

OCLC ONLINE COMPUTER LIBRARY CENTER, INC.
Meeting of the Board of Trustees
April 22, 2013

This meeting of the Board of Trustees of OCLC Online Computer Library Center, Inc., pursuant to the notice of the Secretary dated April 11, 2013, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC Online Computer Library Center, Inc., convened at 8:00 a.m., local time, on April 22, 2013, at OCLC, 6600 Kilgour Place, Dublin, OH, 43017. Ms. Yee presided as Chair and Mr. Houfek kept the minutes of the meeting, except during the executive sessions, when Mr. Alford kept the minutes.

Trustees Present:

Larry Alford
Maggie Farrell
Tony Ferguson
Cindy Hilsheimer
Kathleen Imhoff
Jay Jordan
Barbara Lison
Bernadette Gray-Little
James Neal
Loretta Parham
John Patrick
David Roselle
Brian Schottlaender
Sandra Yee
Jennifer Younger

Trustees Absent:

Edward W. Barry

Also, present for all or portions of the meeting:

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
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 (Via Conference Telephone)
Chip Nilges, Vice President, Business Development
Gene Oliver, Vice President, Global Systems and Information Technology
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
Eric van Lubeek, Managing Director, EMEA
Andrew Wang, Vice President, Asia Pacific
Greg Zick, Vice President, Global Engineering

Ms. Yee called the meeting to order, and inquired whether there were any changes to the proposed agenda, and there being none, the Chair moved for approval of the consent agenda. The motion was seconded and unanimously approved. The consent agenda contained the minutes of the February 4, 2013 meeting, and the March 17-18, 2013 Special meetings of the Board of Trustees, and the following resolution:

RESOLUTION

RESOLVED, that regular meetings of the Board of Trustees shall be held, in calendar year 2014, at the offices of the Corporation or at other locations designated by the Board at 8:00 a.m., local time, on the following dates:

February 10, 2014
April 14, 2014
June 9, 2014
September 22, 2014
November 10, 2014

FURTHER RESOLVED, that the annual meeting of the Board of Trustees shall be held immediately following the annual meeting of the Trustee Members on November 10, 2014.

Ms. Imhoff and Mr. Needham delivered the Membership Committee Report at the request of the Chair. Ms. Imhoff indicated that discussion regarding ongoing issues of membership definition, including the right to vote, the potential of membership levels and appropriate membership fees had been completed. There was also discussion on a proposed resolution and amendment to the Membership Protocols. Some informal discussion followed.

Mr. Alford then delivered the report of the Cost Share and Pricing Model Committee, with additional comments offered by Mr. Murray, Ms. De Rosa, and Mr. Schwieterman. The Committee continues to review and consider various/appropriate pricing models across OCLC global membership base.

Ms. Yee then requested the President's report. Mr. Jordan referred the Trustees to his written report in the Board materials, adding that many positive activities have been occurring, including a particularly valuable and productive visit to Japan by Mr. Nilges. This concluded Mr. Jordan's report.

The Chair called the meeting into executive session at 9:25 a.m.

At 10:06 a.m., the Board concluded its executive session, indicating that the following resolution was unanimously approved by the Board during the executive session:

RESOLUTION

WHEREAS, Robert L. Jordan and the OCLC Board of Trustees have agreed on Mr. Jordan's retirement from his position as President and CEO of OCLC; and

WHEREAS, The Board has determined the need to appoint a successor President and CEO; and

WHEREAS, during the current OCLC fiscal year, various members of the Board have been engaged in consideration and implementation of all matters associated with selecting final candidates for consideration of the full Board, to become the successor President and CEO; and

WHEREAS, the selection process is nearing completion and the Board will be selecting its final candidates in the near future;

NOW BE IT HEREBY RESOLVED, that the Board of Trustees of OCLC hereby authorizes the Board Chair, in consultation with the Board Vice Chair and the Chair of the Personnel and Compensation Committee, to proceed with all matters and acts deemed necessary by the Chair to negotiate an appropriate Employment Agreement with the final candidate, including such other documentation as may be deemed necessary by the Chair in order to complete the employment of said final candidate as President & CEO of OCLC, subject to the terms and conditions previously discussed by the Board in executive session, and such further terms and conditions as may be communicated to the Chair from time to time by further resolution of the Board.

FURTHER RESOLVED, the Chair is hereby granted the power and authority to take such steps and perform such acts as may be necessary and proper to carry out this assignment, including the authority to retain the services of such consultants as she may deem necessary for the effective and efficient completion of the duties assigned herein.

The Chair reconvened the meeting in regular session, and a further discussion followed regarding the proposed resolution from the Membership Committee regarding the changes to the Membership Protocols. The Board concluded that as a whole it endorsed the basic direction of the Committee in redefining the various membership roles and definitions, and asked that the Committee to continue its work on a final plan and implementation schedule, to be presented at the June Board meeting.

The Chair then called the meeting into executive session at 10:17 a.m.

At 11:17 a.m., the Board concluded its executive session, and the meeting continued in regular session.

Ms. Yee delivered the Chair's report, and indicated that she: (i) continued her bi-weekly conferences with the President & CEO; (ii) would be attending the upcoming EMEA Regional Council meeting, as well as the Global Council meeting; and (iii) has been conducting several CEO candidate interviews.

Ms. Yee indicated that the Executive Committee met, and discussed the appropriate format for the introduction of the new President & CEO at the ALA Annual Conference in Chicago. The Committee proposed dates for the 2014 Board meetings via the resolution that was approved earlier as a part of the consent agenda. That concluded the Chair's report.

Ms. Yee asked for the Finance Committee report. Mr. Patrick indicated that the Committee met with all members except Mr. Barry present, and that the Committee reviewed and recommended the following resolution for approval by the full Board:

RESOLUTION

RESOLVED, that following review by both the Finance and Investment Committee and the Board, the recommendation of the Finance and Investment Committee regarding the proposed amendment to the Investment Policy for the Long-Term Portfolio, be and is here by approved.

FURTHER RESOLVED, that the Appendix attached to said Policy is intended to be managed and implemented by the OCLC management, including the power to amend said Appendix as they shall deem appropriate from time to time.

Needing no second, and with no further discussion, the above resolution was unanimously approved. Mr. Patrick indicated that the Committee continued their meeting with the inclusion of several members of the Strategic Leadership Team, with presentations on the product plan by Mr. Dempsey, Mr. Murray and Ms. De Rosa. Finally, the Committee reviewed the FY 2013 financial results to date, and the FY 2014/2015/2016 financial projections. That concluded Mr. Patrick's report.

Ms. Yee asked for the report of the Audit Committee. Ms. Hilsheimer said that the Committee met with all members present and had: (i) reviewed the annual internal corporate enterprise risk assessments report, noting that KPMG also completes an external report every 3 years with the next such report due in 2014; (ii) reviewed both the eight "significant risks", as well

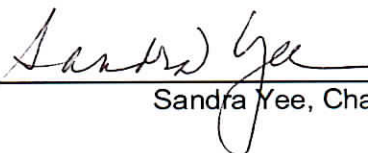
as the 7 “on the radar” risks generated by the internal report and noted the mitigation initiatives for each such risk; (iii) reviewed the full annual insurance report as to coverage and cost, noting only nominal cost increases with no decrease in coverage due to management’s careful attention to increased premiums; (iv) reviewed and recommended non-substantive changes to the Audit Committee Charter with a resolution to approve same to be presented at the June meeting, and (v) reviewed the current status and proposed resolution of the recent IRS inquiries with respect to certain internal matters. That concluded Ms. Hilsheimer’s report.

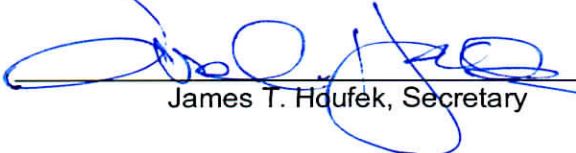
Ms. Yee called for the Personnel and Compensation Committee report. Mr. Neal reported that the Committee met with all members present, and had: (i) reviewed certain CEO recruitment issues; (ii) received a presentation on the strategic direction of OCLC’s Human Resources on a global scale, which was recommended for full Board review; (iii) completed the Committee’s annual review of diversity and inclusion results; (iv) reviewed the current status of the Talent Management Program for the development of future management candidates within OCLC, and (v) reviewed the current status of the MIP and LTIP programs. This concluded Mr. Neal’s report.

Ms. Yee requested the report of the Board Governance Committee. Mr. Alford indicated that the Committee met with all present except Mr. Barry, and had: (i) discussed the appropriate format for new Trustee orientation; (ii) discussed the availability and functionality of the new Board website; (iii) discussed Board planning and development issues, as well as certain Board length of service issues; (iv) reviewed the Board fees structure, and (v) reviewed the revised list of potential Trustee candidates for future consideration. That concluded the Board Governance Committee report.

Ms. Yee asked for the report of the Committee on Technology Planning. Mr. Schottlaender indicated that the Committee met and had received three presentations from OCLC technical staff as to future metadata infrastructures and platforms. Mr. Schottlaender suggested that at an appropriate time the full Board might benefit from a similar presentation. That concluded Mr. Schottlaender’s report.

The Chair then called for other business, and there being none, a motion to adjourn was moved, seconded, and unanimously approved at 12:37 p.m.


Sandra Yee, Chair


James T. Houfek, Secretary