

OCLC ONLINE COMPUTER LIBRARY CENTER, INC.
Meeting of the Board of Trustees
June 13, 2016

This meeting of the Board of Trustees of OCLC Online Computer Library Center, Inc., pursuant to the notice of the Secretary dated June 2, 2016, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC Online Computer Library Center, Inc., convened at 8:31 a.m., local time, on June 13, 2016, at the Conference Center at OCLC, Lakeside Room, 6600 Kilgour Place, Dublin, Ohio. Ms. Yee presided as Chair and Ms. Presas kept the minutes of the meeting, except during the executive sessions, when Mr. Roselle kept the minutes.

Trustees present:

Brady Deaton
Berndt Dugall
Cindy Hilsheimer
Kathleen Keane
Barbara Lison
James Neal
Loretta Parham
John Patrick
Barbara Preece
David Roselle
John Szabo
Ellen Tise
Sandra Yee
Jennifer Younger

Also, present for all or portions of the meeting:

David ("Skip") Prichard, President & Chief Executive Officer
Andrew Bordas, Vice President Management and Customer Operations
Bruce Crocco, Vice President, Library Services for the Americas
Jeff Jacobs, Chief Information Officer
William ("Chip") Nilges, Vice President, Business Development
Julie Presas, General Counsel & Vice President of Legal Services
William Rozek, Chief Financial Officer
Tammi Spayde, Vice President, Corporate Human Resources
Mary Sauer-Games, Vice President, Global Product Management
Eric van Lubeek, Vice President, Managing Director EMEA and APAC

Chair Yee called the meeting to order, and welcomed the Trustees and members of the executive management team. Chair Yee inquired as to whether there were any changes to the meeting agenda, at which none were suggested. Chair Yee then explained a change to the meeting minutes and inquired as to any additional changes, objections to, removals from or discussion of the meeting minutes. There being no additional changes, she requested a motion to approve the minutes of the April 11, 2016 Board of Trustees Meeting. Upon a motion duly made and seconded, the Board of Trustees unanimously approved the minutes as amended.

The Chair then called for the President's report. Mr. Prichard asked that the Board look to his written report for details, which was previously provided to the Trustees. Mr. Prichard then provided an update on corporate initiatives for FY16, highlighting the significant progress that has been made on priorities including investments in technology infrastructure, the Kilgour building renovation and others. He then delivered a review of OCLC's strategic plan for FY17. As part of this presentation, Mr. Prichard asked Mr. Rozek to provide an overview of the budget and 3-year revenue plan. Mr. Prichard then introduced Ms. Sauer-Games to speak about key initiatives for each line of business in FY17. Ms. Sauer-Games addressed the plans for each line of business and highlighted OCLC's points of differentiation. After discussion, Mr. Prichard delivered final remarks and thanked the team for their work. The Chair commended the team for the excellent presentations. This concluded the President's report.

The Chair then called for the report of the Finance and Investment Committee. Ms. Hilsheimer reported that the Committee met with all members present, and had: (i) reviewed the year to date operating results for FY16, (ii) reviewed the forecast for the remainder of FY16, (iii) reviewed the details of the proposed FY17 corporate operating plan (the "COP"), and (iv) received an update on OCLC's funding cash requirements. Ms. Hilsheimer then introduced a resolution, which was recommended by the Committee, to approve the FY17 COP and asked Mr. Rozek to deliver an overview to the Board on the forecast for the remainder of FY16 and background for the FY17 COP. Following the overview, the Chair brought forward the following resolution to the full Board for their approval:

RESOLUTION

RESOLVED, that the fiscal year 2017 budget of the
Corporate Operating Plan, as presented to this meeting,
be and the same hereby is approved.

Needing no second, and with no further discussion, the resolution was voted on and unanimously approved. Mr. Rozek then reviewed the dashboard showing financial investments in key projects. At the conclusion of Mr. Rozek's remarks, Ms. Hilsheimer thanked him for the update. This concluded Ms. Hilsheimer's report.

The Chair then called the meeting into executive session at 10:11 a.m. with Mr. Prichard present for the first part of the session. The Board continued in executive session until 10:56 a.m. at which time the meeting was called back into open session. The Chair called for a break at 10:57 a.m.

The Chair re-convened the meeting at 11:10 a.m. and delivered the Chair's report. She asked that the Board look to her written report for details, which was previously provided to the Trustees and noted a few items, which will be addressed in more detail during the Executive Committee report. This concluded the Chair's report.

The Chair then reported that the Executive Committee met with all members present. The Executive Committee discussed potential locations for the June 2017 board meeting and will provide additional details about a location during the board meeting in September. The Chair reported that the Executive Committee had also discussed OCLC's planned activities at the upcoming ALA annual meeting as well as the IFLA meeting in August. A summary of events will be provided to the Board. The Committee also received a preview of the strategy session from Mr. Prichard. This concluded the report of the Executive Committee.

The Chair then called for the report of the Board Governance Committee. Mr. Roselle reported that the Committee met with all members present, and had: (i) discussed the succession process for the Board Chair position, (ii) reviewed the current expertise of the Board and potential candidates for future Trustee-appointed positions, (iii) received an update on proposed changes to OCLC's governance structure, (iv) reviewed potential board committee assignments, and (v) reviewed and provided feedback on the draft EMT assessment survey for the Board. Mr. Roselle asked the Trustees to continue to send potential candidates for the Board to he and Ms. Yee. Mr. Roselle then asked Ms. Presas to provide an update to the Board on the current proposal for changes to OCLC's governance structure. After providing an update and answering questions, Mr. Roselle thanked Ms. Presas for the overview. Mr. Roselle indicated there will be additional discussions on Board Chair succession and Board-appointed positions during executive session. This concluded Mr. Roselle's report.

The Chair then requested the Committee on Technology Planning report. Mr. Patrick reported that the Committee met with all members present, and had received an update on key technology projects from Mr. Jacobs. The overview included the progress made on each initiative and expected timelines. This concluded Mr. Patrick's report.

The Chair then called for the report of the Membership Committee. Ms. Parham noted that there are no updates at this time from the Committee. This concluded Ms. Parham's report.

The Chair then called for the report of the Audit Committee. Ms. Younger reported that the Committee did not hold a meeting in June. The Committee will next meet in September to review the results of the FY16 financial audit and discuss additional items including the enterprise risk assessment. This concluded Ms. Younger's report.

The Chair then called for the report of the Personnel and Compensation Committee. Mr. Neal indicated that the Committee met with all members present, and had: (i) discussed the projections for the Management Incentive Plan (the "MIP") awards, (ii) discussed the revenue targets for the Long Term

Incentive Plan, and (iii) reviewed the process for the President & CEO performance appraisal, which will be reported on further during executive session. Mr. Neal then introduced a resolution, which was recommended by the Committee, to authorize the President and CEO to pay MIP awards to non-executive plan participants after receiving the results of OCLC's financial audit. Mr. Neal also described the 3 components included in the MIP. Following the overview, the Chair brought forward the following resolution to the full Board for their approval:

RESOLUTION

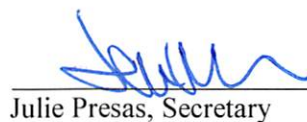
RESOLVED, that following review by both the Personnel & Compensation Committee and the Board in executive session, the recommendations of the Personnel and Compensation Committee regarding Management Incentive Plan awards as presented be approved and the allocation of said funds be directed as follows:

Management Incentive Plan awards to non-executive plan participants of the Corporation for FY2016 be and the same are hereby approved, as determined by the President and Chief Executive Officer at the time OCLC's annual financial audit is completed, and further pursuant to the provisions of the Management Incentive Plan.

Upon a motion duly made, the Board of Trustees approved the resolution by unanimous vote. This concluded Mr. Neal's report.

Chair Yee then convened the meeting in executive session at 11:51 a.m. with Ms. Spayde and Ms. Presas present. Board members Ms. Lison and Ms. Parham were present for some of the executive session but stepped out of the room for different portions of the discussion. Mr. Prichard was also present for a portion of the executive session. The Board continued in executive session until 12:47 p.m., at which time Ms. Yee re-convened the Board in open session.

The Chair then inquired if there was any further business. There being no further business to come before the Board at this time, a motion to adjourn was moved, seconded and unanimously approved by all Trustees at 12:50 p.m.


Sandra Yee, Chair
Julie Presas, Secretary