

## **CHARTER FOR THE AFRINIC FINANCE COMMITTEE**

### **1.0. Purpose**

The AFRINIC Finance Committee (Finco) is responsible for consulting with the AFRINIC Board on the company's Financial Policy; and for reviewing, making recommendations and ensuring the reliability of the company's Investment Policy and its implementation.

### **2.0. Composition of the Committee**

The Committee shall be appointed by the AFRINIC Board (on the recommendation of its members) from amongst the Directors of the company and shall consist of not less than 3 members including the Chief Executive Officer (CEO) who shall serve in the committee as an ex-officio. A quorum shall be 2 members. The Director of Finance will serve as a committee liaison in an advisory capacity. The Chair of AFRINIC Audit Committee will act as an observer for the AFRINIC Finance Committee. When requested, the company Legal Counsel will provide advice to the AFRINIC Finance Committee.

Members may serve successive one-year terms as long as they continue to meet the selection criteria. Vacancies on the Committee during the term shall be filled in the same manner as the regular selection process.

The Chairman of the Committee shall be appointed by the members of the Committee and ratified by the Board. If any member of the Committee shall, during the term of his/her appointment, have any action occur or engage in any action or transaction, which impacts his/her independence, he/she shall so inform the Committee at the earliest date. If such member shall be determined no longer to be independent, he/she may be required to resign from the Committee.

### **3.0. Scope of Responsibilities**

The Committee shall function in two areas: Finance Policy, and Investment Policy. The Committee shall report/advise the Board regarding actions to be taken. The Committee shall ensure that timely, accurate and useful financial information is presented to the Board.

At the end of each year, the AFRINIC Finance Committee shall review its charter and its performance as an AFRINIC Board committee. Any recommendations from this review shall be reported to the full AFRINIC Board for their consideration.

#### **3.1. Financial Policy**

The Committee shall:

- Periodically review AFRINIC's fee structure changes requested or proposed by the CEO and make recommendations to the Board on any fee changes, if necessary;

- Review AFRINIC draft Budget materials and monitor the financial performance of the company against budget on a quarterly basis;
- The Committee shall review any financial support from AFRINIC proposed by the CEO for outside organizations and make recommendations to the Board;
- Provide advice to the CEO regarding activities that would result in changes to and other areas of impact to the Tax regime.

### **3.2. Investment Policy**

The Committee shall:

- Make recommendations to AFRINIC Board as needed for hiring and/or firing of investment advisor(s);
- Oversee the work and assess the performance of investment advisor(s);
- Receive quarterly reports of investment plan performance;
- Review the investment performance on, at least, an annual basis; and,
- Recommend changes to the plan, when necessary, which may include, but not be limited to, the following:
  - New allocation of monies between the funds;
  - Change the percentages in the funds among the asset classes;
  - Maintain adequate insurance coverage for AFRINIC.
  - Change the investment advisor(s); and,
  - Direct changes to individual investments, as required.

### **4.0. Voting:**

Each member of the Committee (the three members) shall have one vote, the Chairman of the committee has no casting vote. Only the three members of the committee have the right to vote.

### **5.0. Decision Making**

Committee members will discuss any issue under the scope of the Committee responsibilities and the final decision will be passed if a majority of the votes casted on it by the Committee members (the three members).