

**UNITED NATIONS DEVELOPMENT CORPORATION**

Minutes of a Meeting of the  
Audit Committee

Held at 535 Madison Avenue, 35<sup>th</sup> Floor  
New York, New York

On March 8, 2018 at 2:00 P.M.

All members of the Committee attended the meeting as follows: George Klein, Chairman, Robert Abrams and Jessica Healy. The following were also present: Robert Cole, Jorge Ortiz, and Loida Diaz de Jesus (UNDC); and Hope Goldstein, Daniel McElwee and (by phone) Warren Ruppel (Marks Paneth LLP).

Loida Diaz de Jesus acted as secretary for the meeting. Mr. Klein called the meeting to order at 2:00 p.m.

Minutes of the Meeting of September 13, 2017

The Chairman asked the Committee to consider the minutes of the Audit Committee meeting of September 13, 2017, in the form previously provided to members. On motion made and seconded, the minutes of the September 13, 2017 Audit Committee meeting were unanimously approved in the form previously provided.

Marks Paneth LLP Annual Audit Presentation -- 2017

Mr. Ruppel reviewed the Marks Paneth Annual Audit Presentation for the year ended December 31, 2017. He reported that his firm would be issuing an unqualified opinion on the Corporation's 2017 financial statements ("2017 Financial Statements"). Mr. Ruppel reported that there were no disagreements with the Corporation's management and that management and staff cooperated with his firm during the audit. He advised that his firm

had no management letter comments and did not detect any fraud or likely illegal acts, conflicts of interest or other governance issues.

Mr. Ruppel reviewed the 2017 Financial Statements in the form previously provided to the Committee. Mr. Cole stated that the Board of Directors would be asked to consider and approve the 2017 Financial Statements at the Board meeting on March 22, 2018. Mr. Cole reported that management recommended Board approval at the March 22 meeting of a reserve for 2017 equal to \$3,965,128, representing amounts that would otherwise constitute Consolidated Surplus for 2017 under the City Leases. He advised that the reserve, if approved, would be available to pay costs (in accordance with Board approved budgets) for possible needed capital improvements at One and Two UN Plaza. Mr. Cole advised that the 2017 Financial Statements provided to the Committee reflected the establishment of a reserve of \$3,965,128 for that purpose. After discussion, the Audit Committee concurred with management's recommendation to establish the reserve in this amount. Mr. Cole stated that the 2017 Financial Statements would be revised if the Board decided not to approve the establishment of such reserve for 2017.

Other Business

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

  
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Loida Diaz de Jesus  
Acting Secretary