

Meeting Minutes

Meeting	Board Meeting	
Date / Time	16 February 2021 / 9:15am to 2pm AEDT	
Location	Team Meeting	
Present	Alan Cameron AO, Chairperson Alice McCleary, Director Jackie Korhonen, Director James Atkins, Director Tania Fryer, Director Angelo Giuffrida, Director	Matthew Healy, Director Peter Elford, Director Kate Cornick, Director Sandra Davey, Director Sarah Leeming, DITRDC
Also in attendance	Rosemary Sinclair AM, CEO Linda Brown, Co Sec Sonia Joksimovic, Co Sec James Shady, CFO Bruce Tonkin, COO Sophie Mitchell, CCO	Caroline Fritsch, MPS Adam King, CTO Annaliese Williams, SAP (8) Katherine Sainty, GC (9-13) Sue Brennan, HRS (4) Steph Viljoen, MC (6)
Apologies	Vicki Middleton, DITRDC	

1. Acknowledgement of Country

The Chair acknowledged the Gadigal people of the Eora nation where he was located and paid respects to elders past and present on the lands on which others were participating.

2. Welcome, quorum and introductions

The Chair welcomed all present, noting that Vicki Middleton was an apology for the meeting and that Sarah Leeming was attending in her place.

The Chair confirmed there was a quorum for the meeting and opened the meeting at 9.15am.



3. Declarations of interests

The Board noted the Declarations of Interests and updated footnote to confirm the materiality test for shareholdings.

Tania Fryer advised that she had previously worked with one of the participants identified in the tender process described in agenda item 6.2 more than 20 years ago. The Board agreed that this did not give rise to a conflict of interest.

4. Health, Safety & Wellbeing

4.1 HR Report

The Board noted the HR report and Management's advice that staff are working at home until the end of the current lockdown and then the situation will be reviewed.

5. Government Update

The Chair welcomed Sarah Leeming, DITRDC to the meeting to provide a government update. Ms Leeming particularly noted that:

- Parliament is sitting so all Ministers and MPs are in Canberra
- A brief on the review of auDA's Terms of Endorsement will go to the Minister and the Department will engage on it with other relevant agencies
- The Department is continuing to deal with the Donuts change of control process and FIRB application with Treasury
- The Department is attending the upcoming Home Affairs workshop on the Security Legislation Amendment (Critical Infrastructure) Bill that auDA is also attending
- Discussions are continuing on Higher Education Legislation Amendment Bill 2020 regarding "university" related domain names.

The Chair noted that he has a separate meeting scheduled with the Department to discuss governance issues.

6. Operations Report

The Board noted the Operations Report including an unusually busy January primarily related to due diligence activities associated with the Donuts/Afilias change of control, increased enquiries as a result of an email phishing scam that targeted auDA and confusion following a registrar communication to their org.au registrants that



contained incorrect information regarding whether there was a requirement to register with the Australian Charities and Not for Profit Commission. The Board discussed the current policy work related to the governments protection of the word 'university' in domain names, review of the Privacy Act and the Security Legislation Amendment (Critical Infrastructure) Bill 2020.

The Board agreed with Management's proposal to produce a quarterly rather than 6 weekly data metrics report.

6.1 Policy Framework Implementation Update

The Board discussed progress on the Policy Framework Implementation in preparation for the launch of the new Licencing Rules on 12 April 2021 including progress on signing registrars to the new agreement, training and audit activities, and updates to registrar websites.

6.2 ABN/ACN/Trademark/Business Name Search Tool

The Board discussed Management's request for approval for a related party transaction for the provision of an ABN/ACN/Trademark/Business Name Search Tool as a service to registrars. The Board considered the outcome of the RFP process and the legal advice on the conflict of interest and related party transaction issues associated with the transaction (one Director of the vendor provides legal advice to Afilias and the other is an auDA staff member)

The Board **resolved to** approve the proposed related party transaction with Applied Marks Pty Ltd to provide an *ABN/ACN/Trademark/Business Name Search Tool* as a service to registrars, subject to including a review of the related party aspects of the transaction every 12 months by the Board.

6.3 Compliance Posture Statement

The Board noted that the Compliance Posture Statement had now been updated with fairness principles following a workshop with Barrister Stephen Moloney and that Stephen Maloney would now review the Statement before it comes back to the Board in March 2021. The Board provided guidance on the 'about us' section to make it clearer and the CEO confirmed that the Chief Communications Officer would also review the document prior to it coming back to the Board.

6.4 Compliance Case Study

The Board noted the audit that had recently been undertaken to check compliance with the org.au rules for new registrants, which resulted in 200 plus referrals back to the



relevant registrars to check compliance. Lessons learned from the audit will be incorporated into the validation plans.

7. Communications & Stakeholder Engagement Report

The Board noted the Communications & Stakeholder Engagement Report, particularly the meeting with Senator the Hon Jane Hume, Minister for Superannuation, Financial Services and the Digital Economy, other planned meetings with MPs and liaison with the Australian Electoral Commission, response to the recent email phishing scam, the release of the Q4 report and subsequent media coverage and the communications plan for the introduction of the new Licencing rules.

8. Policy Advocacy

8.1 Security Legislation Amendment (Critical Infrastructure) Bill 2020

The Board noted the update to auDA's approach to the Security Legislation Amendment (Critical Infrastructure) Bill 2020 and the discussion that had taken place at the Security & Risk Committee Meeting.

Action: Prepare a Regulatory & Corporate Map of all the legal obligations that impact auDA.

8.2 Multi-Stakeholder Internet Governance

The Board discussed the points raised in the Multi-Stakeholder Internet Governance paper, noting that it was a very helpful precursor to the planned Multi-stakeholder Insight workshop and subsequent auDA Strategy development.

9. Donuts Change of Control

The Board discussed the second change of control request from Donuts Inc in relation to their acquisition of the Afilias Inc, due to a change in shareholding and ownership structure of the ultimate parent company DTLD Holdings LLC. The Board noted Management and General Counsel's advice regarding progress with due diligence activities to support the Board's decision on consent, and the update from the Security & Risk Committee on their meeting with the Donuts Inc CEO and Shareholder representatives.

Action: Request Board Gender Diversity Reporting from Donuts Inc Management



Action: Management will provide Due Diligence Report to the Board to enable consideration of the Change of Control Consent Decision. This is likely to require a separate short Board meeting.

[Angelo Giuffrida absented himself from the discussion to avoid any perception of a conflict of interest]

10. Previous Board Meeting Matters

10.1 Approval of 16 Dec 2020 Minutes

The Board reviewed the Minutes of the meeting held on 16 December 2020.

The Board **resolved** to approve the Minutes of 16 December 2020 as a true and correct record of the meeting.

10.2 Actions Arising

The Board reviewed the actions and noted that all previous actions had either been completed, were on the agenda or in progress.

11. Board Committee Matters

11.1 Committee Composition

The Board considered the current composition of the Board Committees and auDA Foundation.

The Board resolves to confirm Jackie Korhonen's appointment to the Security & Risk Committee effective 2 February 2021.

Action: Review the composition of the Board Committees and make any further changes effective 1 July 2021.

Action: Assess the composition of the auDA Foundation to confirm compliance with the Income Tax Assessment Act 1936 (Tax Act) to have a majority of Responsible Persons on its Board.

11.2 Draft Security & Risk Committee Minutes

The Board noted the draft 2 February 2021 Security & Risk Committee Minutes.

[Angelo Giuffrida was not provided with a copy of the minutes to avoid any perception of a conflict of interest]



11.3 GASC & TASC Review

The Board noted the update from Management on the advice provided by Phil Khoury of Cameron Ralph Khoury (CRK) regarding auDA's Advisory Standing Committees and the next step to discuss the advice with the Committees.

12. Licence Review Panel

The Board noted that arrangements to confirm the Licence Review Panel are nearly complete with an expected start date of 1 March 2021 followed by induction activities.

The Board noted the related paper at 17.2 Licence Review Panel regarding appointment of a Panel Chair.

The Board **resolved** to approve Phillip Davies as Chair of the Licence Review Panel with an increased retainer of \$15,000 per annum to compensate him for the higher duties required to facilitate Panel meetings.

The Board noted all other terms, previously approved at its 23 September 2020 meeting, and updated at the 12 October 2020 meeting, remain unchanged and the Chair of the People & Culture Committee's advice that the wording of the indemnity clause needs to be confirmed.

12.1 LRP Workplan

The Board noted the LRP Workplan.

12.2 Approve change to the Licence Rules

The Board **resolved** to approve the following change to the Licence Rules following the conclusion of public consultation:

"A Person is appointed to the Licence Review Panel for a period of **up to** three years, which may be extended by .au Domain Administration for ~~another three year period~~ **an additional term** with the agreement of the Panel member."

13. Legal Services Report

The Board noted the report from General Counsel on the range of legal project work and advice that had been provided since the last meeting including advising on the second change of control request arising from Donuts Inc acquiring Afilias, Inc and the change in shareholdings.



14. Finance Report

14.1 January 2021 & YTD Report

The Board reviewed the January 2021 & YTD Finance Report, noting the continued strong performance and adjustments the CFO has made to the 30 June 2021 estimates to account for this growth combined with reduced spending on travel associated with the impact of COVID 19 and marketing and changes to project contingencies.

The Chair of the Finance & Audit Committee confirmed that she and the CFO had met with Credit Suisse to discuss the relative investment risk appetites for auDA and the auDA Foundation.

14.2 Premises

The Board noted that the procurement process to appoint an advisor to assist auDA to identify suitable premises for relocation had now concluded and the appointment of Actum Property. The Board discussed the importance of having a COVID safe workplace.

14.3 Risk Register Review Plan

The Board noted the Risk Register Review Plan and the Request for Proposal process to engage a specialist risk advisory firm to facilitate the review and update of the Enterprise Risk Register in the 2nd quarter 2021.

15. In-Camera

The Board held an In-Camera session with the CEO and Company Secretary present.

Action: Prepare a 'Directions of Travel' Strategy paper for the March 2021 Board meeting to support budget discussions.

Action: Prepare a draft Strategy for substantive discussion at the June 2021 Board meeting.

16. Meeting Close & Next Meeting Dates

The Board noted the next meeting dates:

- FAC 15 March 2021
- PCC 16 March 2021
- Board 30 March 2021



The Meeting closed at 2:05pm

17. Information Papers

17.1 Board & Committee Calendar

17.2 Licence Review Panel Update

The Board noted the Licence Review Panel Update and the correction to the agenda item name.

Signed as a true and correct record.

Alan Cameron

Independent Chairperson

Date: