

DotAsia Board Finance Committee (BFC) Meeting Minutes

Date(s) & Time:	July 22, 2022 (Friday) 14:00 – 15:05 HKT
Location:	DotAsia Zoom Meeting Room: http://aji.asia/zoomboardfinance
Attendees:	Santanu ACHARYA Kashif ADEEL Satish BABU Andi BUDIMANSYAH Edmon CHUNG Joel DISINI Murad IBRAGIMOV Leonid TODOROV Rebecca CHAN (DotAsia Team) Phyo Thiri LWIN (DotAsia Team) Apologies: Arthur CHANG

No.	Action Items:	Owner	Remarks
F2021.01.A04	Search other bank options for opening new Namesphere bank account.	Rebecca CHAN	Suggested to be suspended until after mediation.
F2021.08.A01	Propose procedures of conducting random verification on the Reports provided by Afilias.	Rebecca CHAN	Reports circulated to BFC. Discussion deferred to next BFC meeting.
F2022.03.A01	Organize a special meeting with legal representatives for questions and clarifications on the Board matters.	Edmon CHUNG	Completed.
F2022.05.A01	Organize a special meeting with Fusion to go through the format and details of monthly financial report.	Rebecca CHAN	To be scheduled at F2F Board meeting.
F2022.06.A01	Validate if there are any non-current liabilities for DotAsia.	Rebecca CHAN	Completed.
F2022.06.A02	Update draft Policy Document for Board Community Engagement Support (BFC-003) based on feedback.	Edmon CHUNG	To be circulated in BCC meeting.
F2022.06.A03	Develop draft measurements for marketing cost versus new create/renewals	Leona CHEN-BIRKNER	

No.	Action Items:	Owner	Remarks
F2022.07.A01	Discuss and put in place interim measures for BFC Chair to observe payment processes.	Rebecca CHAN	In progress.
F2022.07.A02	Set up meeting with Afiliat and Board members at the KL ICANN meetings.	Edmon CHUNG	In progress.

Discussions:

1. Roll Call

- 1.1. Mr. Kashif ADEEL chaired the BFC meeting as BFC Chair on July 22, 2022.
- 1.2. Roll call. Those present for all or part of the meeting are included in the Attendees section.

2. Adoption of Minutes of Last BFC Meeting on June 24, 2022

- 2.1. Draft 1.1 of BFC meeting minutes 2022.06.24 and action items were discussed.
- 2.2. BFC meeting minutes 2022.06.24 approved unanimously.

3. Monthly Financial Reporting

- 3.1. Financial report for Oct 2021 – April 2022 was prepared and circulated by Fusion and presented by Rebecca to BFC.
- 3.2. It was noted that there was a decrease in the cost of services and gross profit from last year. It was also noted that there is profit from operations.
- 3.3. The breakdown of the major expenses was highlighted.
- 3.4. A question was raised regarding sponsorship for APriGF 2022. It was explained that the MSG Chairs and Vice Chairs oversee the APriGF initiative, and that APNIC as a co-host of the event is also involved in coordinating the sponsorship for APriGF 2022. It was noted that APriGF secretariat can assist in providing more information about sponsorship if interested.
 - 3.4.1. There was a comment that DotAsia's Secretariat support for APriGF and bank account support for APSIG are very valuable services that cannot be easily substituted.
 - 3.4.2. There was a suggestion to open a separate bank account for supporting community work. It was explained that in the past, it was challenging to open additional bank accounts due to the banking situation. It is hoped that now with new contacts at HSBC, it may be easier to set up different bank accounts.
- 3.5. A question was raised regarding the status of BFC Chair being added to HSBC as a signatory. It was explained that HSBC had provided options on how to get certified and it is awaiting the certified documents from the signatory.
 - 3.5.1. BFC Chair explained that attempts of getting certified online and at the local HSBC branch were unsuccessful. It was suggested that upon arrival in Singapore in September, BFC Chair visit Singapore HSBC to

get certified.

3.5.2. BFC Chair suggests that in the interim, certain measures be put in place so that he can observe the payment processes.

3.5.3. It was agreed that Rebecca and the BFC Chair would discuss the details of the measures offline and to put them in place. (F2022.07.A01)

3.6. It was confirmed that DotAsia does not have non-current liabilities. It was confirmed with Fusion that in financial reporting a liability can only be considered non-current if it has an explicit term specifying that it's not due within one year. It was also clarified that for mortgage arrangements by banks, there is always a clause that the bank has the option to ask for repayment of the entire loan at any time the bank wants. Therefore, while a mortgage is a "long-term" loan, it is also considered a current liability for financial reporting purpose."

4. Policy Document for Board Community Engagement Support (BFC-003)

4.1. It was noted that amendments to BFC-003 were made based on discussions from the previous BFC meeting.

4.2. It was highlighted that the changes include designating BCC to maintain the Known Aligned Community Events (KACEs) list, consideration for reallocation of budget for Board members who may have a higher cost of travel, and consideration in case of emergency for DotAsia to use reasonable efforts and funds to support Board Members traveling to return home.

4.3. It was mentioned that BCC should review the document, and thereafter the policy be presented to the full Board for adoption.

5. Budget Review (Market Promotion and Effectiveness Measures)

5.1. The marketing team has started the process of looking into better measurements for market rebates versus response of registrations. More detail to be provided at the next BFC meeting.

5.2. The DotAsia experience in the cycles of promotion levels of domains under management over the last five years was shared with the BFC. It was highlighted that factoring renewal rates in the review of the entire lifecycle of the promotions is also important to gauge effectiveness.

5.3. A highlight of other new gTLDs' promotional patterns and outcomes was presented for reference.

5.4. It was mentioned that most of the marketing budget is tied to sales at this time. Only a small portion is being used for ad placements, especially in conjunction with registrars' marketing programs.

6. Afilias Agreement

6.1. It was highlighted that Afilias is more than a back-end registry service provider for DotAsia. Afilias was a big part of the establishment of DotAsia and keeps acting like a partner (or "shareholder") of DotAsia. It was noted that the agreement with Afilias includes a clause to that effect.

6.2. There was a suggestion to follow up with the fee review process in the contract. It was highlighted that pricing can increase or decrease based on the market

situation and trends.

- 6.3. It was suggested that BFC identify certain Board members to discuss the contract with Afiliias in September. It was noted that Afiliias may not be attending the events in Singapore and DotAsia Board members may need to travel to ICANN75 in Kuala Lumpur for an in person meeting.
- 6.4. It was agreed that staff should coordinate and arrange a meeting with Afiliias. (F2022.07.A02)

7. Legal Support and Indemnities

- 7.1. It was noted that DotAsia should provide the best support for the organization and its Board members to fight against litigation in order to uphold its integrity. It was recommended that directors' insurance be mandatory to safeguard Board members and the organization.
- 7.2. A question was raised on the premium and coverage of the company/director's insurance. It was remarked that the premium was presented when the insurance was renewed.
- 7.3. It was noted that the discussion regarding legal support is carried out at the BGC. If and when there arise the need for financial adjustments, it will then be brought back to the BFC for discussion.

8. Review of BFC-001 SOP for Finance & Procurement

Discussion deferred to next BFC meeting.