

Illinois Investment Policy Board

Minutes of the regular meeting of the board

December 12, 2018

Call to Order

A regular meeting of the members of the Illinois Investment Policy Board (“Board”) convened on Wednesday, December 12, 2018 at 160. N. LaSalle Street, 7<sup>th</sup> floor.

The following members of the Board were in attendance:

Mitchell Goldberg (Board Chair)

Richard Ingram

Dipesh Mehta

Alicia Oberman

Andrew Lappin (Telephonic)

Martin Noven

Also in attendance was Monica-Kaye Gamble, executive secretary and counsel to the IIPB.

Goldberg called the meeting to order at 1:00 pm. A motion was made (by Oberman, seconded by Ingram) to allow Lappin to appear telephonically. The motion was approved (5-0).

Approval of Minutes

The minutes of the meeting of the Board held September 12, 2018 were presented to the members by Goldberg. No additions or corrections were noted. By vote upon motion (by Oberman, seconded by Ingram), the Minutes were approved (6-0) as written.

Public Comments

None.

Administrative Matters

The chair addressed renewing the contract with Gamble for services in the 2019 calendar year. By vote upon motion (by Oberman, seconded by Ingram), the contract was approved. Ingram was authorized to sign the contract in furtherance of the motion.

The Board also set its calendar for meetings in 2019 as follows:

March 13, 2019;

June 12, 2019;

September 11, 2019; and

December 11, 2019.

Unless otherwise stated, on these dates, the meetings of the IIPB will take place at approximately 1:00 pm, immediately following meetings of the Committee on Iran, Sudan and Expatriate Restrictions, scheduled to begin at 11:30am, and the Committee on Israel Boycott Restrictions, scheduled to begin at approximately 12:15 am.

### Report from the Committee on Sudan, Iran and Expatriate Restrictions

Ingram reported that the Committee met earlier. Ingram reported representatives for LG Electronics, Inc. (counsel Jack Shane of the firm of Wiley Rein LLP and John I. Taylor, Senior Vice President Public Affairs & Communications for LG Electronics USA Inc.) appeared and presented an oral argument supplementing written submissions seeking removal from the Sudan restrictions list. Ingram reported that the Committee voted to recommend that, based on evidence and legal arguments presented, the Board remove LG Electronics from the list of Sudan Restricted Companies. The committee also voted to recommend that the Board seek clarification from ISS-Ethix as to its understanding of the term and exceptions to the term “forbidden entity” under the statute with respect to Sudan restrictions. The committee also voted to recommend that the Board authorize Gamble to reach out to the Legislature for potential clarification as to the statutory definition of “forbidden entity” with respect to Sudan restrictions.

Ingram also reported that affidavits had been provided by Mashreq and Vossloh stating that they had no business dealings with or interests in Sudan. Ingram reported that the committee voted to recommend to the Board that Mashreq and Vossloh be removed from the list of Sudan Restricted Entities, and that the Board publish the affidavits submitted on the Board website.

Ingram further reported that AP Moll Maersk had submitted supplementary documents and submissions with respect to their appeal seeking removal from the Sudan Restrictions list. Ingram reported that the committee voted to recommend that the Board enter and continue the appeal of AP Moll Maersk, that their submission be sent to ISS-Ethix for its opinion regarding compliance with the Illinois statute.

Mahoney moved (seconded by Ingram) that IIPB accept the recommended additions and deletions of the Committee, and the committee shall not take any notification or posting actions until the March 13, 2019, full board meeting. The motion passed (4-0 with 2 abstentions).

### Report from the Committee on Israel Boycott Restrictions

Goldberg reported that the updated list from ISS-Ethix added Airbnb, Inc. as an restricted company pursuant to the Illinois statute. Goldberg recognized the presence of Alison Schraub of Airbnb at the meeting of the Board and the submission of a statement by Airbnb, which had been disseminated to the Board members. Goldberg reported that Alison Schraub was afforded the opportunity to make a presentation if desired. Goldberg reported that the Committee voted to recommend to the full Board that, pursuant to ISS-Ethix recommendation, that Airbnb be identified as a company boycotting Israel, that Airbnb be informed of its identification and afforded an opportunity to respond prior to the next meeting of the Board.

Goldberg also reported on a new combined appeal from ASN Bank NV (“ASN”), de Volksbank N.V., and SNS Bank N.V. (“SNS”) to be removed from the list of restricted companies. Goldberg reported that the committee voted to recommend that the Board keep these entities on the list of restricted companies.

Goldberg offered Alison Schraub an opportunity to make a presentation. Oberman moved (seconded by Ingram) that IIPB accept the recommendations of the Committee. The motion passed (6-0). A letter is to be sent to Airbnb informing it of its identification and that it is afforded an opportunity to respond prior to the next Board meeting.

### Other Business

The Board By vote upon motion (by Oberman, seconded by Ingram), the contract was approved

Board Member Comments

None

Upcoming Meetings

The next meeting will be on March 13, 2019 immediately following the meeting of the Committee on Israel Boycott Restrictions, at approximately 1:00 p.m., unless otherwise scheduled, which will be provided with due and timely notice posted.

Adjournment

Seeing no further business Mehta motioned to adjourn at 1:30 p.m., seconded by Ingram. The motion was approved (6-0).