

Minutes GLEIF Board of Directors Meeting

Meeting 36. Board of Directors Meeting

Date	2018-01-31	Time	13:00–15:00 CET	Place	Basel
Present	GLEIF Board of Directors Gerard Hartsink (Chair) Wolfgang König (Vice Chair) Bo Chen Robin Doyle Daniel Goroff Hiroshi Kawagoe Alfredo Reyes Krafft Ravi Mathur Bruno Schütterle Christopher Taggart Henrique de Rezende Vergara		LEI ROC Observers Michael Ritter (LEI ROC Chair) Joseph Tracy (LEI ROC Vice Chair)		
			Other Attendees Stephan Wolf – CEO Thomas Sprecher – Secretary of the Board Veronika Schoehl – Head of Board Secretariat		
			Guests For item 3 – Report of the CEO Annette Booth – Head of Finance Virginia Flynn – Head of Accreditation & Audit Services Clare Rowley – Head of Business Operations Christoph Schneider – Head of IT & Operations Sven Schumacher – General Counsel/Compliance Officer		
Absent	Nabil Al-Mubarak (Director) – excused Arthur Cousins (Director) – excused Jefferson Braswell (Director) – excused Paul Kennedy (Director) – excused Hyoung-Seok Lim (Director) – excused Kam Keung Tse (Director) – excused Elemér Terták (Director) – excused Nanda Dave (LEI ROC Vice Chair) – excused				

No	Topics
1	Opening by the Chair
	The Chair, Gerard Hartsink, determines the presence of a quorum. He informs that the meeting was duly convened and that the agenda and documentation was provided to the Board prior to the meeting. The Members agree to the agenda at hand.
2	Approval of the Previous Meeting Minutes
	The Members unanimously approve the minutes of the previous meeting.

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3 Topics for Information

Report of the CEO

Accreditation

The CEO, Stephan Wolf, supported by the Head of Accreditation and Audit Services, provides an overview on the accreditation of pre-LOUs and new LEI issuers.

The LEI ROC endorsed 26 pre-LOUs and there are 25 new organizations. In total the applicant/candidate population is 51 as of 31 January. An update on Level 2 readiness for LEI issuers and active candidates is provided.

The Chair thanks the CEO and his team for its hard work and the Board for the support for the accreditation approval process of pre-LOUs as requested by the LEI ROC to terminate the Interim System before end 2017.

Operations

The CEO provides an update on Operations highlighting relevant information and projects.

An overview on the major regulations requiring LEIs in 2017 and 2018 is given. This comprises, inter alia, the European Union (EMIR, MiFIR & MiFID II, New Prospectus Regulation), India (LEI for derivatives/borrowers), Malaysia (LEI for investor entities for debt securities) and the United States (Home Mortgage Disclosure Act (HMDA)).

The CEO provides an overview of the 2017 achievements. 2017 was a year of growth for GLEIF notably with regard to LEI issuance, GLEIF reporting services for users, promotion activities and increasing visibility through 12 times more traffic on the GLEIF website, more LEI records and added data elements, infrastructure improvements, process implementations (managed challenges etc.), accomplished Level 2 data implementation and completed accreditation of all remaining pre-LEI issuers.

The CEO, supported by the Head of Business Operations, provides an annual business update. The LEI data pool doubled from almost 500.000 to almost 1 million LEIs end 2017. An overview of growth patterns of LEI issuance by quarter and by LEI issuers and by jurisdictions as well as renewal rates are provided. Further, an overview on direct and parent reporting is given. The CEO also updates on the implementation of the approved GLEIF Strategy with regard to the areas of derivatives, capital and money markets, banking services, supply chain management and digital economy.

The CEO provides a preliminary financial update for the year-end close 2017. Expected generated revenue is strong at USD 7.9 million notably due to the high LEI activity specifically in the fourth quarter due to the MiFID/MiFIR II implementation. The CEO informs that the 2017 audit for the annual financial statements with the external auditor EY are ongoing. The cash forecast for 2018 is presented. The AFC Chair underlines that the cash developments including impacting factors such as renewals rates and the FX rate will be monitored by the AFC.

The CEO provides an update on GLEIF's mapping services of LEIs to other identifiers. The BIC-to-LEI mapping in cooperation with SWIFT will go live on 8 February 2018.

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The Compliance Officer informs the Board of the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679) that comes into effect 25 May 2018 which requirements GLEIF needs to implement.

The Members of the Board ask questions and discuss certain topics with regard to the CEO report. The Members take note of the report.

Report of the Chair

Promotion

The Chair and Members of the Board brief about their promotion activities including on activities undertaken together with the CEO.

Succession Planning

The Board Chair, Gerard Hartsink, and the GC Chair, Paul Kennedy, brief about the succession planning of Board members for June 2018.

The Board supports the analysis made for succession of the four retiring Directors in June 2018. A call for candidates will be issued for four retiring Directors early February 2018 in the regions involved as required in Art 13 of the Statutes.

4 Reports of the Committee Chairs

Audit and Finance

There were no further matters highlighted by the AFC Chair, Robin Doyle, besides mentioned above under item 3.

5 Resolutions taken by the Board

Confirmation of Budget 2018

In the background of the successful review of the Q1 Forecast 2018, the Board confirms approval of the budgeted positions for business development in North America and Asia.

Data Foundation

The Board endorses that the CEO of GLEIF, Stephan Wolf, joins the Data Foundation Board.

Succession Planning

The Board unanimously approves the concluded requirements for the search for four Directors as presented and in accordance with article 13 of the Statutes. The Board unanimously approves to start the search process early February 2018 and likes to be informed on the progress of the search process in the Board meeting of 14 March 2018.

The Board plans to approve the GC Recommendations for the four candidates for the Board at the latest on 15 May 2018

Recording of resolutions by mail vote

The Board unanimously approves that the following circular letters will be added to the minutes.

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Step 2 of Accreditation process: Recommendation for the issuance of an accreditation certificate

- Insee France (17 in favor, 1 objection, 0 abstention)
- Takasbank Turkey (unanimous approval)
- LuxCSD S.A., Luxemburg (unanimous approval)
- CORPME, Spain (unanimous approval)
- CSD Slovakia (unanimous approval)
- Finnish Patent and Registration Office (PRH) (unanimous approval)
- Central Securities Clearing System Plc. (CSCS Nigeria) (unanimous approval)
- Strate (Pty) Ltd, South Africa (17 in favor, 0 objection, 1 abstention)

6 AOB

No additional remarks are made.

14 March 2018

Gerard Hartsink
Chairman of the Board

Veronika Schoehl
Secretary of the Meeting