

DotAsia Board Finance Committee (BFC) Meeting Minutes

Date(s) & Time:	October 17, 2023 (Tue) 13:00 PM – 14:00 PM (HK Time)
Location:	DotAsia Zoom Meeting Room: http://aji.asia/zoomboardfinance
Attendees:	Satish BABU Jordan CARTER Edmon CHUNG Joel DISINI Akinori MAEMURA Rebecca CHAN (DotAsia Team) Phyo Thiri LWIN (DotAsia Team) Apologies: Nicole CHAN Maureen HILYARD

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.
F2023.07.A03	Draft resolution for allocation of settlement funds for .BOX.	Edmon CHUNG	Completed.
F2023.09.A01	First Draft of DotAsia's Budget approach.	Edmon CHUNG / Rebecca CHAN	Completed.
F2023.10.A01	First Draft of full Budget 2024-2026.	Edmon CHUNG / Rebecca CHAN	To be circulated for BFC consideration.
F2023.10.A02	Revise DotAsia-Namesphere MoU for consideration.	Edmon CHUNG	Circulated before next BFC meeting.

Discussions:

1. Roll Call

- 1.1. Mr. Akinori MAEMURA chaired the BFC meeting on October 17, 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 September 04, 2023

- 2.1. Draft 1 of BFC meeting minutes on 2023.09.04 were presented.
- 2.2. BFC meeting minutes 2023.09.04 was approved with one abstention from Joel DISINI.

3. Budget 2024-2026

- 3.1. Background of the DotAsia budget cycle was presented. It was highlighted that DotAsia had traditionally developed its budget on a two-year cycle and is reviewed and potentially adjusted each year. It was highlighted that the budget includes specific allocation to community projects such as NetMission.Asia and APriGF, as well as allocations to Namesphere.
 - 3.1.1. It was clarified that salaries are only paid from DotAsia and are allocated to Namesphere and DotAsia Foundation. For budget purposes, such allocations are recorded as “income” to DotAsia and “expenses” to the allocated entity which offsets each other.
 - 3.1.2. A question on the ongoing work for Namesphere was raised. It was explained that the team continues to support the gTLD projects that Namesphere is involved in, including .WEBinChinese, servicing the .PCCW group of brand gTLDs as well as .SPA.
 - 3.1.3. It was further noted that staff team is working to move towards mediation with the litigant against DotAsia and Namesphere.
- 3.2. A question regarding financial reports was raised about the extent of legal fees pertaining the lawsuits. It was clarified that legal expenses are not included in the professional fees, but rather separately reported. It was emphasized that if not for the legal expenses, DotAsia would have an operational surplus.
- 3.3. A question was raised regarding the expenses over Namesphere by Joel DISINI. In response to that question, it was mentioned that the lawsuits of Namesphere are still ongoing and the staff is trying to bring it into mediation process. Some other activities of .WEBinChinese and .SPA were also mentioned.
- 3.4. A suggestion was raised on exploring the inclusion of annual valuation of gTLD assets held by Namesphere. It was explained that such valuation is not standardized like appraisal of the office property, that the cost is high for such customized appraisals, and may not be worthwhile.
- 3.5. The question of reviewing the contract for a key service provider was raised. It was noted that the contract provides for periodic reviews and the next scheduled time should be in 2026. It was further noted that legal and other risks should be taken into account when considering the matter.
- 3.6. It was suggested by Joel DISINI that DotAsia should go to mediation regarding the DotPH lawsuits. It was clarified that DotAsia is awaiting response from the litigant’s legal representatives in moving forward with mediation.
- 3.7. The BFC Chair commended the clarity of the presentation on the budget development process and approach, specifically noting that the budget summary is appreciated.

- 3.7.1. A suggestion was raised that the budget should include a strategic dimension on the financial goals of DotAsia.
- 3.7.2. The suggestion and comments are noted and as next step, the staff team will work on a full version of the budget for consideration by the BFC. (F2023.10.A01)

4. Namesphere Considerations

- 4.1. A draft Memorandum of Understanding (MOU) to be established between Namesphere and DotAsia on the work supported by DotAsia team was presented.
 - 4.1.1. It was explained that the draft largely memorialized the existing arrangement of such works based on Board meeting records, especially since 2015.
 - 4.1.2. It was further highlighted that a termination clause has been included, but that other legal language such as jurisdiction, intellectual property, etc. has not been included in this draft.
- 4.2. The draft MOU between DotAsia and Namesphere, presented by Edmon CHUNG, was briefly explained, with comments from DotAsia Director prompting a suggestion to maintain the existing arrangement while incorporating a termination time clause and legal options such as jurisdiction.
- 4.3. A suggestion was raised that the MOU should more clearly define the purpose and scope of services upfront, and that the background could be included at the back. It was noted and staff team will redraft the MOU based on the discussion. (F2023.10.A02)
- 4.4. A question was raised on whether Namesphere would be better served by a cheaper provider. It was noted and agreed that the transferring of operations of Namesphere to another provider, especially when such entity is litigating against the company is highly unlikely to be of best interest.

5. AOB

- 5.1. Draft resolution on allocation of settlement funds for .BOX as discussed in previous BFC meeting was presented.
- 5.2. It was suggested that the BFC further discuss the draft resolution at the next meeting and then propose to the Board.