

WASHINGTON ACCESS FUND CONFLICT OF INTEREST POLICY

1. PURPOSE

The purpose of this Conflict of Interest Policy (the “Policy”) is to protect the interests of the Washington Access Fund (Access Fund) in connection with any transaction or arrangement that might benefit the private interests of any Covered Person, as defined below. This Policy provides (i) a systematic mechanism for disclosing and evaluating potential and actual conflicts; and (ii) procedures for the board of directors in considering any transaction or arrangement where a conflict may exist.

2. PERSONS COVERED BY THE POLICY

This policy applies to “Covered Persons,” defined as any director, officer, or member of any committee of board of directors who has authority to act on behalf of the board of directors. ***Every Covered Person shall complete an annual Conflict of Interest Questionnaire.***

3. DUTIES OF COVERED PERSONS

- a. Duty of Care. Every Covered Person shall perform his or her duties in good faith and with the degree of care that an ordinarily prudent person would exercise under similar circumstances.
- b. Duty of Loyalty. Every Covered Person must act with loyalty, meaning that no Covered Person may use his or her position with the Access Fund to make personal profit or gain other personal advantage. No Covered Person may personally take advantage of a business opportunity that is offered to the Access Fund unless the board of directors determines (after full disclosure and a disinterested and informed evaluation) not to pursue that opportunity.
- c. Conflicts of Interest. No Covered Person may engage in any transaction or arrangement or undertake positions with other organizations that involve a conflict of interest, except in compliance with this Policy. Covered Persons should avoid both actual conflicts and the appearance of conflicts of interest. Every Covered Person shall:
 - (i) Disclose all actual and potential conflicts as set out below at Section 5; and
 - (ii) Recuse himself/herself from voting on any transaction or arrangement in which he/she has a potential or actual conflict of interest, and shall not be present when any such vote is taken.

4. CONFLICT OF INTEREST

- a. Potential Conflict. A Covered Person may have a conflict of interest with respect to a transaction or arrangement whenever he or she, or any of his or her family members, directly or indirectly (through an organization or business entity):

- (i) Receives compensation or other funding directly or indirectly from the Access Fund and the transaction or arrangement involves such compensation or funding;
 - (ii) Has or anticipates having a compensation arrangement with any entity or individual that either: (a) sells goods or services to, or purchases services from the Access Fund; (b) has any other transaction or arrangement with the Access Fund; or (c) competes with the Access Fund;
 - (iii) Has or anticipates having any ownership interest, investment interest, or serves or anticipates serving as a director or officer of, any entity that either: (a) sells goods or services to, or purchases services from the Access Fund; (b) has any other transaction or arrangement with the Access Fund; or (c) competes with the Access Fund; or
 - (iv) Has accepted any gift, entertainment, or other favor where such acceptance might create the appearance of influence on the Covered Person (other than gifts of nominal value, which are clearly tokens of respect and friendship unrelated to any particular transaction).
- b. No Conflict. A Covered Person does not have a conflict of interest if the Covered Person owns securities of a publicly traded company with which the Access Fund has a transaction or arrangement if:
- (i) Such securities are less than 5% of the outstanding securities of the publicly traded company; and
 - (ii) Their fair market value is less than 5% of the Covered Person's annual gross income.

5. DISCLOSURE AND EVALUATION OF CONFLICTS

- a. Disclosure. Each Covered Person shall promptly and fully disclose all material facts of every actual or potential conflict of interest:
- (iii) Existing at the time when he/she becomes a Covered Person;
 - (iv) That arises while he/she is a Covered Person, at the time such actual or potential conflict arises; and
 - (v) Annually through the annual Conflict of Interest Questionnaire.

All disclosures involving a transaction or arrangement being considered at a meeting of the board or a committee shall be made to all members present at such meeting. All other disclosures shall be made to the President (who shall disclose his or her conflicts to the board of directors).

- b. Evaluation. The President shall disclose to the board of directors all conflicts of interest reported to him or her under this Policy. The board of directors will evaluate the disclosures to determine whether they involve actual conflicts of

interest and may attempt to develop alternatives to remove the conflict from the situation.

6. PROCEDURES FOR ACTING ON CONFLICT OF INTEREST TRANSACTIONS

- a. Formal Approval. The Access Fund may enter into a transaction or arrangement in which a Covered Person has a conflict of interest if:
- (i) The Covered Person has disclosed the conflict of interest in accordance with this Policy;
 - (ii) A majority of directors who have no interest in the transaction or arrangement approve the transaction or arrangement at a board or committee meeting after determining, in good faith and after reasonable investigation, that the transaction or arrangement is fair and reasonable to the Access Fund and is in the Access Fund's best interest;
 - (iii) Any Covered Person who has an actual or potential conflict with respect to the transaction or arrangement does not participate in and is not present for the vote regarding any such transaction or arrangement (provided, however, that any such Covered Person may appear at a meeting to answer questions concerning the transaction or arrangement); and
 - (iv) The board of directors relies upon appropriate comparability data, such as an independent appraisal or an independent compensation study, in reaching its determination as to the fairness and reasonableness of the transaction or arrangement to the Access Fund.
- b. Transaction Fair to the Access Fund. It shall not be a violation of this Policy if all the requirements for formal approval, outlined above, are not satisfied, so long as the transaction or arrangement is in fact fair to the Access Fund, furthers its tax-exempt purposes, and does not result in inurement, impermissible private benefit, or an excess benefit transaction under laws applicable to organizations exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

7. RECORDS OF PROCEEDINGS

- a. Content of Minutes. The minutes of the board of directors or any committee of the board for any meetings described above shall contain:
- (i) The names of the persons who disclosed an actual or potential conflict of interest or otherwise were found to have a conflict of interest, and the nature of the conflict of interest; and
 - (ii) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction

or arrangement considered and the appropriate comparability data relied upon, and a record of any votes taken.

- b. Timing. The minutes of any meeting described above shall be prepared by the later of the next succeeding meeting of the board of directors or committee, or 60 days after the final action on the matter is taken by the board of directors or committee.

8. ENFORCEMENT

Each Covered Person shall sign a statement acknowledging that he or she has received a copy of this Policy, has read and understands it, and agrees to comply with it. If the board of directors has reasonable cause to believe that a Covered Person has failed to comply with this Policy, the board may counsel the Covered Person regarding such failure and, if the issue is not resolved to the board's satisfaction, may consider additional corrective action as appropriate.

WASHINGTON ACCESS FUND ANNUAL CONFLICT OF INTEREST QUESTIONNAIRE

This Questionnaire is to be completed annually by all Access Fund officers, directors, and members of committees of the board of directors authorized to act on behalf of the Board.

A. NAME AND BACKGROUND INFORMATION

Name: _____

Address: _____

Phone: _____

Position with Access Fund: () Officer () Director () Key employee () Member of
_____ Committee

B. CONFLICT OF INTEREST INFORMATION

Please answer all questions.

1. **Relations with Other Employees, Directors:** Do you have a *business* or *family* relationship with any other officer, director, trustee or key employee of the organization? ____Yes ____No

If yes, please indicate the names of the individuals with whom you have a relationship and indicate the words family or business below the name. Please add additional space or provide separate listing if necessary. No further information is required.

Name:

Relationship:

Family relationships that need to be disclosed are: Spouse, children (includes adopted), grand children, other lineal descendants, sister, brother, parent, grandparents, or other ancestors, or any spouse of the foregoing.

Business relationship is defined as:

- a) One person being employed by the other in a sole proprietorship, or by an organization in which the other person is a current or former: trustee, director, officer, key employee or greater than 35% owner.
- b) One person transacting business with the other (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of \$10,000 in the aggregate during the organization's tax year (indirect transactions are the transactions with an organization with which the one person is associated as a trustee, director, officer, key employee, or greater than 35% owner); or
- c) The two persons are each a director, trustee, officer, or greater than 10% owner in the same business or investment entity.

d) Business relationship for this purpose excludes relationships in the ordinary course of business (that is, on terms generally offered to the public) and privileged relationships between attorney and client, medical professional and patient, or clergy and communicant.

2. Relations with Organization:

a. Have you or any of your family members had any business transactions with the organization, either directly or indirectly through an organization with which you or a family member is a board member, trustee, director, or owner? Please note family and business relationships described above. Yes No

If so, please describe the transaction, relationship, amount and the percent ownership if it is with a company you or your family member owns. This can include joint ventures in which either the profits or capital interest of the organization and you exceed 10%. Contributions or membership dues paid to the organization, grants, or loans are not considered for this purpose. Please add additional space or separate listing if necessary.

Description of transaction:

Description of relationship:

Amount of transaction:

% of ownership:

b. Identify any investments that you or a member of your family has or had during the last five (5) years in any organization that has, does, or is likely to provide goods or services to, or to compete with the Access Fund:

None

c. Directive or Other Services. Identify any services that you or a member of your family provides or provided with the last five (5) years as a director, partner, principal, manager, employee or consultant to any organization that does, has, or is likely to provide goods or services to, or compete with the Access Fund.

None

d. Interests in Transactions. Identify any interest that you or a member of your family or any organization in which you have an interest (e.g., a corporation or partnership) has had in any transaction during the last five (5) years, to which the Access Fund or any related organization, was a party (e.g., any loans, sales of goods or services, or guarantees).

None

3. Employment by Organization: Are any of your family members employed by the organization? **Yes** **No** If so, please provide the name and your relationship to the employed family member.

4. **Grants/Assistance from Organization:** Did you or a family member receive any grants (scholarship, internships, prizes, etc.) or other assistance (goods or services, use of facilities, etc) from the organization during the year regardless of amount?

Yes **No** If so, please the name of the person receiving the grant or assistance, the relationship to organization, and amount of grant/assistance. Please add additional space or separate listing if necessary.

Name:
Relationship with organization:
Amount of Assistance:

5. **Are you NOT "independent" from the organization?*** **Yes (not independent)** **No (independent).** If yes, please describe below why you are not independent.

You are "independent" if the following three circumstances applied at all times during the organization's tax year:

1. You are not compensated as an officer or other employee of the organization or related organization, AND
2. You did not receive total compensation or other payments exceeding \$10,000 during the organization's tax year from the organization or from related organizations as an independent contractor, other than reimbursement of expenses under an accountable plan or reasonable compensation for services provided in the capacity as a member of the governing body, AND
3. Neither you nor any family member was involved in a transaction with the organization (whether directly or indirectly through an affiliation with another organization) that is required to be reported as a business transaction (see definition above) in the organization's tax return.

6. **Other.** Identify all other circumstances affecting you or members of your family that might appear to involve a conflict of interest, actual or potential, and any circumstances that could be viewed as use of information relating to the Access Fund's business for personal profit or advantage.

None

ACKNOWLEDGEMENT & SIGNATURE

I hereby confirm that I accept the organization's Conflict of Interest Policy and [check one]

[] have checked **NO** to all questions above, or

[] have checked **YES** to one or more questions and provided the required information.

Signature: _____

Date: _____