

Draft Minutes of AFRINIC Annual General Members' Meeting

Date: Thursday 01 June 2017 at 14:23 Local
time

Venue: Plenary Room, Boma Hotel, Nairobi

Present: Mr Alan Barrett Chief Executive Officer
Mr Sunday Folayan Chairman
Mr Ashok Radhakisson Legal Counsel
AFRINIC Board of Directors
AFRINIC Management Team
AFRINIC Members
AFRINIC Community members as Observers

AGENDA

1. Welcome and Agenda Review
2. Approval of last AGMM minutes dated 9 June 2016 held in Gaborone, Botswana
3. Approval of last SGMM minutes dated 30 November 2016 held in Wolmar, Mauritius
4. Board Activity Update
5. Activities Update
6. Financial Update
 - 6.1. 2016 Audited Report
 - 6.2. Appointment of Auditor for 2017
 - 6.3. Presentation of 2017 Budget
 - 6.4. 2017 Budget Execution

- 6.5 Proposed New Fee Structure
- 7. NomCom 2017 Report
- 8. Board Election
 - 8.1. Presentation of Candidates
 - 8.2. Vote
- 9. Governance Committee Election
 - 9.1. Presentation of Candidates
 - 9.2. Vote
- 10. Elections result
- 11. Closing Remarks and end AGMM

BUSINESS OF THE DAY

1. Welcome and Agenda Review

The AFRINIC Board Chairman, Sunday Folayan, welcomed the Members and Observers present, and opened the AFRINIC Annual General Members Meeting at 14:23 Local Time.

The Chairman invited the Chair of the Nomination Committee, Wale Adedokun to announce the results of the ASO-AC / NRO-NC election that was held before the AGMM started. Noah Maina was elected to the ASO-AC / NRO-NC, to serve a 3-year term from January 2018 to December 2021.

A review of the Agenda was carried out by the Chairman and he invited amendments from the members, if any. There were no amendments.

The Chairman requested a motion to adopt the Agenda as circulated.

Proposed Mark Elkins. Seconded Ben Madison. Motion passed.

2. Approval of last AGMM minutes dated 9 June 2016 held in Gaborone, Botswana

The Chairman requested a motion to adopt the minutes as a true representative of the AGMM that took place in Gaborone, as circulated and published. There was no correction from members.

Resolution AGMM201706.01

The minutes of the Annual General Members' Meeting held on 9 June 2016 in Gaborone, Botswana were approved as presented by the AFRINIC Secretariat. Proposed Fiona Asonga. Seconded Mark Elkins. Resolution passed.

3. Approval of last SGMM minutes dated 30 November 2016 held in Wolmar, Mauritius

The Chairman requested a motion to adopt the minutes of the of the Special General Members' Meeting held on 30 November 2016 in Mauritius. There were no corrections from members.

Resolution AGMM201706.02

The minutes of the Special General Members' Meeting held on 30 November 2016 in Mauritius were approved as presented by the AFRINIC Secretariat.

Proposed Abdalla Omari. Seconded Janvier Ngnoulaye. Resolution passed.

4. Board Activity Update

The Chairman, SF made a presentation on the Board's activity for the year under review. The presentation is available at https://afrinic.net/images/AFRINIC_Board_Update_AIS17.pdf

He outlined the Board Structure, Composition, and Board Attendance. He also made a brief on the different Standing Committees and Ad-Hoc Committees to the Board and their respective constitutions; as well as two Board Advisory Committees namely the Council of Elders and the Governance Committee.

The Chairman, SF highlighted some of the key achievements of the Board during the year. Board decisions are made through resolutions and all the resolutions and minutes of Board meetings are now published online. A Strategic Retreat was held in Mauritius in July 2017, the Board reviewed the Strategic Plan and produced the Strategic Document for the years 2016- 2020.

The Board has been able to bring financial stability in the organisation and lay down the foundation for long term stability of AFRINIC. The reserve is being continuously maintained in order to have cash reserve to cover 2 years' operations viability. The Board ensures that there is budgetary accuracy, and that there is less expenditures than what is budgeted for every year. Incomes has been on the increase and the Management is doing a lot to keep the cost down and to always have a surplus.

The Community was informed that the Legal Counsel now attends all the Board meetings to provide advice and assist the Board to take decisions quickly.

The Chair SF also announced that a joint Board meeting will be held with the APNIIC Board in Nairobi and the Board is committed with such bi-lateral working relationship.

The same type of working session will be held with the ICANN Board in June 2017 in Johannesburg.

5. Activities Update

The Chief Executive Officer, Alan Barrett, made a presentation on the AFRINIC Activities Update. The presentation is available at https://afrinic.net/images/CEO_AFRINIC_Update_AIS_17.pdf

The CEO announced that the membership growth has increased and AFRINIC is now at 1500 members. AFRINIC has improved the payment portal in order to enable payment by credit card; members can now pay by credit card and split payments through multiple months or different credit cards. A WHOWAS service is being considered to allow historical WHOIS information to be examined.

6. Financial Update

6.1. 2016 Audited Report

Andrew Alston, Chairman of the Audit Committee, made a report on the audited financial statements, an overview of the Audit Committee, and the work carried out in 2016.

The report is available at

https://afrinic.net/images/AfriNIC_Financials_Presentation_2016.pdf

The audited financial statements are available at

https://afrinic.net/images/doc/signed_AFS_2016.pdf

The Chair called for objections to the audited financial statements. There were no objections.

6.2. Appointment of Auditor for 2017

The Audit Committee recommended to re-appoint PwC as the auditor for the financial year 2017. The Chairman called for objection to the appointment of PwC. There was no objection. PwC was reappointed.

6.3. Presentation of 2017 Budget

The Chair of the Finance Committee, Haitham El Nakhal, presented the 2017 budget. The budget is published at

https://afrinic.net/images/2017_AFRINIC_Budget.pdf

6.4. 2017 Budget Execution

The Director of Finance and Accounting, Patrisse Deesse made a presentation on the budget execution for the year 2017. The report is published at

https://afrinic.net/images/Budget_Execution_May_2017_Nairobi.pdf

6.5 Proposed New Fee Structure

The Chair of the Fee Review Committee, Krishna Seeburn made a presentation on the proposal for fee review. The proposal is in the early discussion phase within the Fee Review Committee created by the Board.

6.6 Questions & Answers

Noah Maina asked the Chairman to clarify on the emails he sent with respect to the figures with respect to the emoluments and other benefits given to the Director by the company in 2016 and 2015, which correspond to a 21 % increase.

Sunday Folayan explained that in 2015, the CEO was on the payroll for 5 months only; and in 2016, he was on the payroll for 12 months; as such there is no increase. The other questions in Noah's emails with respect to why there are many debts written off; the Chair answered that most are members who went out of business and AFRINIC has no control over it.

David Hilario stated that two staff of the Registration Service has requested him to provide a BGB licence transit certificate. He is presently setting up a new membership request for his client and have provided all documents requested by the staff, now he is being asked for BGB licence in South Africa and believe that the request is not correct.

The CEO explained that the Registration Team may have a reason why they are asking such questions and encourage the Member to discuss further on the issue after the AGMM.

Ornella Gankpa shared her views that the financials are looking better not because of the good job of the Board but more because of the IPv4 uptake.

The Chairman SF highlighted that the ratio of the growth of the membership in 2015 compared to 2017, and the resources depletion is not directly proportional to the growth of the surplus. Operational expenses are also decreasing. The Chairman

explained that the Board reported that they are taking measures and the measures are leading to the results; and it comprises of the Board, the Management and the staff who are doing the work and making AFRINIC a functional organisation including the community who is supporting us.

One Member stated that the revenues that we are indicating as increasing are inclusive of penalties and it is the penalties that are substantially increasing the revenue.

The Chairman pointed out that AFRINIC is spending less now but expenditure may go up on other things like Disaster Recovery, more strategic outreach and trainings in the future. He also explained that penalties are only 3% of revenue and if members pay in time there is zero penalty applicable. The Board are going to give an additional 30 days moratorium to pay penalties; which will come to 4 months to pay the bills as at the time of receipt. Further discussion can be made on the mailing list. Andrew Alston clarified that the penalties fall in the recurring revenue fee portion of the AFS.

Remote Member (Timothy) asked if the list of members whose debts were written off can be made public.

The Chairman explained that the RSA forbids us to make the list public, the Audit Committee has already done its work if membership does not trust that the Board has written 0.1% of our revenue amounting to 30 000 USD, this is lowest the standards, then there is a problem within the members.

Ben Madison asked if the financials of the organization is doing good, what is the basis for changing the fee structure if we are doing well financially, operating cost is normal and making surplus.

The Chairman reiterated that we are approaching exhaustion and there is the need to be proactive. The CEO further explained that

the existing fee structure is unfair to some members and the review of the fee structure is not about fees only, there is consideration to distribute the fee evenly between very large and very small member, IPv6 to contribute towards the fees and to consider on fee transfer that AFRINIC presently do not have.

The AGMM break at 16:05 to resume at 16:15.

7. NomCom 2017 Report

The Chairman of the NomCom, Wale Adedokun made a presentation on the process of the NomCom2017 and the different candidates for the Board Seats opened for Election are as follows;

Seat 3 – Indian Ocean currently filled by Krishna Seeburn

Seat 4 – Central Africa currently filled by Bope Domilongo Christian; and

Seat 8 – Non Regional Independent currently filled by Andrew Alston

There is also One Governance Committee position up for election, to serve a three-year term from January 2018 to December 2020; currently filled by Abdalla Omari.

8. Board Election

The nominations that were validated by the Committee are the following:

SEAT 3 – INDIAN OCEAN

1. Subramanian Moonesamy
2. Krishna Seeburn
3. Kaleem Ahmed Usmani
4. Lala Andriamampianina

SEAT 4 – CENTRAL AFRICA

1. Ngnoulaye Janvier
2. Bope Domilongo Christian

SEAT 8 – NON REGIONAL INDEPENDENT

1. Andrew Alston
2. Daniel Yakmut
3. Serge Ilunga Kabwika

8.1. Presentation of Candidates

The Chairman of the Election Committee, Wale Adedokun, explained the election

and voting procedures that is used to elect the members of the Board, and the present requirements of the Bylaws for the election. The voting procedures are available at <http://www.afrinic.net/en/community/elections>.

The candidates who were present at the AGMM introduced themselves to the members. Subramanian Moonesamy was not present on site and no remote presentation. Kaleem Ahmed Usmani made a video presentation.

8.2. Vote

Voting for this election took place in front of the floor through ballots and online voting. the electronic voting will close at the same time as voting on the floor through ballots; members were invited to cast their votes.

9. Governance Committee Election

The Committee received only one nomination for the above election and validated; namely Abdalla Omari from Kenya.

9.1. Presentation of Candidates

Abdalla Omari was given the floor to make a presentation of his candidacy.

9.2. Vote

Voting for this election took place in front of the floor through ballots and online voting. the electronic voting will close at the same time as voting on the floor through ballots; members were invited to cast their votes.

10. Elections result

The paper ballots and electronic votes were tallied and the following elected candidates were announced:

SEAT 3 – INDIAN OCEAN

Subramanian Moonesamy

SEAT 4 – CENTRAL AFRICA

Bope Domilongo Christian

SEAT 8 – NON REGIONAL INDEPENDENT

Serge Ilunga Kabwika

Abdalla Omari was elected for the Governance Committee position.

11. Closing Remarks and end AGMM

The Chairman Sunday Folayan thanked the Members present and moved a motion to close the AGMM at 17:10 Local Time Nairobi.

Proposed Mark Elkins. Seconded Dr Nii Quaynor.