

DotAsia Board Finance Committee (BFC) Meeting Minutes

Date(s) & Time:	October 06, 2022 (Thursday) 14:00 PM – 15:10 PM (HK Time)
Location:	DotAsia Zoom Meeting Room: http://aji.asia/zoomboardfinance
Attendees:	<p>Santanu ACHARYA Satish BABU Andi BUDIMANSYAH Arthur CHANG Edmon CHUNG Joel DISINI Murad IBRAGIMOV Leonid TODOROV</p> <p>Rebecca CHAN (DotAsia Team) Phyo Thiri LWIN (DotAsia Team) Mable LAM (Fusion Financial Services)</p> <p>Apologies: Kashif ADEEL</p>

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.
F2022.10.A01	Create a shared Doc for drafting the scope work and auditor quotations.	Edmon CHUNG	In progress.
F2022.10.A02	Coordinate CPA firm and Directors for remote signatories certification processes.	Rebecca CHAN	Completed for Kashif.

Discussions:

1. Roll Call

- 1.1. Mr. Leonid TODOROV chaired the BFC meeting on behalf of Kashif ADEEL on October 6, 2022.
- 1.2. Roll call. Those present for all or part of the meeting are included in the Attendees section.

2. Review/Amend Agenda

- 2.1. A suggestion was made to move item 6 (AOB) as the second discussion item.
- 2.2. Suggestion was accepted and agenda updated.

3. Adoption of Minutes of Last BFC Meeting on August 26, 2022

- 3.1. Draft 0 of BFC meeting minutes 2022.08.26 and action items were discussed.
- 3.2. BFC meeting minutes 2022.08.26 approved unanimously.

4. AOB

4.1. Deferred Revenue System (DRS) & Afiliis Reporting

- 4.1.1. A set of the latest DRS reports was circulated and the reports were presented and explained.
- 4.1.2. It was clarified that the deferred revenue information is used for internal bookkeeping purposes for recognizing revenue and the deferred expense information for fees payable to Afiliis/Identity Digital.

4.2. Appointment of Forensic Auditor

- 4.2.1. It was commented that to clear up misunderstandings, and uphold DotAsia's reputation and integrity, having a professional independent firm to perform forensic audits of past records would be beneficial.
- 4.2.2. It was commented that the staff team welcomes the suggestion and committee members appreciate it.
- 4.2.3. It was commented that the independent reviewer should have established credentials of neutrality and performance in the past.
- 4.2.4. A question was raised about DotAsia's auditing status. It was explained that DotAsia has formal audits every year since its inception. Generally, 2nd tier CPA firms that are below the big four auditors are used. DotAsia's current auditor is Mazars and previously RSM was used. It was clarified that the auditors are currently finalizing the DotAsia report for 2021.
- 4.2.5. It was clarified that the audit reports are posted publicly on the DotAsia website.
- 4.2.6. The sourcing process for forensic auditing firms was discussed. It was noted that the independent audit firm should not have any previous dealing with DotAsia.
- 4.2.7. The audit fee for the past few years was shared.
- 4.2.8. It was confirmed that Andi, Joel, and Santanu will assist in drafting the scope of work.
- 4.2.9. It was noted that a draft of the scope of work should be started and a review of the first round of potential providers be conducted by the next

BFC meeting.

- 4.2.10. It was suggested that a shared document be created to consolidate the draft scope of work and collect quotation information from service providers. (F2022.10.A01)

5. Monthly Financial Reporting – Report from Fusion

- 5.1. Financial report for the period from Oct 2021 - June 2022 was presented and briefed to BFC by Mable from Fusion.
- 5.2. A question was raised regarding why the report presented is up to June 2022. It was explained that it takes two to three months to collect invoices, reports, and deferred revenue information for bookkeeping. It was further remarked that the same had been explained in the financial report workshop.
- 5.3. It was noted that the Statement of Profit or Loss & Other Comprehensive Income report including the comparison of the current month against the same month in the previous year had been added as per suggestion at the September 2022 Board meeting.
- 5.4. It was suggested that management account and reporting may be more valuable than financial accounting reports. It was clarified that the monthly financial reporting was developed by the BFC in 2020-2021 and is presented by Fusion as an independent provider. It was further noted that management reports looking at the health of operations is presented at the monthly Board meeting.

6. Updates on Banking Documents

- 6.1. It was noted that HSBC has confirmed that the new Director signatories completed at the HSBC Singapore branch had been updated. Those directors who are pending submission of their certified passport copy and signature card are still outstanding.
- 6.2. It was noted that Arthur has been added as a signatory and the Internet banking form was submitted to add Arthur as a primary user. For Kashif and other directors who are still pending submission of their passport copy, it was noted that a CPA firm from Hong Kong can perform remote certification and that a meeting time and collecting documents required for the certification is being coordinated. (F2022.10.A02)
- 6.3. It was noted that for ICBC, documents requiring signatures are being circulated. Upon completion, the documents will be submitted to ICBC.

7. Updates of Budget 2022-2024

- 7.1. The DotAsia updated budget for 2022-2024 was presented. It was noted that the key update is the increase of DUM to 3% based on the discussion with the BFC.
- 7.2. It was commented that based on the update the DotAsia budget is adjusted to projecting a surplus for the upcoming year with the anticipation of settlement in the mediation processes and completion of some of the legal challenges.

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

- 8.1. It was noted that there was an open discussion for whether an emergency fund section is needed for BFC-001. It was noted that after reviewing the business

operations and further discussion with the BFC Chair that there does not appear to be an immediate need for such provision.

- 8.2. It was also noted that upon reviewing BFC-001, a typo in Item 3.1.1 was discovered. The typo will be updated to the current version.
- 8.3. A question was raised on why BFC-001 is not posted publicly. It was explained that because some procurement threshold information may be sensitive and may cause bid rigging, the initial decision was to have BFC-001 as a DotAsia Board internal document. It was further explained that there were additional subsequent discussions and that the BFC upheld the directive that it was not necessary to redact and post the document publicly during the previous BFC Chair term.
- 8.4. It was identified that should the publishing of BFC-001 be of pertinence, it can be raised and deliberated again at upcoming BFC meetings.