

## **BOARD COMMUNIQUÉ**

The Nominet board met on Monday 10th November. The meeting was adjourned to Thursday 13th November. Jim Davies was excused from the meeting on the grounds of a conflict of interest.

Nominet today announces that it is taking steps to commence legal proceedings against Jim Davies, a non-executive board director at Nominet, to require him to comply with his statutory duties and remove and avoid potential conflicts of interest. These are fundamental requirements of the Companies Act 2006 and, as the Board has been advised by Nominet's lawyers, breaches of those requirements cannot be ignored by Nominet's Board, as otherwise the remaining directors would be failing in their legal duties.

As background to these proceedings, Jim Davies has been the subject of three conflicts of interest complaints, all of which have been upheld by the Nominet Board. On 28th October, Jim Davies was asked by the Board to sign written undertakings by 31st October, confirming that he will comply with his Companies Act 2006 obligations.

In his 7th November 2008 written communication, which was made public by Jim Davies, he declined to provide the undertakings requested. The Board therefore considers that he remains in breach of his duties to act in Nominet's best interests and to avoid conflicts of interest. The board has also received a series of calls from members requesting that any breaches of Director's duties or any other behaviour which brings Nominet into disrepute are dealt with firmly.

In the circumstances, Nominet regretfully takes this action to ensure Jim Davies resolves existing conflicts of interest and that there are no further breaches of the Companies Act.