

DRAFT MINUTES

2020 Special General Meeting

Wednesday, 26 February 2020

1. WELCOME & APOLOGIES

Ms Palesa Legoze, in the chair, welcomed all those present.

No apologies were noted.

2. QUORUM & CONSTITUTION OF THE MEETING

The meeting had a quorum and declared duly constituted as more than 3 members were present.

3. ADOPTION OF THE AGENDA

The agenda was approved without any amendment.

4. CONSIDERATION OF RECEIVED PROXY FORMS

One proxy was received, however, this was disqualified because no name had been appointed as proxy.

5. APPROVAL OF 20 JANUARY 2010 SGM MINUTES

The minutes of the 20 January 2010 Special General meeting were adopted as a true reflection of the meeting proceedings subject to few minor amendments.

6. APPROVAL OF THE PROPOSED 2020/21 BUDGET

Mr. Nicholas Msibi presented the proposed budget to the meeting after which the Chairperson called for questions if any.

The following questions were posed by the meeting:

- **Why had the legal fees doubled?**

Mr. Msibi indicated that the previously budgeted R200 000 was insufficient for the current financial year due to the current legal matters. Furthermore, the arbitration for the former CEO was underway and the company had engaged legal representation to assist with the process.

- **Why had the Namespace Development Program fee increased by R50 000?**

The slight increase was as a result of the planned number of initiatives in the next financial year and was almost similar to those of the last financial year.

It was further indicated that although the budget had only been increased by R50 000, the Board intended to see increased collaborations and partnerships as Namespace Development core business of the Authority, this is a collective responsibility for the Authority and stakeholders.

- **Why was there an increase in the Property Rental space when there was a potential merger?**

The impending merger between the three entities was not going to occur expediently in that all three entities were both legal and Chapter 9 institutions mandated by legislation.

Therefore, the legislation needed to be amended and ultimately approved by the Cabinet. The Department was currently in the early stages of developing the legislation to enable the merging of the three entities and the process was likely to take three-four years to finalize.

- **Were there sufficient Board members for ZADNA to form a quorum?**

ZADNA had a new Board following Ministerial appointments effective 01st of November 2019. In the current meeting, 8 Board members were present except for 1 who had tendered their apology and therefore constituted a quorum. Lastly, the Board changes would be updated accordingly on the company website.

- **Was there enough staff compliment to deliver excellent service?**

The Board was going to embark on a skills analysis and consider what is required to ensure that ZADNA delivers on its mandate.

- **Where there any tangible outcome of achievable for the Reseller Program?**

The reseller program was in its third year now. Nationally, the objective is to train 600 people.

The new Board was of the view that training alone was not sufficient to transform the sector to ensure broad participation of all South Africans. There is a need to secure mentors to enable trainees to open up businesses in other provinces and promote a vibrant industry.

In terms of the interns, the technical aspects of ZADNA are outsourced to the Central Registry therefore ZADNA is not in a position to train interns in this respect. However, ZADNA has been running the reseller program in the nine provinces..

- **What were the service providers BEE status?**

The lady who owned the secretariat services, IKB Consulting, had a Level 1 BEE status, so did the accounting firm while the external auditors were either on Level 1 or 2.

- **When was the SLR Expression of Interest abandoned and what were the reasons for doing so?**

The new Board found the SLR project on the table and had to review it. The project was still under review and the Board was still deliberating on the necessity and the timing of the project. The Board needed to understand the merits of the project and to be convinced that there is need currently of the SLR.

The Board needed to engage stakeholders and will inform stakeholders in due course about the outcomes.

The meeting was further informed that with respect to consultations, this would not be limited to the SLR project but would encompass a plethora of issues that both stakeholders and ZADNA currently had.

- **What was the difference between the 2021 budget and actuals?**

Mr. Msibi advised the meeting that this had not been done as yet. As the financial year end will be on the 31 March 2020. There was a request for

the management to circulate the information once the final year ends and upon completion of the audited statement.

In conclusion, the meeting noted the submission from Alan Levin on behalf of Internet Society of South Africa (ISOC-ZA). The Chairperson called for the adoption of the proposed budget. The budget was moved for adoption by a member present and seconded, in that regard the proposed 2020/2021 budget was **APPROVED**.

7. ANY OTHER BUSINESS

The Chairperson indicated that the former CEO was dismissed in July 2019. The matter was referred to CCMA and this was one of the reasons the legal fees had been increased. The case had been set for the 22nd to the 27th of March 2020 and the hope is for finality of the matter. The Board was in the process of acquiring a new CEO and provision for the CEO had been provided for in the budget.

The Chairperson further reiterated that the Board was of the view to active engagement and building relationships is key in the sector and promoting inclusivity in all the provinces. ZADNA will publish information on the domain system and domain names so that people could get to understand what ZADNA does.

Mr. Msibi expressed much gratitude to the members for the well-executed AGM and support, assuring the members that they would maintain the excellent standard. In conclusion, the meeting noted that the Board was fairly new but had prioritized the development of SMME development and delivery.

8. CLOSE

The Chairperson thanked all the attendees for their input and contribution. There being no further business, the meeting was closed.