

The following is an account of the minutes taken at the 19. GLEIF Board meeting held in Mexico City on 18 November 2015.

1. Attendees

The following members were PRESENT:

GLEIF Board Director

Gerard Hartsink (Chair)

Jeff Braswell

Bo Chen

Sergio Chodos

Arthur Cousins

Robin Doyle

Hiroshi Kawagoe

Wolfgang König

Hyoung-Seok Lim

Bruno Schütterle

Tim Smucker

Christopher Taggart

ROC Observer

Matthew Reed

Bertrand Couillault

Jun Mizuguchi

The following members were EXCUSED:

Nabil Abdullah Al-Mubarak

Ravi Mathur

Other Attendees

Thomas Sprecher – Secretary of the Board

Stephan Wolf - CEO

Sam Caddy – Head of Business Administration and Finance

Clare Rowley – Head of Business Operations

2. Approval previous Meeting Minutes

- The meeting minutes of 21 October 2015 were approved.

3. Topics for information

- **Report of the Chair**

- Update on T&E Policy

The Chair introduced the suggested updates to the T&E policy to pay back the Directors in the currency of their expense. The Chair of the Audit and Finance Committee indicated the Committee had reviewed and agreed

with the updates. The Board was informed that the updates to the policy would be completed for their recommendation at the next Board meeting.

- Board Expenses – Detailed Analysis

The Chair provided an overview of the revised 2015 forecast and the budget 2016 of the Board expenses that is an integral part of the total budget 2016.

- Update on By-laws and Org Regs

The ROC comments received on the second version of the By-laws were noted. The Chair informed that he and the Secretary of the Board would review these edits and report back to the Board.

- LEI Promotion

The Chair described recent promotion activities of the Chair, CEO and Directors.

- GLEIF Board Succession Planning

The Chair and Chair of the Governance Committee reviewed the current composition of the Board and the planning for composition by mid-year 2016. The Chair of the Governance Committee provided a summary of the process for the search of Directors to date. Interaction with the ROC and the ROC feedback was discussed. The ROC Chair indicated that new Board members could indeed come from jurisdictions other than those with a ROC member. The discussion closed with a summary of a Governance Committee conclusions taking into account the recent ROC remarks made and the resulting recommendations to the Board.

- GLEIF Meeting Schedules

The Chair reviewed the upcoming approved meeting schedule for 2016. It was discussed that the Committee of Chairs will review the remarks made and the alignment with the ROC.

- **Report of the CEO**

- New GLEIF Mission Statement

The CEO presented the current draft of a new Mission Statement. The CEO indicated that the Directors had reviewed the current draft during the strategy discussion and the update was still in process. The new proposal will be presented in the December Board meeting. The Chair noted that when the Board had agreed upon the updates to the Mission Statement it would be discussed also with the ROC Chair in a next dedicated meeting.

- 2016 Budget

The CEO reviewed the outlook for LEI Activity and potential revenues through 2020 based on a set of revenue and expense assumptions. The Budget for 2016 was presented including key assumptions. The application of IOSCO Principle 15: General Business Risk and the requirements for holding at least 6 months of current operating expenditures were discussed.

The 2016 LEI Activity scenarios (lower, midpoint, and upper) were presented to the Board along with the underlying assumptions. The issues of low renewals in certain jurisdictions and the impact on the budget 2016 were discussed.

- Treasury policy

The Chair of the Audit and Finance Committee indicated that also the Treasury policy was in progress but that the Committee was comfortable with the outlook.

- Internal Audit

The Chair of the Audit and Finance Committee informed on the Audit Charter and the proposed 2016 internal audit schedule.

- External Audit

The Chair of the Audit and Finance Committee informed on the planning for the external audit.

- Budget and Lapsed LEI payments

The Board discussed the issue of high Lapsed LEIs in certain jurisdictions and also quality concerns for the LEI data as a whole. It was indicated that more discussion would occur in a Joint Meeting with the ROC Executive Committee on 19 November 2015.

- Staffing

The CEO provided an overview of the current staffing composition and upcoming new employee on-boarding. Staff composition and cost levels are within budgeted figures. However finding talent has been delayed in some areas due to a staggered arrival of the management. It was concluded that the staff is an international team with the appropriate gender mix as planned during the hiring process.

- Consultations

The CEO provided a summary on GLEIF involvement in the ROC's Direct and ultimate parents and Branches consultations. The ROC Chair clarified that the ROC did not desire to consult further the statements on

individuals using LEIs. One Director encouraged that this paper be consulted with organizations interested in data privacy. GLEIF activities related to CPMI-IOSCO consultations on Key Data Elements for OTC Derivatives and UPI as well as CPMI and Correspondent Banking were noted. The ROC Chair was requested to give an update on ideas for Level 3 data and the UPI.

The TOPS Committee Chair indicated that the Stakeholder Engagement Process PID (Project Initiation Document) was important to allow for common communication and discussion between the CEO, the ROC Committee on Evaluation and Standards (CES) Chair, the TOPS Chair and the Board on policy and technological and operational standards.

The CEO indicated that the Business Register Code list Project Initiation Document (PID) was for review with the ROC CES. Initial efforts on mapping external identifiers were discussed. Lastly the European initiative on the Digital Single Market and the application of the LEI were noted.

- Trademark Update

Recent developments related to registering the trademark in additional countries around the world were discussed. Trademark registration globally is commencing according to plan.

- Open Data Charter (ODC)

The CEO presented an overview of the Open Data Charter initiated in 2013 by the G8 nations (and in review by the G20 nations since November 2014) including the history and the principles. Some Directors asked for additional background on the Open Data Charter and how that would impact GLEIF operations. It was agreed to postpone the recommendation to the next meeting to provide Directors more time to investigate the ODC principles.

- Operations Update

Email Security Plan: The CEO presented use cases for a GLEIF email certificate and authentication infrastructure. The implementation plan will require some attention from each Director. It was agreed that email encryption would be for further discussion.

Filenames: The new filename convention for all GLEIF documentation was presented to the Board.

Accreditation: Recent accreditation related submissions were discussed with the Directors. The Directors and the ROC Observers discussed if all

pre-LOUs would achieve accreditation by mid-year 2016. The CEO and head of Business Operations communicated that this was an individual decision by each applicant organization and that the ROC Sponsor involved should be communicating its expectations with its pre-LOU.

Service Management: The list of planned services and related processes under development was displayed to the Directors. The CEO communicated the desire to have an optional meeting in April 2016 for Directors interested in learning more about ISO 20000 and the application to GLEIF service management.

Information Technology: The progress on the rollout of the data quality checks was displayed to Directors. The pre-LOUs already receive a daily quality report. One Director requested that information be made public. The CEO confirmed that a monthly summary data quality report will become available in early 2016.

Additionally progress on the Check for Duplicates protocol, external security audit results, website and email test results, and key performance indicators were reviewed.

Business Operations: LEI Activity reports through 3rd quarter 2015 were reviewed forecasts to actual.

Communications: The CEO provided an update on the GLEIF press office including the final media evaluation of the 7 October press release. GLEIF social media activities relative to blogs, Linked-in, and Twitter were reviewed.

4. Committee Chair Updates

- Master Agreement Committee
 - The Master Agreement Committee Chair, Bruno Schütterle, indicated no updates were needed.
- Technology and Operations Standards
 - The Technology and Operations Standards Committee Chair, Jeff Braswell, concurred with the information presented by the CEO and emphasized the need for a more structured communication with the ROC CES.
- Audit and Finance
 - The Audit and Finance Committee Chair, Robin Doyle, discussed the key topics of the recent committee meeting including the 2016

Budget, the OMC decision, the treasury policy, signing authority, investment policy, and suggested updates to the AFC Charter.

- Governance
 - The Governance Committee Chair, Sergio Chodos, noted the activities for the Directors Search process and the discussions with the ROC on By-laws.
- Joint Promotion Committee
 - The Joint Promotion Committee Chair, Gerard Hartsink, referenced earlier comments relative to LEI promotion.

5. Decisions taken by the Board

- **Appointments of new Directors and next steps**

The Board approved with reference to Article 13 of the statutes three candidates for the Board from June 2016: Region NA: two candidates and Region OMESCAA: one candidate. The three approved candidates will be presented to the ROC as required in Article 31 of the Statutes.

The Board approved that the Governance Committee needs to review further the allocation of the two additional seats to the regions and the potential candidates for these two additional seats for a Board of 18 based on feedback received of the ROC on 10 November, 2015 and of some Directors of the Board on the regional balance.

- **OMC Call**

The Board approved to terminate the Operations Maintenance Credit agreements with the pre-LOUs.

- **2016 Contribution Fee**

The Board approved that the annual LEI License fee in the 2016 Commitment Letter and the contribution fee stated in the Master Agreement Appendix 7 Payments be reduced from USD 20 to USD 19. The approved reduction of the contribution fee will be presented to the ROC as required in Article 31 of the Statutes.

- **2016 Budget Approval**

The Board approved the budget proposed by the CEO for 2016. The budget will be presented to the ROC as required in Article 31 of the Statutes.

- **Implementing Email Security Plan**

The Board approved the proposed email security plan.

16 December 2015

Chair

Secretary

Gerard Hartsink

Thomas Sprecher