

OCLC, INC.  
Meeting of the Board of Trustees  
November 9, 2020

This meeting of the Board of Trustees of OCLC, Inc., pursuant to the notice of the Secretary dated October 29, 2020, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC, Inc., convened at 10:01 a.m., local time, on November 9, 2020, via WebEx Meetings. Mr. Szabo presided as Chair and Ms. Presas kept the minutes of the meeting, except during the executive sessions, when Ms. Hilsheimer kept the minutes.

Trustees present:

Craig Anderson  
Theresa Byrd  
Brady Deaton  
Bernadette Gray-Little  
Cindy Hilsheimer  
Kathleen Keane  
Madeleine Lefebvre  
Barbara Lison  
Jacques Malschaert  
Jim Neal  
John Patrick  
David "Skip" Prichard  
John Szabo  
Ginny Steel  
Sarah Thomas

Also, present for all or portions of the meeting:

Andrew Bordas, Vice President, Management and Customer Operations  
Bruce Crocco, Vice President, Library Services for the Americas  
Lorcan Dempsey, Chief Strategist, Vice President Membership & Research  
Barton Murphy, Chief Technology & Information Officer  
William ("Chip") Nilges, Vice President, Business Development  
Julie Presas, Vice President & General Counsel, Secretary  
William Rozek, Chief Financial Officer, Treasurer  
Tammi Spayde, Vice President, Human Resources, Marketing, Facilities  
Mary Sauer-Games, Vice President, Global Product Management  
Eric van Lubeek, Vice President, Managing Director, EMEA & APAC  
Anja Smit, Incoming Trustee  
Shirley Chiu-wing Wong, Incoming Trustee  
Mike Tartaglione, Director, Library Technology

Chair Szabo called the meeting to order, and welcomed the Trustees, incoming Trustees and members of the executive management team. He thanked the Trustees for participating in Sunday's virtual gathering for Madeleine Lefebvre and Jacques Malschaert, and the Board's continuing education program. The Chair inquired as to any changes to, objections to, removals from, or discussion of the proposed consent agenda, and there being none, he requested a

motion to approve the consent agenda. Upon a motion duly made and seconded, the Trustees approved the consent agenda by a unanimous vote. The consent agenda contained the following items:

- Minutes of the September 21, 2020 Meeting of the Board
- Board Ratification of Actions Resolution

### **RESOLUTION**

RESOLVED, that the actions of the Board of Trustees and the Officers of OCLC taken in the past twelve months are hereby ratified and affirmed.

The Chair delivered the Chair's report. Chair Szabo noted that he has been in regular contact with Mr. Prichard to stay informed between Board meetings and he attended the Membership Committee meeting in October where he thanked Jacques Malschaert and Madeleine Lefebvre for their service on the Committee. He also noted that he had onboarding discussions with incoming Trustees Anja Smit and Shirley Wong. This concluded the Chair's report.

The Chair then delivered the report of the Executive Committee. Chair Szabo reported that the Committee met with all members present, and: (i) received an overview of OCLC activities from Mr. Prichard, (ii) received a preview of the President's report presentation, and (iii) were provided an overview from all Committee chairs on matters coming before the Board in Sunday's meetings. This concluded Chair Szabo's report.

The Chair then called for the report of the Membership Committee. Ms. Lefebvre reported that the Committee met on October 29, 2020 with all but one member present, and: (i) discussed potential candidates to recommend for the consideration of the Global Council Nominating Committee, (ii) decided to reach out to potential candidates, and (iii) received an update on Board and Global Council activities. This concluded Ms. Lefebvre'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, as well as incoming committee members, and: (i) voted to recommend the adoption of 4 resolutions, which will be introduced during the Annual Meeting of Trustee Members later in the morning, (ii) reviewed the results from the Board self-assessment survey, (iii) engaged in discussions involving Board succession

planning including process and timeline, (iv) received an update from Ms. Presas about the orientation process for new Trustees, new Committee Chairs and new members of committees, and (v) received a preview of the Board's continuing education program which was held Sunday afternoon. Ms. Lison also asked Trustees to submit Board candidate recommendations through a new electronic form which will be sent to the Board following the meeting. This concluded Ms. Lison's report.

The Chair then called for the report of the Finance & Investment Committee. Mr. Deaton reported that the Committee met with all members present, as well as incoming committee members, and: (i) discussed FY21 financial performance to date, (ii) received a review of OCLC's investment portfolio from Mr. Williams of Highland Consulting, including balances and performance of investments, and (iii) reviewed the details of a proposed debt refinancing. After discussion by the Board, Mr. Deaton brought forward the following resolution to the Board for their approval:

### **RESOLUTION**

WHEREAS, OCLC, Inc. (the "Corporation") has previously entered into a Master Lease-Purchase and Sublease-Purchase Agreement dated as of October 28, 2014 (the "Master Lease Purchase Agreement") with Key Government Finance, Inc. ("Key") and the Columbus-Franklin County Finance Authority (the "Issuer") and Acquisition Schedule 2 dated as of April 14, 2016, Acquisition Schedule 3 dated as of March 28, 2018, and Acquisition Schedule 4 dated as of November 26, 2019, thereto (collectively, the "Acquisition Schedules") in connection with financing of the lease and sublease of certain real and/or personal property, including without limitation, building renovations and improvements, computer, telecommunications and other equipment, furnishings, software programs, bibliographic and other information databases used in connection with or support of the Corporation's services, and other capital expenditures and appurtenances related thereto (collectively referred to hereinafter as the "Projects") used by the Corporation in the total original aggregate principal amount of \$90,000,000 (the "Obligations");

WHEREAS, based upon a review by the Finance and Investment Committee of the Board of OCLC, Inc.'s current financial position and financing needs, and based further upon its recommendation, the Board deems it advisable and in the best interests of the Corporation to authorize amendments to and/or the refinancing of the outstanding Obligations in order to decrease the interest paid by the Company on those Obligations as set forth below;

NOW, THEREFORE, be it

RESOLVED, that it hereby is authorized, subject to market conditions acceptable in the judgment of one or more of the officers listed below, to enter into arrangements with Key and the Issuer and, as necessary, other appropriate parties, for the purpose of amending or refinancing the outstanding Obligations; and

FURTHER RESOLVED, that the refinancings contemplated by this Resolution be carried out pursuant to the terms and conditions to be set forth in certain appropriate documents including amendments or supplements to any of the Master Lease Purchase Agreement, the Acquisition Schedules and any outstanding Supplemental Master Trust Indentures and Master Notes that were issued in connection with the outstanding Obligations (collectively, the “Refinancing Documents”), as well as certain other necessary supportive documents including any certificates, instruments or documents relating to the tax-exempt status of the outstanding Obligations; and

FURTHER RESOLVED, that David A. (“Skip”) Prichard, President and CEO, William J. Rozek, Chief Financial Officer and Treasurer, Julie Presas, General Counsel, Vice President and Secretary of the Corporation, and any such officers appointed by any of them in writing be, and each of them, acting singly, is hereby authorized, on behalf of the Corporation, to execute and deliver the Refinancing Documents and the other supportive documents that may be necessary to effect the transaction contemplated herein, each in such form as shall be approved by the officer executing the same, and issuance, execution and delivery of any such documents or instruments by such officer shall be conclusive evidence of the approval thereof by the officer executing the same and of the Corporation; and

FURTHER RESOLVED, that the aforesaid officers, be and each of them, acting singly, is hereby authorized, on behalf of the Corporation, to (i) approve the terms and conditions of the Refinancing Documents and other necessary supportive documents, (ii) approve any other matters related to the Obligations consistent with these Resolutions, and (iii) execute and deliver any other agreements, certificates or instruments required in connection with the refinancing of the Obligations, such approvals to be conclusively evidenced by the execution and delivery of the Refinancing Documents, and any other certificates, documents and instruments so executed and delivered; and

FURTHER RESOLVED, that the aforesaid officers be and each of them, acting singly, is hereby authorized and directed to take any and all actions, on behalf of the Corporation, necessary or proper for the Corporation to carry out, perform, give effect to, consummate and perform the terms of and the transactions contemplated by said documents and the rules and regulations associated therewith and to continue to provide for the operation and management of the Projects financed with the outstanding Obligations.

Needing no second, and with no further discussion, the resolution was voted on and approved by a unanimous vote. This concluded Mr. Deaton's report.

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 acknowledged the recent passing of former OCLC CEO K. Wayne Smith and remarked on his valuable contributions to the cooperative. Mr. Prichard then provided an update on FY21 finances, including contribution before portfolio gains, and budgeted vs. actual revenue in the first quarter. He also provided a status update on significant product and development initiatives for FY21. Mr. Prichard then reported on recent sales achievements in the U.S. and Europe. Mr. Prichard also provided an overview of OCLC's FY 21 theme – Rise Beyond - including updates in each of the areas of the five C's. Mr. Prichard then discussed OCLC's public library strategy. The presentation included an overview of existing products and markets, as well as growth and expansion opportunities. As part of the presentation, Mr. Prichard asked Mike Tartaglione, OCLC's Director of Library Technology, to provide a demonstration of the Capira suite of services. At the conclusion of the demonstration, Mr. Prichard thanked Mr. Tartaglione. At the conclusion of Mr. Prichard's remarks, the Chair thanked the team for the excellent overview. He then called for a break at 12:15 p.m.

The Chair called the Board back into session at 12:32 p.m. and called the meeting into executive session. The Board continued in executive session until 12:39 p.m.

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 present at 12:40 p.m.



---

John Szabo, Chair



---

Julie Presas, Secretary