

UNITED NATIONS DEVELOPMENT CORPORATION

Minutes of a Meeting of the Finance Committee

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

On March 12, 2015 at 2:30 p.m.

The following members of the Committee, constituting a quorum, attended the meeting: George Klein, Chairman and Amabel James. The following persons also attended: Robert Cole, Jorge Ortiz and Loida Diaz de Jesus (UNDC); and Stephen Faber and Martin Hammond (PFM Asset Management LLC).

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

Minutes of the Meeting of March 12, 2014

Mr. Klein asked the Committee to consider the minutes of the Finance Committee meeting held on March 12, 2014, as previously provided to Committee members. On motion made and seconded, the minutes of the March 12, 2014 meeting were unanimously approved in the form previously circulated.

Review of Report on Investments for 2014

Mr. Faber reviewed PFM's 2014 Annual Investment Report and Executive Summary for the year ended December 31, 2014. He reported, that the Corporation's investment portfolios complied with the Corporation's Investment Policy, its bond indenture for the 2009 bonds and applicable New York State investment regulations. Mr. Faber reported that the Corporation's portfolios were invested exclusively in U.S. Treasury securities as requested by the Finance Committee and the Corporation's

management. Mr. Faber stated that PFM would consider increasing the duration of investments in certain portfolios to increase investment income consistent with the required timing of the use by the Corporation of funds held in those portfolios. Mr. Faber suggested that the Corporation might benefit from the diversification provided by limited investments in highly-rated bonds of supra-national entities, such as the World Bank, and agreed to provide additional information on possible investments to management.

Review of Annual Investment Report for 2013

Mr. Cole referred to the Annual Investment Report for 2014 that was prepared by the Corporation and provided to the Committee prior to the meeting. The Committee approved the Annual Investment Report for 2014 and recommended its approval by the Board of Directors at the annual meeting on March 26, 2015.

Other Business

There being no other business, the meeting was adjourned at 3:00 p.m.



Loida Diaz de Jesus
Acting Secretary