

**UNITED NATIONS DEVELOPMENT CORPORATION**

Minutes of a Meeting of the Board of Directors

Held at Two United Nations Plaza, 27<sup>th</sup> Floor

New York, New York

On September 27, 2017 at 12:30 p.m.

The following directors, constituting a quorum, were present:

George Klein, Chairman

Robert Abrams

Christine Falvo

Jonathan Farkas

Thomas Gulotta

Amabel James

Samuel Natapoff

Joseph Rutigliano

Andy Shenoy

Marissa Lago (represented by Eric Kober)

Maria Torres-Springer (represented by David Quart)

The following were also present: Robert Cole, Kenneth Coopersmith, Loida Diaz de Jesus, Justin Handman and Jorge Ortiz (UNDC); Sander Lehrer (McLaughlin & Stern); Ross Silver (Fried Frank), Charles Laven (Forsyth Street Advisors); Daniel McElwee (Marks Paneth); Sarah Friedman and Ty McKeiver (Mayor's Office for International Affairs); and Jonah Havranek (Total Webcasting).

The Chairman presided and Loida Diaz de Jesus acted as secretary for the meeting. The Chairman called the meeting to order at 12:30 p.m.

### **Minutes of Meeting of March 28, 2017**

The Chairman asked the Board to consider the minutes of the Board meeting held on March 28, 2017, as previously distributed. On motion made and seconded, the minutes of the Board meeting held on March 28, 2017 were approved as distributed.

### **Governance and Compensation Committee Report**

Mr. Cole reviewed the Governance and Compensation Committee Report of September 20, 2017, previously distributed to Board members. He reported that at its meeting on September 13, 2017, the Committee reviewed the Corporation's Mission Statement and Performance Goals ("Mission Statement") and its compensation and benefits program.

Mr. Cole noted that the Board annually reviews the Mission Statement to confirm that it appropriately states the Corporation's mission and that the Corporation's performance goals appropriately relate to that mission. Mr. Cole advised that possible changes in the Mission Statement were discussed by the Committee, though the Committee decided that the current Mission Statement continued to appropriately describe the Corporation's mission and performance goals.

After discussion, and on motion made and seconded, the Board approved the Mission Statement without any change, in the form previously provided.

The Chairman reported that at the September 13 meeting, management reviewed with the Committee the Corporation's compensation and benefits program. He advised that the Committee concurred with management's view that the compensation and benefits program was consistent with those of other public benefit corporations in the New York City area. No Board action was required on this matter.

### **Audit Committee Report**

Mr. Cole referred to the Audit Committee Report of September 20, 2017, as provided to the Board prior to the meeting. He reported that the Audit Committee met on September 13, 2017, with representatives of the audit firm Marks Paneth to review a draft of the Corporation's 2016 Form 990 – Return of Organization Exempt from Income Tax. Consistent with past practice, the Form 990 was prepared by Marks Paneth in consultation with the Corporation's management. A copy of the 2016 Form 990 was provided to the Board for review prior to the meeting for its review. Mr. McElwee of Marks Paneth attended the meeting of the Board to answer any questions relating to the 2016 Form 990.

On motion made and seconded, the Board approved submission to the Internal Revenue Service of the Corporation's 2016 Form 990, in the form reviewed with the Audit Committee and presented to the Board.

Mr. Cole referred to the Marks Paneth Pre-Audit Presentation for 2017 that Mr. Warren Ruppel of Marks Paneth had reviewed with the Audit Committee, including the Marks Paneth proposed audit fee of \$47,750, which represented a 2.7% increase over the fee for 2016. The Committee identified no questions at its September 13, 2017 meeting concerning the Pre-Audit Presentation for 2017 or the proposed audit fee for 2017 of \$47,750. No Board action was required on these matters.

### **Management Report**

Mr. Cole referred to the Management Report, dated September 20, 2017, that was previously provided to the Board. He advised that Board approval would be requested later during the meeting for the 2018 operating budget, 2019-2021 projected operating budgets and statement of 2018-2021 projected capital costs.

The Chairman asked that the Board discuss leasing matters relating to One and Two UN Plaza before considering any action regarding the Corporation's proposed budgets.