

THE COLEMAN FOUNDATION, INC.
SPECIAL BOARD OF DIRECTORS MEETING
June 12, 2019
Via Teleconference

A special teleconference meeting of the Board of Directors of The Coleman Foundation (the "Foundation") commenced at approximately 10:45 a.m. Participating by phone were Directors Daniel Wanzenberg, R. Michael Furlong, Michael W. Hennessy, Esther Barron, and Alison Fitzgerald. Also participating were Jane Clifford, financial consultant to CFI, and Norah Jones, legal counsel, Quarles & Brady.

Michael Hennessy called the special meeting to order. He confirmed that he had briefed each of the Directors on the purpose of the call and had shared some initial background material prior to the call.

In December 2018, Dan Wanzenberg sold 12.5% of the equity in his firm Wanzenberg Partners ("WP") to WCM Investment Management. The Foundation has had a long and successful relationship with WCM, and approximately \$19.7M of the Foundation's investment portfolio (approximately 11%) currently is invested in two WCM funds. It is possible that Wasmer Schroeder, another fund manager in the Foundation's portfolio, also may acquire an interest in WP in the future.

Dan Wanzenberg provided additional background and context regarding the Foundation's investments, the strong performance of each of WCM and Wasmer, the Foundation's long-term investment approach, and the history of the WCM and Wasmer investments in WP. Dan emphasized his commitment to transparency and compliance with Foundation policies and best practices, reflected in part in his proactive disclosure of this potential conflict of interest.

Norah Jones provided an overview of certain legal considerations, including conflicts of interest generally and the private foundation self-dealing rules.

Dan Wanzenberg left the call and the rest of the Board then engaged in a robust discussion regarding the potential conflict and the appropriate manner of resolving it. The Board acknowledged that the potential conflict of interest resulting from WCM and Wasmer's ownership of WP must be addressed fully and transparently. The following plan was developed and approved:

- The Foundation's investments in each of WCM and Wasmer will be capped at their current levels; no additional contributions or investments will be made in either so long as the fund also has an interest in WP. If the Foundation wants to make additional investments in these or similar asset classes other managers will be identified.
- Dan Wanzenberg will abstain from all future discussions and decisions of both the Board and Investment Committee regarding WCM, Wasmer, and any other fund that also has an interest in WP.
- The Board will develop criteria to guide the Foundation's review of its investments in WCM and Wasmer to ensure that the decisions regarding the maintenance or divestment of such holdings is driven solely by the Foundation's best interests.
- The Foundation will work with counsel to consider appropriate revisions to its Conflict of Interest Policy and its Investment Policy.
- The Foundation will develop a plan to expand the Investment Committee, initially by adding one or more advisory members.

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There being no further business to consider, the Special Meeting was adjourned at approximately 11:45 am.

Respectfully submitted,

Alison Fitzgerald, Meeting Secretary

Approved:

Esther Barron

Alison Fitzgerald

R. Michael Furlong

Michael W. Hennessy

Daniel B. Wanzenberg