

# Board Minutes - 9 April 2001

Public Version

Meeting of the .au Domain Administration Board

9 April 2001 - 1.00pm

.au Domain Administration Limited, Level 7, 50 Queen Street, Melbourne VIC 3000

Present:

Chris Chaundy, Greg Crew, Kim Davies, Chris Disspain, Craig Hand, Kim Heitman, David Keegel, Jo Lim, Michael Malone, Iain Morrison, Erica Roberts, Greg Watson

Teleconference:

Patrick Corliss

Observers:

Michelle Scott (NOIE)

Apologies:

Tony Staley, David Thompson and Liz Williams

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## 1. Confirmation of Minutes

The minutes of the February meeting were approved.

Motion (proposed MM, seconded ER): That expenses of PC, KH and DT relating to attendance at ICANN in Melbourne in March be reimbursed. Carried.

Action: CEO to prepare a memo to the board on future handling of directors' expenses.

Action: MM to prepare a memo to the board on the different status of executive and non-executive directors.

The minutes of the 2000 AGM were approved for publication on the auDA web site.

## 2. Report from Chair of the Name Policy Advisory Panel

DW presented the Panel's final report to the board. He advised that the Panel had a high rate of participation, and membership was representative of key stakeholders and reflected a diversity of opinions. The Panel stayed on its timeline and followed the auDA Advisory Panel Procedures as closely as possible, especially with regard to consensus decision-making. The recommendations contained in the Panel's final report have been canvassed in its previous reports. The Panel has referred some decisions back to the auDA Board, eg. the content of the 'reserved list', and the issue of generic and geographic domain names. The report includes a minority report on the use of trade marks as domain name eligibility criteria.

The board agreed that it may not ask the Panel to amend its report. However, directors may seek clarification from the Panel if there are any sections of the report that they do not understand. GW advised that a letter from SETEL was received immediately before the meeting. The letter asked that SETEL's views be incorporated into the Panel's final report prior to publication. As noted above, the board agreed that it cannot amend the report. SETEL's views will be considered at the extraordinary board meeting.

Action: Directors to send any questions of clarification to the board list, JL to collate and refer questions to the Panel for a written response.

Action: CEO to respond to SETEL letter on the Co-Chairs' behalf.

Action: Panel's final report to be published on the auDA web site, CEO to issue media release.

### 3. Extraordinary Board Meeting

The board will meet at the auDA office on Tuesday 8 May, 10am, to consider the Name Panel's final report.

### 4. Report from Co-Chair of Competition Model Advisory Panel (by teleconference)

GM reported on the Panel's progress following release of its first public consultation report in February. The Panel received 13 submissions, most of which demonstrated good commonality of views regarding the majority of proposals contained in the report. The Panel has therefore agreed to proceed with all its non-contentious proposals. On the issue of single registry versus multiple registries, the Panel is developing a 'blended model', ie. accept a multiple registries model in principle, but the first implementation would be a single registry for all open 2LDs, to be tendered out by auDA. AUNIC could be used to provide a centralised WHOIS service and data escrow. Accreditation of registrars would be minimal, to ensure the lowest possible barrier to entry.

The Panel is also looking at a funding model for auDA, as required in its Terms of Reference. The board agreed that the Panel should canvas different funding options, but should not recommend a particular model, to give auDA some flexibility on this matter.

The Panel will release its second public consultation report in May, which will also include the Stage 4 implementation strategy.

### 5. Continuous Disclosure

PC advised that he has been elected co-chair of the General Assembly of the ICANN DNSO (subject to approval by the Names Council). He has also been appointed to the board of the Top Level Domain Association (TLDA). PC advised that the TLDA has been established to coordinate the development of alternate roots. He does not consider that the TLDA is contrary to ICANN policy.

DK advised that he is a director and employee of Cybersource, which has entered into negotiations with auDA to provide technical support services for AUNIC. DK has not been involved in the negotiations. The board noted that this is a related third party transaction.

Action: PC to re-submit his declaration of interest in relation to his appointment as a director of the TLDA.

### 6. CFO Report

The CFO tabled the financial statements for February and March 2001. He advised that auDA will finish the financial year in a solvent position with a positive cash flow.

Motion (moved GW, seconded MM): That independent directors' remuneration be set at \$35,000 pa, with \$20,000 for an independent director who is chair of the board, and \$15,000 for an independent director who is not. Carried.

Action: CFO to follow up Government announcement that not-for-profit organisations in the ICT sector will be exempted from income tax.

### 7. Redlegation of .au

The CEO advised that there has been no response from Robert Elz regarding the redelegation. The next step is to approach

NOIE for assistance. It was suggested that auDA should try to organise another meeting with Robert to ascertain his position; however, it was agreed that this should not delay the approach to ICANN.

Action: GW to explore possibility of a meeting with Robert Elz.

#### 8. org.au

The CEO advised that auDA is receiving an increasing number of complaints about the lack of service in org.au. Robert Elz has not responded to offers of assistance in processing org.au applications.

#### 9. AUNIC

The board discussed the proposed contract with Cybersource to provide technical support services for AUNIC, including transition to the new hosting arrangements and ongoing maintenance for a 6 month period. DK left the room for the discussion.

The board stressed the need for a 'key man' provision to ensure that DK is the person who provides the service, based on his high level of experience and expertise in operating AUNIC. Cybersource should be required to produce documentation about AUNIC, to ensure 'knowledge capture'. Cybersource should also be required to operate in a client-oriented manner, so that any problems or changes to AUNIC are notified to the organisations that use it.

Motion (moved GC, seconded KH): That the board ratify the contract with Cybersource, subject to changes to address specific issues raised by the board. Carried.

Action: CEO to address the issues raised by the board in finalising the contract with Cybersource.

#### 10. Membership

Motion (proposed ER, seconded CC): That the members listed below are accepted in the classes indicated. Carried.

Aristocrat Technologies Australia Pty Ltd (demand)

Fast Media Pty Ltd (supply)

Maddock Lonie & Chisholm Lawyers (demand)

pulsat communications ltd (supply)

Baldwin Shelston Waters (demand)

George Katsaromitsos (demand)

Webcity Australia Pty Ltd (supply)

Action: CEO to revise membership form to streamline the application process.

Action: CEO to include membership numbers by class in his reports to the board.

#### 11. Number of domain names in .au

Action: CEO to include the number of domain names in .au in his reports to the board. MM to assist in sourcing the information.

#### 12. ICANN meeting in Stockholm

The CEO advised that all auDA staff will attend the ICANN meeting in Stockholm, 30 May – 4 June. Arrangements will be made to ensure the office administration is adequately handled during that time. The CEO will take recreation leave for 2 weeks prior to the ICANN meeting (from 11 May).

The board agreed that individual directors should have the opportunity to attend ICANN meetings, as a learning experience and for information-sharing with other directors.

Motion (moved GC, seconded KD): That GW attend the ICANN meeting in Stockholm. Carried.

### 13. Transition Funding

The board discussed the transition budget and funding options. It was suggested it would not be possible to secure a loan from Government within the required timeframe. The board discussed the possibility of imposing a levy on each com.au and net.au domain name registration and renewal from 1 July. This would replace the existing licence agreements with Melbourne IT and connect.com.au. The levy would be an interim measure only, to be removed once competition is introduced.

Action: CEO and CFO to approach Melbourne IT and Connect.com.au, in confidence, to discuss the domain name levy option.

Action: CEO and JL to approach NOIE to discuss the Government loan option.

Action: Finance Committee to further refine the transition budget and report back to the board.

Action: CFO to confirm membership of the Audit and Finance Committees.

### 14. Next Meeting

The next board meeting will be held at the auDA office on Friday 15 June, 12pm.