

DotAsia Board Governance Committee (BGC) Meeting Minutes

Date(s) & Time:	July 26, 2021 (Monday) 12:06 – 13:01 (UTC+8)
Location:	DotAsia Zoom Meeting Room: http://aji.asia/zoomboardgov
Attendees:	<p>Santanu ACHARYA * Kashif ADEEL ** Satish BABU ** Andi BUDIMANSYAH Nicole CHAN Joel DISINI *** Maureen HILYARD Edmon CHUNG Rebecca CHAN (DotAsia Team) Freda CHEUNG (DotAsia Team) Christine OR (DotAsia Team)</p> <p>Absent: Billy CHEON</p> <p>* Left meeting during Discussion Item 3.7. ** Joined meeting during Discussion Item 3.7. *** Joined meeting during Discussion Item 3.5.</p>

No.	Action Items:	Owner	Remarks
G2021.04.A01	Propose draft introduction on the purpose and objective of the amendment of DotAsia M&A to BGC for consideration.	Edmon CHUNG	In progress.
G2021.05.A01	Seek opinion from banks on having Directors from sanctioned countries.	Rebecca CHAN	In progress. Refer to Discussion Item 3.
G2021.06.A01	Seek advice from other organizations regarding banking situation.	Edmon CHUNG	In progress.
G2021.06.A02	Gather information on guidelines of rotation of appointment of professional service in Hong Kong and report back at the Jul BGC meeting.	Edmon CHUNG	Completed. Refer to Discussion Item 6.
G2021.06.A03	Seek comment from Santanu and BFC on the draft delegation of authority section for BGC-001.	Edmon CHUNG	Completed. Refer to Discussion Item 4.3.
G2021.06.A04	Gather information on attendance considerations from different community organizations for further discussion.	Edmon CHUNG	In progress. Refer to Discussion Item 7.
G2021.07.A01	Draft amendment to BGC-001 on the tie-breaker option with consideration of attendance	Edmon CHUNG	

No.	Action Items:	Owner	Remarks
	performance and present to BGC for consideration at Aug BGC meeting.		
G2021.07.A02	Bring the discussion on the rotation of professional services to BFC.	Edmon CHUNG	

Discussions:

1. Roll Call

- 1.1. With apology from Satish, Maureen HILYARD chaired the BGC meeting as Board Chair on Jul 26, 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 BGC Meeting on Jun 24, 2021

- 2.1. Draft 1 of BGC meeting minutes 2021.06.24 and action items were discussed.
- 2.2. BGC meeting minutes 2021.06.24 unanimously approved.

3. Banking Situation Update

- 3.1. It is planned to table instructions and recommendation from legal counsel regarding consideration of legal specialists on banking issues to the Board for discussion at the Jul Board meeting.
- 3.2. Updates on outreach to banks with a summary of response from banks was provided to BGC.
- 3.3. It is planned to wait for the specialist legal advice to decide whether adjustments are needed, before proceeding and applying with potential banks.
- 3.4. Question was raised on whether the issue was about opening a bank account or applying loan for DotAsia. It was clarified that the enquiry was specifically to opening a bank account.
- 3.5. Question was raised on opening a bank account for Namesphere at HSBC. It was explained that previous applications for opening of bank accounts for Namesphere and DotAsia Foundation had been rejected. It was further explained that at this time, DotAsia is pending legal advice on the issue.
- 3.6. Question was raised regarding APTLD banking arrangements. It was explained that DotAsia continues to support the APTLD banking arrangements in Hong Kong, and that the team is awaiting clearance from APTLD to present the details of such arrangements to the DotAsia Board.

4. BGC-001 Update: Delegation of Authority

- 4.1. Satish joined the meeting and chaired the rest of the meeting as the Chair of BGC.
- 4.2. Draft Delegation of Authority was presented and briefed to BGC for consideration, which was based on the delegation of authority framework adopted by ICANN.
- 4.3. It was reported that the feedback from Santanu suggested that the delegation of authority section is related to BFC-001: Standard Operating Procedures (SOP) on Finance & Procurement, which is being reviewed by the BFC. Given the interdependency, it was further suggested and agreed to put the update of BGC-001 on hold until the update of BFC-001 is complete.

5. Board Chair Elections Tie-breaker Options Discussion

- 5.1. It was reported that based on the received legal advice, both options of appointing co-chairs and implementing a tie-breaking mechanism were acceptable. Potential mechanisms of each option were presented and briefed to BGC for discussion.
- 5.2. Comment was received on having performance indicators as objective factors for tie-breaker, such as attendance record and number of activities that the person is participating actively. It was discussed and agreed to include consideration of attendance record factor into the tie-breaker mechanism.
- 5.3. There was discussion on whether tie-breaker process should still be in place if the attendance factor is equal for both candidates. It was highlighted that the legal clarity should be the top priority, if the specialist legal advice received indicates any concerns with a particular approach for co-chairmanship, such appointment should not be considered. Then the consideration of past attendance record should be considered as the tie-breaker mechanism (i.e. an objective record of past attendance and participation at Board and Board Committee meetings is to be prepared and presented to the Board and if a candidate is found to have substantively lower attendance and participation level than the other, the candidate should not be further considered).
- 5.4. Amendment to BGC-001 on the tie-breaker option with consideration of attendance record will be drafted and presented to BGC for consideration at the Aug BGC meeting. (G2021.07.A01)

6. Rotation of Professional Services

- 6.1. Research findings on the rotation of professional services in Hong Kong was briefed to BGC for reference.
- 6.2. It was reported that the general rule for legal representation is not to change legal counsel unless there is a breakdown in trust, especially during a litigation period since changing the legal representation would be very expensive as the new set of lawyers would need to review all the materials again. Therefore, usually a firm retains a legal counsel for a very long period in Hong Kong.
- 6.3. It was also reported that a company usually appoints the same audit firm for a long period unless any situation happens, such as changes on conflict of interest or ownership. However, for public companies in Hong Kong, there is a requirement to change the partner that takes care of a particular account every

seven years, where companies would continue use the same audit firm with a rotation of different partners.

- 6.4. Although there is no legal requirement nor is it a general practice in Hong Kong for the rotation of audit firms, it was suggested to bring the discussion to BFC to consider the matter as a governance practice for DotAsia. (G2021.07.A02)

7. Board Attendance

- 7.1. Based on the discussion at Jun BGC meeting, attendance consideration of APriGF MSG Membership was briefed to BGC for reference.
- 7.2. It was commented that DotAsia Board Membership is different from the APriGF MSG Membership where DotAsia Board members assume legal responsibilities and obligations.
- 7.3. It was suggested to provide attendance information to the Board periodically.
- 7.4. Further discussion to be continued at Aug BGC meeting.