

UNITED NATIONS DEVELOPMENT CORPORATION

Minutes of a Meeting of the Audit Committee

Held at 535 Madison Avenue, 35th Floor
New York, New York

On March 10, 2016 at 2:30 p.m.

The following members of the Committee, constituting a quorum, attended the meeting: George Klein, Chairman, Bruce Gelb, and Thomas Gulotta. The following persons were also present: Amabel James (UNDC Board member), Robert Cole, Jorge Ortiz, and Loida Diaz de Jesus (UNDC); and Warren Ruppel and Daniel McElwee (Marks Paneth LLP).

Loida Diaz de Jesus acted as secretary for the meeting. Mr. Klein called the meeting to order at 2:30 p.m.

Minutes of September 10, 2015 Meeting

The Chairman asked the Committee to consider the minutes of the Audit Committee meeting of September 10, 2015 in the form previously circulated. On motion made and seconded, the minutes of the September 10, 2015 Audit Committee meeting were unanimously approved as previously circulated.

Review of 2015 Financial Statements and Reports

Mr. Ruppel reviewed his firm's 2015 Audit Presentation. Mr. Ruppel reported that Marks Paneth would issue an unqualified opinion on the Corporation's 2015 financial statements, and that his audit team received the complete cooperation of the Corporation's management and staff during the audit.

The Committee discussed the status of the UN Consolidation Project and the possible write-off of all or a portion of the development-in-progress costs of approximately \$14.4 million related to the UN Consolidation Project that otherwise would be included among the Corporation's assets on the financial statements. The Committee, with Mr. Ruppel's concurrence based on accounting requirements, agreed that the total \$14.4 million in development-in-progress costs must be written off if the Corporation concludes that the UN Consolidation Project is not likely to proceed in the future. Mr. Cole reported that the possible write-off of development-in-progress costs would be further considered at the Board meeting on March 31, 2016.

Other Business

There being no other business, the meeting adjourned at 3:15 p.m.



Loida Diaz de Jesus
Acting Secretary