

DotAsia Board Finance Committee (BFC) Meeting Minutes

Date(s) & Time:	April 23, 2021 (Friday) 15:30 – 16:29 HKT
Location:	DotAsia Zoom Meeting Room: http://aji.asia/zoomboardfinance
Attendees:	Santanu ACHARYA Kashif ADEEL Satish BABU Andi BUDIMANSYAH Nicole CHAN Edmon CHUNG Joel DISINI * Maureen HILYARD Rebecca CHAN (DotAsia Team) Freda CHEUNG (DotAsia Team) * Joined meeting during Discussion Item 3.6.

No.	Action Items:	Owner	Remarks
F2020.11.A01	Bring discussion of setting policy on engaging and maintaining corporate relationships to BGC.	Edmon CHUNG	Completed.
F2020.12.A02	Seek advice from Fusion on reflecting risk management in budgeting.	Rebecca CHAN	Completed.
F2021.01.A04	Search other bank options for opening new Namesphere bank account.	Rebecca CHAN	On going.
F2021.04.A01	Propose the recommendation of appointing Mazars HK as auditor to the Board at Apr Board meeting.	Edmon CHUNG	Completed.
F2021.04.A02	Include the growth goal of the number of .Asia domains in conjunction with the budget.	Edmon CHUNG	
F2021.04.A03	Share the revised budget to BFC via email for approval, and then table to the Board for consideration at Apr Board Meeting.	Edmon CHUNG	Completed.
F2021.04.A04	Bring the discussion of formalizing a set of criteria for delegation of authorities to BGC.	Edmon CHUNG	To be brought to May BGC meeting.
F2021.04.A05	Follow up with Fusion regarding the re-organization of service arrangement.	Rebecca CHAN	

Discussions:

1. Roll Call

- 1.1. Mr. Santanu ACHARYA chaired the BFC meeting as BFC Chair on Apr 23, 2021.
- 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 Mar 12, 2021

- 2.1. BFC meeting minutes 2021.03.12 and action items were discussed.
- 2.2. BFC Meeting Minutes 2021.03.12 approved unanimously.

3. Appointment of auditors

- 3.1. As reported at Mar 2021 Board meeting, Baker Tilly has turned down the potential engagement due to their unavailability.
- 3.2. A new comparison of auditor quotations was presented and briefed to the BFC for discussion.
- 3.3. It was highlighted that no disciplinary issue was filed against the 3 shortlisted firms by HKICPA.
- 3.4. Mazars HK is recommended due to their international integration, experience in the IT industry and responsiveness. Advice received from Fusion CPA also suggested that Mazars HK has the best reputation among the 3 firms in HK.
- 3.5. Question was raised on the reporting expectations from the auditor to the Board.
 - 3.5.1. It is expected to have similar reporting as previous auditor (i.e. RSM), which is to produce the annual consolidated audit report of the DotAsia group.
 - 3.5.2. It was further explained that audit reports are standardized based on the Hong Kong corporate law, that any other reports required by the Board will need to be requested separately.
- 3.6. It was discussed and agreed to propose the recommendation of Mazars HK to the Board at the Apr 2021 Board meeting. (F2021.04.A01)
- 3.7. It is planned to call for an Extraordinary General Meeting (EGM) in May or early June to resolve the appointment of auditors.
- 3.8. Question was raised on the deadline of submitting audit report. It was clarified that the audit report is supposed to be filed along with the annual return by August, however, time buffer is generally allowed for the audit report to be completed.

4. Draft Budget 2021-2022

- 4.1. A comparison of approved budget 2021-2022 and adjusted budget 2021-2022, and Budget Allocation 2021-2022 was presented to BFC for discussion.
- 4.2. It was highlighted that major budget allocations are Service Providers & ICANN, and Market Development of rebates, which is similar to Budget of 2020-2021.

- 4.3. Detailed budget of DotAsia Organisation along with other subsidiaries was presented to BFC.
- 4.4. It was suggested and agreed to include the growth goal of the number of .Asia domains in conjunction to the budget. (F2021.04.A02)
- 4.5. Comment was raised on the Budget of DotAsia Group, which includes budgets of DotAsia Organisation and other subsidiaries. It was suggested to prepare a separate budget for subsidiary companies. It was clarified that the current budget already includes separate considerations for the different companies. It was suggested that the particular parts be included in separate documents.
- 4.6. Revised budget will be shared to BFC via email for approval, and then tabled to the Board for consideration at Apr Board Meeting. (F2021.04.A03)
- 4.7. Previous comparison of budgeted and actual monthly expenditure reports was presented to the BFC. It was explained that previously, such reports were produced biannually, and presented at face-to-face Board meetings. It was noted that more frequent reporting of similar and/or relevant information should be planned with the new accounting software upon its deployment.

5. Board Director Fiduciary Responsibilities

- 5.1. There was discussion on the roles and responsibilities of Board of Directors.
- 5.2. With reference to the Guide on Directors' Duties from Hong Kong Companies Registry (https://www.cr.gov.hk/en/companies_ordinance/docs/Guide_DirDuties-e.pdf), the general principles of directors' duties were briefed to the BFC.
- 5.3. It was proposed to formalize a set of criteria for delegation of authorities, which will be further discussed within BGC (F2021.04.A04).
- 5.4. Question was raised on the directors' duty to ensure that the company keeps accounting records. It was explained that accounting records are properly kept, however, given the litigation situation of DotAsia with particular Board of Directors, obtaining specific accounting information may involve legal considerations.

6. Posting of BFC documents

- 6.1. Comment received from AC member regarding the availability of BFC documents of BFC-001: SOP for Finance & Procurement and BFC-002: Company Documents Directors Request Process.
- 6.2. It was reported that based on the board decision made at Apr 2020 Board meeting, the BFC documents are currently only available for the Board and DotAsia personnel.
- 6.3. There was discussion on whether making the documents public or keeping them internally. It was commented that DotAsia values the openness and transparency, anything that is substantive to DotAsia Vision & Mission must all be public. However, for administrative, organizational, financial and governance-related materials, not everything should be or could be public. Since it is not directly related to DotAsia Vision & Mission, materials should be considered case-by-case to avoid information being misused.
- 6.4. Question was raised on the threshold for purchase that exceed the budget. It was explained that the current SOP (BFC-001) already includes such considerations. It was agreed to review the specifics within the BFC-001 at the next BFC meeting.

- 6.5. It was discussed and agreed to keep BFC-001 and BFC-002 as internal document.
- 6.6. It was proposed to provide general framework and information to the public for transparency while keeping specific sensitive information confidential.

7. Updates on Updating Accounting Software

- 7.1. It was reported that the application for the Technology Voucher Program (TVP) subsidy had been submitted in Mar and DotAsia is waiting for the evaluation result.
- 7.2. Meanwhile, DotAsia has started to proceed with software provider Tectura on initiating the accounting platform and working on data migration. It is planned to have training session with Fusion in early May.
- 7.3. Fusion has proposed to re-organize the arrangement, which may involve re-executing the agreement with DotAsia. DotAsia team will follow up with Fusion and report back. (F2021.04.A05)

8. Promotion of .Asia registration

- 8.1. A question was raised on how DotAsia may be able to better encourage the usage of .Asia domains, such as with email, to boost the renewal of .Asia domains. It was explained that various promotional approaches had been tried in the past with varying degrees of success.
- 8.2. It was suggested that previous experience be further discussed at the next BFC meeting.