

OCLC ONLINE COMPUTER LIBRARY CENTER, INC.  
Meeting of the Board of Trustees  
April 20, 2015

This meeting of the Board of Trustees of OCLC Online Computer Library Center, Inc., pursuant to the notice of the Secretary dated April 9, 2015, 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 April 20, 2015, at the OCLC Conference Center Smith Boardroom 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  
David Roselle  
Brian Schottlaender (participated in part of the meeting via telephone conference)  
John Szabo  
Ellen Tise  
Sandra Yee  
Jennifer Younger

Also, present for all or portions of the meeting:

David A. Prichard, President & Chief Executive Officer  
Andrew Bordas, Vice President, Management & Customer Operations  
Bruce Crocco, Vice President, Library Services for the Americas  
Lorcan Dempsey, Vice President OCLC Research & Chief Strategist  
Jeff Jacobs, Chief Information Officer  
Jim Michalko, Vice President, OCLC Research Library Partnership  
William (Chip) Nilges, Vice President, Business Development  
Julie Presas, General Counsel & Vice President of Legal Services  
Rick Schwieterman, Executive Vice President & 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, OCLC EMEA & APAC

Ms. Yee called the meeting to order and inquired as to whether there were any changes to the meeting agenda, and there being none, Ms. Yee then inquired as to any additional changes, objections to, removals from or discussion of the proposed consent agenda, and there being none, she requested a motion to approve the consent agenda. Upon motion duly made and seconded, the Board of Trustees unanimously approved the consent agenda. The consent agenda contained the minutes of the February 9, 2015 Meeting of the Board of Trustees and the following two resolutions:

RESOLUTION

RESOLVED, that the proposed amendment to the Audit Committee Charter as presented to this Board be, and the same is, hereby approved.

RESOLUTION

RESOLVED, that Deloitte & Touche be engaged to perform the annual audit of the Corporation for the year ending June 30, 2015.

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 introduced Lorcan Dempsey, Jim Michalko, Bruce Crocco and Mary Sauer-Games to present on OCLC's research library partnership. The team delivered a presentation including information about the history of the merger between OCLC and RLG, current market segments, current product lines and potential opportunities. Following discussion, Mr. Prichard thanked the team for their collaboration and the Chair commended the team for the excellent overview.

The Chair then recommended the Trustees view the mockups of the Kilgour Building renovation displayed in the Boardroom, congratulated Brian Schottlaender for receiving the Hugh C. Atkinson Award and Jim Neal for receiving the Joseph W. Lippincott Award. The Chair then called the Board into executive session at 10:10 a.m., with Mr. Prichard present. The Board continued in executive session until 10:43 a.m., at which time Ms. Yee re-convened the Board in open session and called for a break. Mr. Schottlaender left the meeting at this time.

The Chair re-convened the meeting in open session at 11:05 a.m.

Ms. Yee then delivered the Chair's report. Ms. Yee thanked the Executive Committee for taking action in advance of today's meeting on the request for the renovation project. Ms. Yee noted that she had a conversation with the Global Council Nominating Committee and referred to the candidates' bios for the Global Council elected Board position, which were included in the materials provided to the Board. The election will take place on Tuesday, April 21st and the results will be announced the next day. Ms. Yee also announced that she will be presenting at the upcoming Global Council meeting and will discuss the skills and expertise important for board members to possess. This concluded the Chair's report.

The Chair then reported that the Executive Committee met with all members present, and had: (i) discussed the possible location for the June, 2016 board meeting and noted the intention to connect with OCLC in conjunction with the meeting, (ii) determined the dates for the board meetings in 2016, which resolution is proposed, and (iii) discussed the upcoming meeting with OCLC staff to review the board budget for fiscal year 2016.

## RESOLUTION

RESOLVED, that the regular meetings of the Board of Trustees shall be held, in calendar year 2016, at the offices of the Corporation or at other locations designated by the Board at 8:30 a.m., local time or at such time determined by the Board Chair, on the following dates:

February 8, 2016

April 11, 2016

June 13, 2016

September 12, 2016

November 14, 2016

FURTHER RESOLVED, that the annual meeting of the Board of Trustees shall be held immediately following the annual meeting of Trustee Members on November 14, 2016.

Upon a motion duly made, the Board of Trustees unanimously approved the Resolution. This concluded the Executive Committee's report.

The Chair then called for the report of the Finance and Investment Committee. Ms. Hilsheimer reported that the Committee met with the full Board and Executive Management Team present, and had: (i) reviewed the anticipated financial performance for FY2015, (ii) received information about global technology initiatives, and (iii) reviewed OCLC's investment portfolio.

## RESOLUTION

WHEREAS, the Company's management has studied, analyzed and designed a strategy for a global data center (the "Technology Project"); and

WHEREAS, the Company's management has reviewed and discussed the Technology Project strategy with the Board; and

WHEREAS, after evaluating proposals, the Company's management has selected vendors in connection with the pending approval of the Technology Project; and

WHEREAS, the Board, through its Finance and Investment Committee, now deems it advisable and in the best interests of the Company to authorize management to proceed with the Technology Project,

NOW THEREFORE, IT IS HEREBY RESOLVED, that the Company is hereby authorized to commence the Technology Project on such general terms and conditions as presented to the Finance and Investment Committee as deemed appropriate; and

FURTHER RESOLVED, that an aggregate principal amount of \$11.1 million is authorized for withdrawal from the Company's sustainability fund and allocated to such Company accounts as is necessary for the funding of the Technology Project; and

FURTHER RESOLVED, that the officers of the Company be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company, to make all such arrangements, to execute and deliver such documents and instruments, and to take such action consistent with the foregoing resolutions as any such officer of the Company deems necessary or advisable in order to carry out the purposes of the foregoing resolutions are hereby authorized, ratified approved and confirmed in all

respects.

Ms. Yee asked for a motion to approve the Resolution. Upon a motion duly made, the Board of Trustees unanimously approved the Resolution. This concluded the Executive Committee's report.

This concluded Ms. Hilsheimer's report.

The Chair then called for the report of the Audit Committee. Ms. Younger reported that the Committee met with all members present, and had: (i) met with the audit partners from Deloitte including the new head partner, (ii) approved the audit engagement with Deloitte & Touche, which was approved by the Board in the consent agenda, (iii) discussed the new accounting pronouncements, (iv) reviewed the Company's insurance policies including the Directors and Officers liability policy, (v) reviewed the Board of Trustees Code of Conduct document, (vi) approved changes to the Audit Committee Charter, which was approved by the Board in the consent agenda, (vii) discussed the Conflict of Interest disclosure forms submitted by the Trustees and executives, and (viii) discussed internal risk assessment process. 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 CEO performance appraisal, (ii) reviewed MIP & LTIP goals and forecasts for FY2015 for the CEO and officers, (iii) received a report on the Company's leadership development programs, diversity and inclusion programs, (iv) discussed the current LTIP metrics and whether they should be modified, and (v) discussed the measures used for the executive compensation analysis. This concluded Mr. Neal's report.

The Chair then called for the report of the Board Governance Committee. Ms. Lison reported that the Committee met with all members present, and had: (i) discussed the process for the next board assessment survey, and (ii) referred to items which will be discussed in executive session. This concluded Ms. Lison'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 (i) reviewed additional specifics for the global technology initiatives which were presented at the Finance and Investment Committee, and (ii) received a report on the Company's information security programs. The Committee will meet in June to receive an update from the technology initiatives approved by the Board. This concluded Mr. Patrick's report.

The Chair then called for the report of the Membership Committee. Ms. Parham reported that the Committee will meet with members from Global Council on Tuesday, April 22nd. Ms. Parham noted that the Committee meets at the behest of recommendations from the Board and encouraged the

Board to review the Membership Committee's charter and consider items for the Committee's future agenda. This concluded Ms. Parham's report.

The Chair then inquired if there was any further business, and there being none, Ms. Yee then convened the meeting in executive session at 11:42 a.m. with Mr. Prichard present. The Board continued in executive session until 12:21 p.m., at which time Ms. Yee re-convened the Board in open session.

The Chair then referred the Board to the list of OCLC events for the American Library Association Annual Meeting in June and reminded the Board about the Global Council opening session that afternoon at 2:00 p.m. After Mr. Prichard addressed inquiries from the Board on a few general corporate matters, the Chair asked if there was any further business to come before the Board.

There being no further business to come before the Board at this time, a motion to adjourn was moved, seconded and unanimously approved at 12:29 p.m.



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Sandra Yee, Chair



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Julie Presas, Secretary