

MINUTES OF THE 38TH KENIC BOARD MEETING HELD ON 15TH FEBRUARY 2009 AT 8.30 A.M. IN THE KENIC BOARDROOM

PRESENT

Ms. Alice Munyua (acting Chairperson)
Mr. Michael Katundu
Mr. Moses Kemibaro
Mr. Charles Nduati
Mr. Kevin Chege
Mr. Joseph Kiragu (Administrative Manager)
Mrs. Lucky Waindi-Kulecho (Secretary)

ABSENT WITH APOLOGIES

Mr. Charles Njoroge
Mr. Sammy Buruchara (Chairman)
Mr. Anthony Mugambi
Mr. Ali Hussein

The chairperson called the meeting to order at 9.00 a.m. on the realization of quorum.

MINUTE 318/38/2010 NOTICE OF MEETING

Notice of the meeting was taken as read.

MINUTE 319/38/2010 AGENDA

The agenda was revised to replace the item on recruitment of Systems Engineer with further short listing for Systems Engineer position. The proposed agenda was adopted as amended.

MINUTE 320/38/2010 CONFIRMATION OF MINUTES OF THE 36TH & 37TH BOARD MEETINGS

The Minutes of the 36th & 37th Full Board meetings were confirmed and adopted as a true record of the deliberations.

MINUTE 321/38/2010 MATTERS ARISING FROM MINUTES OF THE 36TH & 37TH BOARD MEETINGS

Minute 305/36/2009- Hosting of AfTLD annual event

The Administrative Manager informed the Board that the AfTLD event would be hosted at the KICC and that ICANN would pay for the use of rooms. The budget approved by KENIC would, thus, be used to cater for transport and lunches.

Minute 309/36/2009-Establishment of ISOC-Kenya Chapter

The Company Secretary was requested to speed up the steps towards registering the entity and reviewing its by-laws, so as to meet the target of launching the chapter during the ICANN meetings in March 2010.

Minute 310/36/2009-Commissioning of new .ke second level domains

Management informed the Board that the uptake of the new second level domains was good and was expected to increase with more marketing. The Board advised management to exploit the ICANN media briefings to market these new domain names.

Minute 312/36/2009-Marketing Plan

The Marketing Committee would convene a meeting to finalize the marketing plan, which would then be presented to the next Board meeting.

Minute 313/36/2009-Any other business

Management informed the Board that a new account for the ICANN 2010 sponsorships was yet to be opened. The two shareholders of KENIC had submitted introductory letters to M/s Kenya Commercial Bank, to facilitate the account opening. Signatories to the account shall be different from KENIC's usual signatories as the CCK, being one of the shareholders of KENIC, had nominated its Director of Finance as a signatory to the account.

MINUTE 322/38/2010 BONUS AND ANNUAL INCREMENT

The Administrative Manager presented Board Paper No.145, outlining KENIC's good performance in 2009 and attributing such performance to an efficient workforce, support of the Board and other stakeholders.

He therefore recommended that the Board approves payment of the following as acknowledgement of the good performance:

- a) A bonus award of Kshs. 10,000 net for all KENIC Board Members;
- b) A bonus award of one-month's gross salary for KENIC Staff; and
- c) 10% annual salary increment for all Kenic Staff who had served KENIC for over a year.

The Board noted the need to review the KENIC Human Resource Policy, to align it with the Board's decision in Minute 269/30/2009 that a maximum of one month's gross salary be given to KENIC's staff as bonus, on the achievement of set targets.

The Board also approved payment of the above mentioned bonus and annual salary increment.

MINUTE 323/38/2010 2010 PROCUREMENT PLAN

The Administrative Manager took the Board through Board Paper No. 146. The Board noted that Management would develop and present for Board approval a disposal policy to address stores. The Administrative Manager also explained that KENIC had incurred Kshs.45, 000 in taxes, to clear entry into the country of the IPv6 test bed donated by M/s CISCO. KENIC was in the process of pursuing a refund of these taxes.

After deliberations, the Board approved the 2010 Procurement Plan.

MINUTE 324/38/2010 2010 TRAINING PLAN

The Administrative Manager presented Board Paper No.147 to the Board and explained the proposed training for each of the KENIC staff members.

The Board pointed out that Management needed to focus on policy issues on the Internet as it develops the training plan. The Board also noted that the cost for some of the trainings proposed had not been indicated.

After deliberations, the Board approved the 2010 training plan but asked the Administrative Manager to ensure that approval of the Chairman is obtained before attending the trainings.

MINUTE 325/38/2010 ADMINISTRATIVE MANAGER'S 2010 PERFORMANCE CONTRACT

The Administrative Manager took the Board through Board paper No.148 and discussed his Performance Contract for the year 2010; his performance targets; and the 2010 work plan.

The Board approved the Administrative Manager's performance contract for execution with the Board Chairman. The Board also asked the Administrative Manager to execute performance contracts with the

Managers, who should in turn execute such contracts with officers below them.

The Board also tasked the Administrative Manager to liaise with the Company Secretary and develop a Board calendar, which would assist the Board in planning.

MINUTE 326/38/2010 2009 UNAUDITED ACCOUNTS

The Finance Manager presented Board Paper No.149, together with the company's income statement, balance sheet, budget variance for the year 2009 and financial statement analysis.

With regard to the income statement, the Board advised that travel should be separated from the ICT projects cost centre. The Board also underscored the need to develop a disposal policy and advised that mobile phones given to staff should be treated as a benefit.

On the financial statement analysis, the Finance Manager pointed out to the Board that the return on investments was not optimal. The Board, thus, tasked the Management to develop recommendations on alternative investments, to be presented to the Finance Committee, which would then advise the Board.

The Board further advised Management to consider capacity building for staff members, to boost the marketing and sale of more domain names.

After the foregoing deliberations, the Board approved presentation of the financial statements to the auditors.

MINUTE 327/38/2010 UPDATE ON HOSTING OF ICANN MEETING

The Administrative Manager presented Board Paper No.150 and noted that plans for hosting the ICANN meeting were underway. He, however, pointed out that there had been security concerns over Nairobi as the venue of hosting and, thus, ICANN had advised on additional security measures. In this regard, the Security Working Group of the local organizing committee had developed strategies to adopt to ensure security during the meeting, which strategies require a budget of Kshs.3, 897, 400. The Administrative Manager further explained that ICANN had agreed to contribute Kshs.3, 785, 900 and that the balance of Kshs.111, 500 needed to be met by KENIC.

The Administrative Manager, therefore, sought the Board's approval to incur this cost from the general budget approved by the Board at its 36th sitting, for ICANN hosting.

While approving the budgetary allocation, the Board encouraged members to register for the ICANN meeting and tasked the Marketing Committee to develop a strategy to take advantage of the upcoming ICANN meeting.

MINUTE 328/38/2010 FURTHER SHORTLISTING FOR POST OF SYSTEM'S ENGINEER

The Administrative Manager presented Board Paper No.151 and noted that thirteen (13) candidates had been short listed; two tying at 55 out of 60 points, and 11 tying at 45 out of 60 points. The Board was, thus, invited to further shortlist the candidates and set a date for interviews.

The Board made a decision to invite the best two candidates together with the only female candidate in the list of 13 for interviews, which were scheduled for 19th February 2010 at 8.30a.m.

MINUTE 329/38/2010 ANY OTHER BUSINESS

There being no other business, the meeting ended at 10.45 a.m.

Confirmed on this _____ day of _____ 2010

Alice Munyua
For: Chairman

Lucky Waindi
Secretary