working Group (DIWG) and a Registrars Working Group (RWG) to advise the PRP.

The Directors discussed the background and experience of the proposed members.

Mr Karabardak disclosed that he had acted for several the proposed participants in the DIWG and RWG.

The Directors expressed the view that the RWG should be expanded to include smaller registrars and resellers.

The Directors **RESOLVED** to note the CEO report and to note Mr Karabardak's disclosure.

### **Item 6.3 Government Review Update**

Mr. Boardman provided an update on the implementation plan, noting the plan was an internal live document and the dates were subject to change as the plan was further refined.

Mr. Boardman noted the Member Engagement Plan and the Registrar Engagement Plan are to be combined into a broader Stakeholder Engagement Plan.

The Directors expressed the view that a senior experienced executive needs to be responsible for auDA's stakeholder engagement processes.

Mr. Boardman noted the recruitment of additional personnel would be considered as part of the overall resourcing plan.

### ***ACTION ITEM 2: Directors asked that Communication be a standing agenda item.***

Directors discussed the need for a Communications sub-committee charged with examining stakeholder communications.

### **CMWG Update**

Mr. Boardman noted that the proposed membership model was adopted by the CMWG on Wednesday, 22 August 2018, and the CMWG recommended the model be considered by members.

Mr Boardman advised that Mr Bullock (DoCA) had briefed the CMWG on Wednesday.

Mr Boardman advised directors that various updated draft documents would be forwarded to directors next week, including:

- proposed constitution,
- notice of meeting for the EGM,

- Nomination Committee Charter,
- Stakeholder Engagement Plan, and
- Transparency Accountability Framework.

Mr Boardman advised that these documents would be formally considered at a Board meeting planned for Monday, 3 September.

Mr Boardman advised that these documents will be sent to members after 3 September, for consideration at the EGM on 27 September.

The Directors **RESOLVED** to note the Government Review Update.

*Mr Leptos sought the permission of Directors consider items 8 and 9 before the Committee Reports*

## 8. CORPORATE AND PUBLISHED POLICES

Mr Boardman noted the proposed process for the Development and Review of auDA Published Policies.

The Directors **RESOLVED** to approve (subject to addressing concerns around privacy policy compliance) the:

- the Corporate Policy – Process for the Development and Review of auDA Published Policies as an Interim Policy;
- Publication of the Corporate Policy – Process for the Development and Review of auDA Published Policies for 21 days of Public Consultation;
- Publication of the proposed minor amendments to the Published Policies: Mandatory Terms and Conditions; and Domain Renewal, Expiry and Deletion Policy for 21 Days of Public Consultation; and
- Updated Corporate Policy – DNSSEC Practice Statement, and the posting of a redline of the changes.

## 9. STAKEHOLDER ENGAGEMENT

### Item 9.1 Supply to Demand Membership Conversion

The Directors discussed letter from the Australian Web Industry Association and noted the resignation of AWIA as a member of auDA.

### Item 9.2 Membership Application

The Directors **RESOLVED** to approve the membership applications

## 7. COMMITTEE REPORTS

### 7.1 Governance Committee

Mr. Wiltshire gave an overview of the Governance Committee's consideration, in the absence of the Chair of the Governance Committee. Mr. Wiltshire noted the Committee's recommendation that the Board approve the Board Charter and the Board Skills matrix.

The Directors **RESOLVED** to note the draft minutes of the Governance Committee meeting held on Friday, 10 August 2018

The Directors **RESOLVED** to approve the auDA Board Charter

The Directors **RESOLVED** to approve the auDA Board Skills Matrix

## **7.2 Security and Risk Committee**

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The Directors **RESOLVED** to note the minutes of the SRC meeting held on Monday, 6 August 2018.

Ms Ewart gave an overview of the Committee's consideration of the Link proposal for the provision of a member voting platform for the EGM, and KPMG's review of the SGM voting and poll procedure.

The Directors **RESOLVED** to approve the engagement of Link to provide a member voting platform for the EGM and related services.

## **7.3 Finance, Audit and Chairman's (FAC) Committee**

### **7.3.1 Minutes**

The Directors **RESOLVED** to note the FAC Committee minutes of the meetings held on 6/13 July and 9 August 2018.

### **7.3.2 June 2018 Financial Report**

The Directors **RESOLVED** to take the June 2018 Financial Reports as read.

The Directors **RESOLVED** to note the June 2018 Financial Reports.

### **7.3.3 June 2018 Management Accounts**

The Directors **RESOLVED** to take the June 2018 Management Accounts as read.

The Directors **RESOLVED** to note the June 2018 Management Accounts.

### **7.3.4 Finance Operations Update**



The Directors **RESOLVED** to take the Finance Operations Update as read.

The Directors **RESOLVED** to note the Finance Operations Update.

## 9. OTHER BUSINESS

### 9.1. Business Name Registration

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### 9.2. Update on the allegations of criminal cartel conduct by Mr Josh Rowe

Mr Boardman advised Directors that Mr Rowe had agreed to publish an apology notice in the AFR.

The Directors **RESOLVED** to note the update on the apology by Mr Rowe

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## 10. REVIEW MEETING

Directors provided feedback to the Chair on the conduct of the meeting

## 11. NEXT MEETING

The Directors noted that the next Board meeting is scheduled to be held on Monday, 3 September 2018 by teleconference.

## 12. CLOSE OF BUSINESS

There being no further business the chair closed the meeting at approximately 6.45 pm (Melbourne time).

**Confirmed and signed as a true and correct record:**

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**Chair**

**Date**

