

Summary of Minutes of the Audit Committee Meeting of Hong Kong Internet Registration Corporation Limited and Hong Kong Domain Name Registration Company Limited held on Wednesday 27 July 2016

PRESENT: Stephen HO Wai Chung (Chair), Prof. Francis Chin, Leo Kan

1. Invite legal consultant to conduct briefing to directors on Competition Ordinance: Committee asked Management to be more appropriate to engage a law firm if arranging a briefing session on Competition Ordinance to all Directors.
2. Review progress of follow-up actions for the 2015 security audit: Committee noted the progress of follow-up actions for the 2015 security audit. Committee asked Management to review the frequency for conducting security audit in the future.
3. Review progress of follow-up actions for the 2015 internal audit: Committee noted that all follow-up actions for the 2015 internal audit were closed.
4. Review and endorse the Request for Proposal (RFP) for the Internal Audit for HKIRC for 2016-2018: Committee reviewed and endorsed the RFP for the Internal Audit for HKIRC for 2016-2018. Committee also endorsed the schedule of the Internal Audit.
5. Review and endorse for Board approval the HKIRC-HKDNR cost allocation guidelines and cost allocation ratios (CARs) for Jul 2016 to Dec 2016: Committee endorsed for Board approval the HKIRC-HKDNR cost allocation guidelines and CARs for Jul 2016 to Dec 2016.
6. Review and approve the terms of Engagement Letter for Profits Tax Services 15-16: Committee approved the terms of Engagement Letter for Profits Tax Service 15-16.
7. Discuss the normal practice of auditor dealing with going concern issue: Committee noted the normal practice of auditor dealing with going concern issue for HKDNR.
8. Review additions and deletions to the list of Company policies, guidelines and procedures: Committee noted the changes and do not have comments. Committee asked Management to review the need to apply for ISO Certification on Information Security Management for the Company.
9. Quarterly performance of HKIRC for the quarter of Q1 & Q2 of 2016: Committee members noted the performance report of HKIRC for the quarter of Q1 and Q2 of 2016.