**The Wharton Club of New York**

**Annual Meeting**

**Thursday, June 7, 2012**

Skadden, Arps, Slate, Meagher & Flom LLP

4 Times Square, New York, NY

**Attendees:**

Hans Albeck

Arthur Bass

Kenny Beck

Roe Bonelli

Nigel Edelshein

Chuck Forgang

Jennifer Gregoriou

Bill Hadadad

Peter Hildick-Smith

Regina Jaslow

Alan Levinson

Dana Michael

Tom Nugent

**I. Opening**

* The meeting was called to order by Kenny Beck, President, at 7:10 p.m. with a quorum of 8 of 8 Board Members.
* The minutes from the last annual meeting were approved with the only change being Chuck Forgang needs to be added as an attendee. The motion to approve the minutes as amended was made by Arthur Bass and seconded by Roe Bonelli and passed unanimously.

**II. President’s Report (Kenneth Beck)**

 **Club Operations**

* Committee reports will be provided in writing after the meeting and attached to the minutes in order to provide more time for discussion.
* The President commends the Management Team and Board for advancing the organization during the last year. The Board has used committees to delve more in depth into topics.

**II. Treasurer's Report (Roe Bonelli)**

* The June 30, 2011 Annual Financial Statements will be distributed shortly after the meeting. There were no issues noted by the auditors.
* The Club has a cash balance of $910,000
* The Federal form 990 and NY form CHAR 500 have been filed
* All Directors and Officers have signed the conflict of interest form
* The Investment Committee of the Board has had two meetings and the Investment Policy should be presented for approval at the next regular Board Meeting

**III. Nominating Committee (Dana Michael)**

* Dana Michael indicated that the Nominating Committee consisted of himself, Alan Levinson, Hans Albeck, Ken Beck and Nigel Edelshein.
* He outlined the nominating process indicating that the committee is proposing the three Board Members whose three year terms are expiring each be given another three year term. These were Roe Bonelli, Regina Jaslow and Dana Michael
* This slate was communicated to the membership on the Wharton Club of New York web site approximately one month in advance of the Annual meeting.
* No additional nominations were proposed by the broader Club membership in advance of or at the Club's Annual Meeting.
* Arthur Bass made a motion and Nigel Edelshain seconded the motion to approve the slate as submitted. With the individuals included on the slate not voting, the motion was approved unanimously.
* There was discussion at the meeting about expanding the number of Board members during the year. The Board has been taking a more active role and having more board members would allow more diverse participation on committees.
* The Audit Committee will consist of Roe Bonelli, Arthur Bass and Dana Michael. This was proposed by Regina Jaslow and seconded by Ken Beck and passed unanimously.
* The committee structure will be reviewed during the next Club year to see if what is specified in the bylaws provides the level of oversight needed or if additional ad hoc board committees should be established.

The meeting was adjourned at 7:30 pm (proposed by Regina Jaslow and seconded by Ken Beck and passed unanimously)

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Peter Hildick-Smith

Regina Jaslow

Alan Levinson

Dana Michael

**I. Opening**

* The meeting was called to order by Kenny Beck, President, at 7:35 p.m. with a quorum of 8 of 8 Board Members.
* The minutes from the last Board meeting were approved with the only change being the Foundation mention in the community report should be City Lore not City Law. The motion to approve the minutes as amended was made by Regina Jaslow and seconded by Hans Albeck and passed unanimously.

**II. Club Operations**

* The Club Operations overviews will be provided in writing and attached to the minutes.
* The Joseph Wharton Dinner is well underway with award receipients identified and most prior award recipients returning to presents the award to the next individual receiving it. Bill Carey just passing away will be mentioned during the award dinner.

**II. Member Behavior Issue**

* A Club Member, whose name has been left off the minutes for confidentiality, has made threatening and often incoherent statements to Club Officers both verbally and in writing. Details around the situation were provided to the Board and discussed.
* A meeting this individual was planning to attend was cancelled over concerns around club member safety.
* The public safety head for the University of Pennsylvania was consulted. The school offered to arrange for a guard for events this individual may attend.
* The Board discussed procedures around suspending a member. Currently it is not spelled out but the Board agreed that it is a Club management matter and no special vote of the Board is needed for the Club President to take action.
* The Board discussed the advisability of having a designated General Counsel for the Club. Chuck Forgang will lead a committee including Hans Albeck and Jennifer Gregoriou to investigate how this can be done in an effective and cost efficient manner.
* Roe Bonelli will look into the Club's insurance as it relates to business practice coverage and come back to the Board at the next meeting.

**III. Wharton Angel Network (WAN)**

* At the last Wharton Club of New York Board meeting a committee to review the risks behind the development of WAN was established including Dana Michael (Chair), Alan Levinson and Arthur Bass.
* The Committee met in person and by telephone with Steve Shindler and his WAN leadership team.
* The Committee members each gave their thoughts as to the WAN organization. Some of the observations mentioned were as follows.
	+ WAN's business plan is comprehensive but has been rapidly evolving increasing the risk to the Club.
	+ Legal issues could be significant because WAN is working with investors but it is difficult for a non-securities lawyer to determine the magnitude of risk. WAN's General Counsel is an intelligent but recent graduate so she has limited experience. Having a comprehensive independent review of legal risks could be complex and expensive.
	+ The leadership team of WAN is currently planning on structuring the organization as a "For Profit Philanthropy". In this scenario, the WAN Officers would own WAN but pay out a portion of profit as charitable contributions. While this protects the nonprofit status of the Club, it creates the perception of self-enrichment.
	+ WAN is no longer under control of WCNY. This creates reputational risk as actions could be taken that are outside the purview of Club Management or the Board.
	+ Wharton Angel Network wants to use the Wharton name but is considering giving its charitable contributions to other organization outside the Wharton network. This means the benefit to the Club may not be much to the Club even though WAN will be under the Club's umbrella.
* Ken Beck indicated that he has been keeping the Wharton Alumni Affairs Office leaders Sam Lundquest and Greg Wollcott in the communications the club has been sending WAN. They indicated that their contact with WAN has been minimal.
* The Board discussed the situation and concluded that it is uncomfortable with the higher risk level and loss of control in the way that WAN is evolving.
* Ken Beck will draft a communication to indicate that WAN will no longer be associated with WCNY. This will be reviewed by Club member lawyers as to wording to avoid risk but it will come from Ken Beck.
* WAN will be asked not to use the Wharton or WCNY names and to return the WAN web address(es) to the Club.
* The Club will continue to consider its involvement in the angel network space and this will be mentioned in the communication to members.
* In the future WCNY may serve angel investors but more in a networking format rather than a marketplace for Angel investments. The business plan showcase that started the WAN concept may be where the Club reenters this area again but this will be determined by the Club operating management group.

The meeting was adjourned at 9:15 pm (proposed by Regina Jaslow and seconded by Roe Bonelli and passed unanimously)