

OCLC ONLINE COMPUTER LIBRARY CENTER, INC.
Special Meeting of the Board of Trustees
November 7, 2011

This special meeting of the Board of Trustees of OCLC Online Computer Library Center, Inc., pursuant to the notice of the Secretary dated October 27, 2011, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC Online Computer Library Center, Inc. convened at 8:30 a.m., local time, on November 7, 2011, at OCLC, 6600 Kilgour Place, Dublin, OH., 43017. Mr. Alford presided as Chair and Mr. Houfek kept the minutes of the meeting, except during the executive sessions, when Mr. Barry kept the minutes.

Trustees Present:

Larry Alford
Edward W. Barry
Maggie Farrell
Tony Ferguson
Kathleen Imhoff
Jay Jordan
David Lauer
Bernadette Gray-Little
James Neal
Bruce Newell
Elisabeth Niggemann
John Patrick
David Roselle
Brian Schottlaender
Betsy Wilson
Sandra Yee

Trustees Absent:

None

Also, present for all or portions of the meeting:

ChewLeng Beh, Global Council President Elect
Bruce Crocco, Vice President, Library Services for the Americas
Lorcan Dempsey, Vice President, Research & Chief Strategist
Cathy De Rosa, Vice President for the Americas & Global VP of Marketing
Cindy Hilsheimer, Guest & Trustee Elect
James T. Houfek, Vice President, General Counsel and Secretary
Jim Michalko, Vice President, OCLC Research Library Partnership
Robin Murray, Vice President Global, Product Management
George Needham, Vice President, Global & Regional Councils
Chip Nilges, Vice President, Business Development
Gene Oliver, Executive Director, Systems Management
Julie Presas, Assistant General Counsel
Rick J. Schwieterman, Executive Vice President, Chief Financial Officer
Tammi N. Spayde, Vice President, Corporate Human Resources
Mike Teets, Vice President, Innovation
Andrew Wang, Vice President, OCLC Asia Pacific
Greg Zick, Vice President, Global Engineering

Mr. Alford called the meeting to order and welcomed Ms. Hilsheimer to the meeting. Mr. Alford then inquired whether there were any changes to the proposed agenda, and there being none, the Chair moved for approval of the minutes of the September 12, 2011 Board of Trustees meeting, which motion was seconded and unanimously approved.

Mr. Alford indicated that he had not prepared a written report due to his move to Toronto. The Chair then said that he had nothing specific to report, other than that he had conducted multiple telephone conferences with Mr. Jordan since the last Board meeting in September.

Mr. Alford then offered the Board's congratulations to OCLC senior management (especially to Ms. Spayde) for their continuing efforts at employee satisfaction which recently resulted in the following awards: (i) The Alford P. Sloan award for "Business Excellence in the Workplace", (ii) being named "One of the Top Ten Places to Work in Central Ohio" by Business First Publications, and (iii) being named "One of the Top 100 IT Places to Work" by ComputerWorld Magazine.

Mr. Alford then indicated that Mr. Lauer was retiring from his Board position effective this meeting and that Mr. Rich Van Orden would be retiring from his service to OCLC later this month. Mr. Van Orden has been the face of the Users/Members/Global Council for over 24 years, and the Board wished to note its appreciation for his many years of devoted and dedicated service to the cooperative. Mr. Lauer's retirement would be discussed later today during the Annual Meeting of the Board of Trustees.

The Chair then called for the report of the Finance Committee. Mr. Patrick reported that the Committee met with all members present and (i) reviewed the first quarter performance of the company as well as the projected outlook for the rest of the fiscal year, (ii) discussed the present status of WMS and the projected sales figures for the year, and (iii) reviewed all of OCLC's current product and service lines. The Committee then reviewed and recommended the following 2 resolutions for approval by the full Board:

RESOLUTION

WHEREAS, OCLC is the sole shareholder of OCLC EMEA B.V., and

WHEREAS, OCLC EMEA B.V. is desirous of increasing its current line of credit with ING Bank from 3 million Euros to 3.5 million Euros, and

WHEREAS, currently the OCLC EMEA B.V. Articles of Association require the OCLC Board of Trustees to approve said increase in the ING Bank line of credit,

NOW THEREFORE, be it hereby

RESOLVED, that Robert L. Jordan, President and Chief Executive Officer and/or Rick J. Schwieterman, Executive Vice President and Chief Financial Officer, as Shareholder Representatives of OCLC to OCLC EMEA B.V, are hereby authorized to take such action as they may deem appropriate, in order to effectuate and establish an increased line of credit with ING Bank on behalf of OCLC EMEA B.V. from 3 million Euros to 3.5 million Euros.

RESOLUTION

WHEREAS, OCLC is the sole shareholder of OCLC EMEA B.V., and

WHEREAS, OCLC EMEA B.V. is desirous of increasing its total line of credit authorization to 4 million Euros, and

WHEREAS, currently the OCLC EMEA B.V. Articles of Association require the OCLC Board of Trustees to approve said increase in total line of credit authorization, and

WHEREAS, OCLC has this day approved a line of credit increase for OCLC EMEA B.V. with ING Bank from 3 million Euros to 3.5 million Euros, and

WHEREAS, OCLC may wish to extend a separate line of credit to OCLC EMEA B.V. in addition to the ING Bank line of credit,

NOW THEREFORE, be it hereby

RESOLVED, that OCLC EMEA B.V is hereby authorized to increase its overall borrowing limit to a total of 4 million Euros, and be it further

RESOLVED, that OCLC be authorized to establish a line of credit to OCLC EMEA B.V. of up to 2.5 million Euros and under such terms and conditions as may be deemed appropriate by OCLC from time to time (not to exceed the 4 million Euro total established above), and be it further

RESOLVED, that Robert L. Jordan, President and Chief Executive Officer and/or Rick J. Schwieterman, Executive Vice President and Chief Financial Officer, as officers of OCLC, and as Shareholder Representatives of OCLC to OCLC EMEA B.V, each be individually authorized to take such action as they may deem appropriate, in order to effectuate the above resolved actions.

There being no further discussion, and with no second being necessary, the Board separately and unanimously approved each of the above resolutions. This concluded Mr. Patrick's report.

The Chair then called for the Global Council report. Mr. Beh indicated that (i) the President of Global Council, Mr. Berndt Dugall, recently shared his annual plan entitled "Shaping the Future by Strengthening Membership" with the Council, (ii) the Asia Pacific Regional Council

met for the third time and was well attended by over 160 delegates, (iii) the Americas Regional Council continues in its efforts to fully engage its members and schedule its first meeting, and (iv) the planning for the upcoming EMEA Regional Council meeting in February 2012 in Birmingham, UK is well underway, with the theme being “Developing a New Blend of Library”. This concluded Mr. Beh’s report.

Mr. Alford then requested Ms. Wilson deliver a review of the Board retreat held on November 6th, 2011. Ms. Wilson indicated that (i) the retreat is an annual part of the Board development, (ii) she wished to thank Mr. Neal, Mr. Schottlaender and Ms. Niggemann of the Board, as well as Mr. William Carney for their planning and participation in the retreat, (iii) the discussion regarding digital libraries was an excellent exploration of current initiatives in that area, as well as illuminating potential OCLC partnering in the future, and (iv) the presentation by three international members of Global Council provided thought provoking information on the difference between saying OCLC is “global” and actually being so. This concluded Ms. Wilson’s report. Following some general discussion, Mr. Alford expressed the Board’s gratitude to Mr. Neal, Ms. Wilson and Mr. Dempsey for their work on the retreat.

Mr. Dempsey then delivered an updated report entitled “Webscale, Platform, Libraries and OCLC: An Overview of Webscale and Platform Characteristics”.

The Chair then called for a break at 10:20 a.m.

The meeting reconvened at 10:35 a.m., at which time Mr. Alford called for the President’s report.

Mr. Jordan asked that the Board look to his written report for details, and he additionally mentioned that (i) a draft copy of the OCLC Annual Report was being given to each of the Trustees for their review, (ii) OCLC has been experiencing a huge demand in the marketplace for skilled technical people, (iii) the WMS rollout was proceeding as planned with over 150 libraries in line to participate at this time, and (iv) efforts to fill the vacancy left by Ms. Calhoun were continuing. That concluded Mr. Jordan’s report.

At 10:50 a.m., the Chair called the meeting into executive session, with the members of the Strategic Leadership Team (SLT) being asked to stay for the first portion of the session. At 11:05 a.m., the SLT was excused from the meeting and the Board continued in executive session, during which the following two resolutions were discussed and (coming from

the P&C Committee with no second necessary) each separately unanimously approved by the full Board:

RESOLUTION

RESOLVED, that the Personnel and Compensation Committee of the Board of Trustees approves the performance measures in the Long-Term Incentive Plan ("LTIP") for FY2012, FY2013 and FY2014, and after appropriate discussion and review by the full Board in executive session, the same are hereby approved.

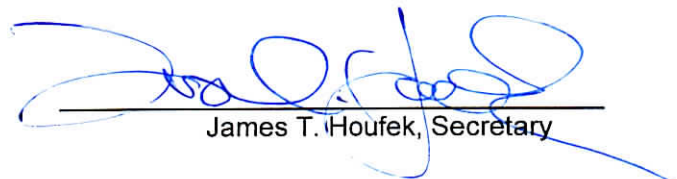
RESOLUTION

RESOLVED, that the Personnel and Compensation Committee of the Board of Trustees has completed their review and recommendations regarding the Special Incentive Plan and the associated target percentage provided in the employment contract with the President and CEO, and after appropriate discussion and review by the full Board, the Special Incentive Plan target percentage for the FY2012-FY2014 performance period for the President and CEO as presented in executive session be approved.

The Special Incentive performance measures to be achieved as of June 30, 2012, 2013, and 2014, as assigned to the President and CEO are also hereby approved.

At 12:22 p.m., the Board concluded the executive session, after which the Chair then inquired if there was any further business, and there being none, a motion to adjourn was moved, seconded, and unanimously approved by the Trustees.



Larry Alford, Chair

James T. Houfek, Secretary