

The following is an account of the minutes taken at the 16. GLEIF Board meeting held by Conference Call on 26 August 2015.

1. Attendees

The following members were PRESENT:

GLEIF Board Director

Gerard Hartsink (Chair)

Bo Chen

Sergio Chodos

Arthur Cousins

Robin Doyle

Hiroshi Kawagoe

Hyoung-Seok Lim

Bruno Schütterle

Tim Smucker¹

Christopher Taggart

Ravi Mathur

ROC Observer

Matthew Reed

Jun Mizuguchi

The following members were EXCUSED:

Nabil Abdullah Al-Mubarak

Wolfgang König

The following members were ABSENT:

Howard Edelstein

Jeff Braswell

Other Attendees

Thomas Sprecher – Secretary of the Board

Virginia Flynn – Head of Compliance and Audit

Clare Rowley – Head of Business Operations

2. Approval previous Meeting Minutes

- The meeting minutes of 22 July 2015 were approved.

3. Topics for information

- **Report of the CEO**

¹ Director Tim Smucker had to leave the meeting before the voting started. Mr. Smucker approved all recommendations verbally prior to his departure.

The CEO was not available to attend the Board meeting. The report of the CEO was delivered by Ms. Clare Rowley, Head of Business Operations.

- Operations Update

A status update was provided on recruitment, IT development and office setup.

- Master Agreement Update & Accreditation Planning

An update on the consultation process with the ROC and the pre-LOUs was presented to the Board. The release schedule for the Master Agreement documentation and the public Communication Plan for the Master Agreement was discussed. The ROC observers requested sooner distribution of documentation to the ROC. The Board agreed that the documents be distributed to the ROC earlier than scheduled.

- Commitment Letter 2016

The Board was informed that preparations of the 2016 Commitment Letter were underway and that this document is intended as a bridge for pre-LOUs seeking accreditation.

- Strategy Session

The preparations for the September strategy meeting of Directors were reviewed. Some Directors urged that the agenda for the strategy session be broad and inclusive of as many topics as possible. It was discussed that after the bilateral calls with the Directors a draft agenda would be reviewed by the Committee of Chairs.

- **Report of the Chair**

- LEI Promotion

The Chair provided an overview of recent promotion activities of the Chair, the CEO and of some of the Directors.

- Director Search Process

The Chair of the Governance Committee, Sergio Chodos, presented the planning for the recruitment of the Directors. There was discussion on the interpretation of the regional representation of the Board and sectors from which the Directors would be recruited. It was discussed that the analysis conducted and concluded in the May 2015 Board meeting may require an additional review in the Governance Committee. One Director raised questions on the process and the means by which applicants were receiving feedback.

It was agreed that the Governance Committee would review the assumptions and the decisions taken in May. The Governance Committee

would report in the September Board meeting on conclusions and next steps.

- Compensation Policy

The Chair of the Governance Committee, Sergio Chodos, and the Chair of the Audit and Finance Committee, Robin Doyle presented the recommended policy for endorsement before publication on www.gleif.org.

- Signatory Powers

The Chair presented the signatory power for three members of management. The corporate secretary responded on a question on the requirements of the Swiss Code of Obligations. It was clarified that any member of the management should always sign together with the CEO.

- Meeting Schedules

The Chair reminded on the 2015 meeting schedule and the agreed upon 2016 agenda. It was noted that any additional in-person meetings in 2016 would be discussed in the September board meeting.

4. Committee Chair Updates

- Master Agreement Committee
 - The Committee Chair, Bruno Schütterle, confirmed the recent discussion in the Master Agreement Committee and indicated that Master Agreement Committee supported the materials distributed for the Board meeting.
- Technology and Operations Standards
 - Committee member Arthur Cousins indicated that a number of matters are under discussion by the TOPS committee and will continue when the next meeting is arranged.
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- Audit and Finance
 - The Committee Chair, Robin Doyle, noted that the OMC call would be deferred to fourth quarter as previously agreed.
- Governance
 - The Governance Committee Chair, Sergio Chodos, noted the previous discussion on new Board Directors and ongoing Committee focus on this topic.

- Joint Promotion Committee
 - The Joint Promotion Committee Chair, Gerard Hartsink, noted a meeting had not occurred in the previous period.

5. Decisions taken by the Board

- **Next steps selection process for new Directors**

The Directors approved the recommendations of the Governance Committee. Specifically, that the Governance Committee requests the following:

- A. to ask the 7 directors with a term limit of June 2016 to inform the Chair and the Chair of the Governance Committee at the latest on 18 September if they are prepared to serve for another term of two years from June 2016
- B. to use the specified selection criteria in the selection process for skills and industries
- C. to present the potential list of candidates to be considered by the Board in the meeting of 22 September (as approved already in the Board meeting of 24 June)

(0 votes against, 2 abstentions).

- **Compensation Policy**

The Directors approved the following:

- The Compensation Policy as presented to the Board by the Governance Committee
- After Board approval the Policy will be shared with the ROC Chair
- The final Policy will be presented for endorsement to the Board before the publication on www.gleif.org.

(0 vote against, 1 abstention).

- **Signatory Power**

The Board agreed:

- Sam Caddy (Head of Business Administration & Finance), Clare Rowley (Head of Business Operations) and Sven Schumacher (General Counsel) have joint signatory power at two.
- Per internal requirements, Sam Caddy, Sven Schumacher and Clare Rowley may only sign together with the CEO (or a Director in case the CEO is not available to sign).

Upon discussion of this topic these items were approved.

(0 votes against, 0 abstentions).

22 September 2015

Chair

Secretary

Gerard Hartsink

Thomas Sprecher