

MINUTES OF THE 59TH KENIC BOARD MEETING HELD ON 11TH JANUARY 2012 AT 8.00 A.M. AT THE KENIC BOARD ROOM

PRESENT

Ms. Alice Munyua (Chairperson)
Mr. Ali Hussein
Mr. Sammy Buruchara
Mr. Joshua Muiruri
Mr. Michael Katundu
Mr. Charles Nduati
Dr. Jimmy Macharia
Mr. David Wambua (CEO)
Mrs. Lucky Kulecho (Secretary)

ABSENT WITH APOLOGIES

Mr. Moses Kemibaro

The chairperson called the meeting to order at 8.05a.m. on the realization of quorum.

MINUTE 516/59/2012 NOTICE OF MEETING

Notice of the meeting was taken as read.

MINUTE 517/59/2012 AGENDA

The proposed agenda was amended to remove agenda items 5 and 6, consideration of Minutes of the 11th Human Resources Committee meeting and consideration of Minutes of the 1st Technical Committee meeting respectively as the minutes were not ready. The agenda was adopted as amended.

MINUTE 518/59/2012 CONFIRMATION OF THE MINUTES OF THE 57TH AND 58TH BOARD MEETINGS

The Minutes of the 57th and 58th Board meetings were confirmed and adopted as true records of the deliberations.

MINUTE 519/59/2012 MATTERS ARISING FROM MINUTES OF THE 57TH AND 58TH BOARD MEETINGS

Ex-Minute 492/56/2011-Matters arising from Minutes of the 55th Board meeting

The Board noted that the draft policy on KeNIC's engagements in sector fora would be presented to the Technical Committee for consideration.

Ex-Minute 494/56/2011 Consideration of the Minutes of the 6th Marketing & Communications Committee meeting

The Board noted that Google was using KeNIC's logo in advertising, and had indicated that they had registered 10, 000 domain names, giving the misleading impression that they had registered the said domain names with KeNIC. After due deliberation on this matter, the Board made a decision that the Company Secretary addresses Google, demanding that it ceases and desists from using KeNIC's logo and passing such misleading information. It was further agreed that the said information be published on the KeNIC website and in newspapers.

The Board further tasked Management to explore alternative partnerships in view of the degenerating relationship with Google, and to present those for consideration by the Marketing Committee.

Ex Minute 504/57/2011 Consideration of Minutes of the 10th Human Resources Committee meeting

The Board noted that the 2011 staff appraisal reports and the 2012 performance contracts would be presented for consideration by the Human Resources Committee at its next meeting.

Ex Minute 505/57/11 Consideration of Minutes of the 17th Finance Committee meeting

The Board noted that Mr. Buruchara had not managed to discuss with the Chairperson of TESPOK the request to reverse the decision that KeNIC pays for peering at the KIXP. After due deliberation the Board accepted Mr. Buruchara's proposal that the KeNIC chairperson takes up the matter with her counterpart at TESPOK.

Ex Minute 506/57/2011 Consideration of the Report of the Ad Hoc Committee on Legal status of KeNIC

The CEO informed the Board that Management had developed a write-up on the legal status of KeNIC and shared the same with KICTANET to be posted for discussion on their mailing list.

In discussing the matter the Board noted that it had not agreed on a common position on the matter as some members still felt that KeNIC should be recognized in law while others were opposed to this position.

After due deliberation, the Board tasked the Company Secretary to conduct further research with the Attorney General's office and the National Communications

Secretariat on whether KeNIC could be recognized in the law without adverse implications. The Board further agreed to convene a special meeting on 20th January 2012 to deliberate on the issue and develop a common position before proceeding with the lobbying.

Ex-Minute 507/57/2011 Consideration of Board Paper on Board/Staff retreat

The Board noted that at its 11th meeting, the Human Resources Committee had considered this matter and proposed separation of the Corporate Governance training from the Board/Staff retreat so that Directors undertake a comprehensive training at an opportune moment while the retreat proceeds on 13th January 2012.

After due deliberation the Board approved the recommendation of the Committee to separate the retreat from the course and made a decision to postpone the date of the retreat until after the Board undergoes the training.

Ex-Minute 508/57/2011 Any Other Business

The Board noted that the Chairperson had not been given keys to the suggestion box as had been directed and in the circumstances made a decision that going forward the box be locked using two padlocks and a key each be kept by the CEO and the Chairperson so that the same can only be opened by the two together for purposes of transparency.

The HR Committee was also tasked to develop the performance evaluation tool for the CEO for consideration by the Board.

Ex-Minute 512/58/2011 Consideration of KeNIC marketing matters

The Board noted that KeNIC had conducted a Registrar's marketing workshop on the 15th December 2011 and received valuable feedback, which would be considered by the Marketing and Communications Committee at its next meeting, before scheduling of a follow up meeting in February 2012.

Ex-Minute 514/58/2011 Procurement of a law firm to carry out registration of the AfTLD

The Board noted that the firm of Kamundia Njue & Co. Advocates had been instructed and the registration of the AfTLD was on course. The firm would charge Kshs.60, 000 all inclusive for their services.

MINUTE 520/59/2012 CONSIDERATION OF THE BOARD PAPER ON DOT AFRICA PROJECT

The CEO introduced and took the Committee through the paper, noting that KeNIC had given conditional support to the ZACR's bid to the AUC, to provide technical services for the dot Africa, subject to amongst others, negotiation and conclusion of an MoU with AfTLD. Following its successful bid, ZACR had scheduled a meeting of the dot Africa Steering Committee between 14th to 16th January 2012, to discuss chart the way forward in terms of the formal application to ICANN for dot Africa and to finalize the said MoU.

He added that the Board at its 58th meeting had nominated the Company Secretary and Mr. Ali Hussein to work with the Chairperson on the dot Africa matters. The Chairperson was a member of the Interim Steering Committee on dot Africa.

He recommended that the Board approves that the Company Secretary, Mr. Ali Hussein and Mr. Paul Museeh attend the dot Africa Steering Committee meeting in order to follow up on and secure KeNIC's interests in the process. He, however, cautioned that KeNIC's cashflows may not sustain the travel budget of approximately Kshs.650, 000 and may, therefore, necessitate withdrawal of part of KeNIC's investments.

In discussing the matter, some Board members expressed the view that sufficient justification had not been given for KeNIC's participation in the dot Africa process. It was, however, clarified that KeNIC's conditional support to the process was pegged on the negotiation of an MoU which would, amongst others, define the relationship of ZACR and AfTLD. The meeting was scheduled to negotiate the said MoU and also to set up a formal Steering Committee and that it was KeNIC's strategy to take up the Chairmanship of the Steering Committee, so as to influence the management of dot Africa.

It was further clarified that the ZACR would cater for accommodation of the Board members and, in the circumstances; the cost to be incurred by KeNIC would be reduced.

After due deliberation the Board approved that Ali Hussein, Paul Museeh and Lucky Waindi attend the meeting and made a decision that while at the meeting the KeNIC participants lobby to Chair the AfTLD so as to revive and enable it to actively participate in the management of dot Africa.

MINUTE 521/59/2012 CONSIDERATION OF THE KENIC STAFF RESIGNATIONS

The CEO took the Board through the Board paper, pointing out that the Marketing Manager and the Finance and Administration Officer had tendered their resignations on 16th and 13th December 2011 respectively. The said resignations were accepted by the Board and the employees were cleared for exit in line with the HR policy.

The CEO further took the Board through the exit interviews conducted with the said staff and recommended that the Board deliberates on them with a view to addressing issues raised, so as to mitigate further exits from KeNIC.

In discussing the matter, it was noted that the staff had an erroneous perception that the Board was hostile and that this may have been due to the change process the organization was presently undergoing. It was, therefore, agreed that during the Board/staff retreat staff would be engaged to explore the best way to manage the change process.

It was also noted that it was improper to load the secretarial/reception duties on the Finance and Administrative Officer and further that in view of the level of automation at KeNIC it may not be necessary to replace this position but rather to consider having a person at a lower grade such as an accounts clerk to carry out some of the office's functions. The HR Committee was therefore tasked to consider and advise the Board on how to handle replacement of the staff that had exited.

The Board further tasked the HR Committee to consider and advise on the need for an institutional assessment which would identify challenges facing the organization.

MINUTE 522/59/2012 CONSIDERATION OF THE 2012 BOARD CALENDAR

The CEO took the Board through this paper and explained that the Board calendar would enable proper planning that would facilitate the exercise of the Board's oversight authority.

In discussing the calendar, the Board pointed out that it had only included meetings of the Board. In the circumstances, Management was directed to incorporate in the calendar all meetings and trainings that Board Directors are proposed to attend/undertake in the year, including the AGM, benchmarks and corporate governance training. The revised calendar should be circulated to the Board.

It was noted that the number of Board and Committee meetings had increased and hence increased Board secretarial/legal work. After due deliberation the Board approved the recruitment of a legal intern to assist the Company Secretary.

MINUTE 523/59/2012 CONSIDERATION OF THE NOMINET BENCHMARKING REPORT

The Board deferred consideration of this report to the next Board meeting.

The Board also tasked the CEO to write to the registries that KeNIC had proposed to benchmark with this year and seek their concurrence to host. The Chairperson also undertook to fundraise for the benchmarks during the ICANN March 2012 meeting.

MINUTE 524/59/2012 CONSIDERATION OF THE IGF REPORT

The Board deferred consideration of this report to the next Board meeting.

MINUTE 525/59/2012 ANY OTHER BUSINESS

1. Mr. Ali Hussein informed the Board that he had applied for the ICANN CEO position and sought the Board's support where possible.
2. The Chair person pointed out that KeNIC had, of late, not been participating in deliberations at the ccNSO meetings and advised that the HR Committee considers whether Management was capable of carrying out that role. In discussing the matter it was noted that lack of regular and consistent participation by Management at ICANN meetings had hampered such follow up and the HR Committee undertook to deliberate on the matter.

There being no other business, the meeting ended at 11.35 a.m.

Confirmed on this _____ day of _____ 2012.

Alice Munyua
Chairperson

Lucky Waindi
Secretary