

DotAsia Board Finance Committee (BFC) Meeting Minutes

Date(s) & Time:	July 11, 2023 (Tue) 16:00 PM – 17:12 PM (HK Time)
Location:	DotAsia Zoom Meeting Room: http://aji.asia/zoomboardfinance
Attendees:	<p>Satish BABU Jordan CARTER Edmon CHUNG Joel DISINI Maureen HILYARD Akinori MAEMURA</p> <p>Mable LAM (Fusion Financial Services)^{*a}</p> <p>Rebecca CHAN (DotAsia Team) Phyo Thiri LWIN (DotAsia Team)</p> <p>Apologies: Nicole T.I. CHAN</p> <p>^{*a} Joined during the discussion item 4</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.
F2023.04.A02	Further discussion on the allocation of settlement funds for the .BOX lawsuits.	Edmon CHUNG	Upcoming BFC meeting.
F2023.05.A01	Update proposed financial reporting schedule based on BFC discussion.	Rebecca CHAN	Completed.

Discussions:

1. Roll Call

- 1.1. Mr. Akinori MAEMURA chaired the BFC meeting on July 11, 2023.
- 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 May 26, 2023

- 2.1. Draft 1 of BFC meeting minutes on 2023.05.26 were presented.
- 2.2. BFC meeting minutes 2023.05.26 were approved.

3. DotAsia Audit Report

- 3.1. The audited financial report of DotAsia ended in September, 2021 was circulated and presented. It was also noted that the audited report was prepared by Mazars in accordance with the auditing standards of Hong Kong.
- 3.2. It was highlighted that a reversal of the provision for legal proceedings of .BOX lawsuits has been applied even though it was settled recently and not within the fiscal year of the report.
- 3.3. A question was raised about a report of fund available to the members. It was explained that the SCP funds are allocated to the projects where the members can identify the meaningful community project within their abilities. It was also explained that the SCP funds were accumulated for each member based on domain registrations from its cc-locality and the funds expire after four years if not utilized by the members.
- 3.4. A question was raised on why a combined financial statement instead of individual financial statements of different entities was reported. It was explained that the presented audit report is the consolidated financial statement and that such consolidated financials is necessary because DotAsia owns other companies. It was further clarified that individual financial reports are provided for each entity and that the consolidated report also provides information regarding the different entities.
- 3.5. A question about the deposits was raised. It was explained that deposits received are considered prepayments from registrars for domain registrations. When domains are registered, the balance is deducted. Because domain registrations have varying terms (1 to 10 years), part of the deducted balance is recorded as deferred revenue or contract liabilities, per the audit report.
- 3.6. It was noted that signers for the audited financials and accompanying representation letter should be identified to allow for preparation of finalized documents.
- 3.7. A clarification question was raised on the representation letter. It was explained that the representation letter is a standard correspondence reaffirming the fulfillment of responsibilities by the Board to confirm, that based on the Board's understanding, all required information has been provided to the auditors for the completion of their work.
- 3.8. It was suggested that the BFC present the audit report to the full Board at its upcoming meeting, but defer the approval of the report to the next Board meeting to allow for Board Directors to fully review and consider the matter.

4. Quarterly Financial Reporting to BFC

- 4.1. Mable LAM from fusion presented the quarterly financial report for period ending March 2023.
- 4.2. Management notes accompanying financials were circulated and presented to the BFC.

5. AOB

- 5.1. It was reported that documents have been submitted to HSBC and that once HSBC confirms completion, Internet banking will be applied for.

- 5.2. It was reported that confusion was caused due to certain Board Director making demands to our financial services providers in seemingly their personal capacity.
 - 5.2.1. It was noted that legal counsel advises that DotAsia should have a clearer Board position on how the organization interacts with its service providers and contractual lines of communication.
 - 5.2.2. It was suggested and agreed that clear instructions be developed and provided to service providers. Proposed outline of such instructions was presented and discussed.
 - 5.2.3. Particulars are to be further discussed at Board meetings and BFC meetings.