

**CODE OF ETHICAL RESPONSIBILITIES
FOR
MEMBERS OF THE BOARD OF DIRECTORS**

SECTION 1. PURPOSE AND POLICY

The Board of Directors recognizes that community and industry support of the Authority's programs is dependent, in large part, upon community and industry trust in the Directors of the Authority. The Board finds and declares that the community and the industry are entitled to be assured that the judgment of the Directors of the Authority will not be compromised or affected by conflicting interests. Toward this end, this Code prescribes standards of ethical conduct and reporting requirements for the Members of the Board of Directors.

This Code addresses three types of conflicts: those arising from gifts and favors; those arising from personal assets (■Direct Financial Interests●); and those arising from Directors' business or professional relationships (■Indirect Financial Interests●). It prohibits certain actions, sets out the nature of financial arrangements that may cause an appearance of conflict, and provides procedures for disclosure and recusal.

SECTION 2. DEFINITIONS

Unless the context requires otherwise, the following definitions apply in this Code:

■**Counsellor**● means the Secretary, or his or her designee.

■**Director**● means a Member of the Metropolitan Washington Airports Authority, as defined in Va. Code ●5.1-155A and D.C. Code ●9-904.

■**Employee**● means any employee of the Authority, including the President and Chief Executive Officer.

■**Inaugural Flight**• means the celebratory round trip flight between Ronald Reagan Washington National Airport or Washington Dulles International Airport and another airport customarily offered by an air carrier on the first day of service to a new destination, or soon thereafter.

■**Immediate Family**• means the spouse and minor children of a Director, regardless of their place of residence.

■**Direct Financial Interest**• in an enterprise means an interest that (1) has a current market value of \$50,000 or more, (2) consists of securities of any kind that constitute ownership of three percent or more of the total equity of the enterprise, or (3) yields \$5,000 or more in annual income to the Director or the Director's Immediate Family.

■**Indirect Financial Interest**• in an enterprise means income from revenues for services provided to that enterprise by a Director's partnership, business, or other entity when those revenues exceed the greater of \$10,000 or three percent of the partnership, business, or entity's gross income for its current or preceding fiscal year.

■**Nominal Value**• means \$100.00 or less.

■**Participate**• means vote, address, or otherwise attempt to influence a decision of the Board of Directors or any action undertaken by Authority staff.

■**Scheduled Air Carrier**• means any corporation, firm, partnership, or other business entity that is directly or through a subsidiary engaged in the scheduled transportation of persons or property by aircraft in common carriage.

■**Secretary**• means the Secretary of the Authority.

SECTION 3. DIRECTOR'S BASIC DUTY

A Director shall avoid any action, regardless of whether specifically prohibited by this Code, that is likely to result in (1) using the position as Director for private gain; (2) giving undue preferential treatment to any person, including Employees; (3) losing independence or impartiality; (4) making an Authority decision outside of official

channels; or (5) affecting adversely the confidence of the public in the integrity of the Authority.

SECTION 4. GIFTS, ENTERTAINMENT, AND FAVORS

(a) A Director may not solicit or, except as provided in paragraphs (b) and (c) of this section, accept any gift, gratuity, favor, entertainment, food, lodging, loan, honorarium or other thing of monetary value, from a person, or employer or employee of a person, who the Director knows or has reason to know:

- (i) Has a direct interest in a decision of the Authority, is doing business with the Authority, currently or prospectively, or is conducting any activity on Authority premises.
- (ii) Has interests which may be substantially affected in a manner distinguishable from the public generally by the performance or nonperformance of the official duties of the Director.

(b) A Director may accept any of the following:

- (i) Food or refreshment or transportation on infrequent occasions, in the ordinary course of a meeting, business meal, or celebratory event directly associated with Authority, airport, or aviation industry business.
- (ii) Unsolicited gifts of promotional material of Nominal Value, such as calendars and pens.
- (iii) Public gifts and awards of Nominal Value.
- (iv) Travel, meals and lodging with respect to an Inaugural Flight to and from Reagan National or Dulles Airports only, if the terms of the invitation are fully disclosed in advance to the Board and the public.
- (v) A specific gift or honorarium where the Counsellor finds in writing that acceptance would not be detrimental to the impartial conduct of the business of the Authority.

(c) The Board of Directors may, in an open public meeting, approve a Director's acceptance of a gift, gratuity, favor, entertainment, food, lodging, loan, honorarium, or other thing of monetary value otherwise prohibited under paragraph (a) if it determines that such acceptance would not be detrimental to the impartial conduct of the business of the Authority.

SECTION 5. FINANCIAL INTERESTS

(a) Direct Financial Interests at Appointment (Personal Assets)

1. **General Rule:** A Director and his or her Immediate Family may not hold a Direct Financial Interest in
 - (i.) any aeronautical, aviation services, or airport services enterprise that has interest that can be directly affected by the Authority, or
 - (ii.) any enterprise that has or is seeking a contract or agreement with the Authority.

2. **Exceptions:** Subsection (a) 1 does not apply to such a Direct Financial Interest if
 - (i.) it is disclosed to the official appointing a Director at the time of appointment, and in an initial Statement of Employment and Financial Interest under Section 6 below, and
 - (ii.) the Director does not Participate in any action affecting the enterprise in which the Direct Financial Interest is held.

(b) Direct Financial Interests Arising After Appointment (Personal Assets)

1. **General Rule:** A Director may not Participate in any action affecting an enterprise in which he or she holds a Direct Financial Interest that arises after appointment, and must disclose such interest to the Board of Directors and the public in accordance with Section 7 below.

(c) Indirect Financial Interests

1. General Rule: A Director may not Participate with respect to any enterprise in which the Director holds an Indirect Financial Interest, and must disclose that Interest in accordance with Section 7 below.
2. A Director may not Participate with respect to any enterprise in which the Director holds an Indirect Financial Interest if he or she represents such enterprise personally.

SECTION 6. STATEMENT OF EMPLOYMENT AND FINANCIAL INTEREST

- (a) Each Director shall submit a statement of employment and financial interest on a form provided by the Counsellor within two months of appointment.
- (b) Each Director who has previously been required by the United States, the Commonwealth of Virginia, the State of Maryland, or the District of Columbia to submit an employment and financial interest disclosure statement shall also submit a copy of such statement.

SECTION 7. CONTINUING DISCLOSURE OBLIGATIONS

- (a) The Secretary shall provide a week before each Board or Committee meeting a list of firms whose interests would be affected by any action on the Board or Committee agenda.
- (b) Each Director shall at the time of any discussion or action with respect to an enterprise in which the Director holds a Financial Interest announce that relationship and not Participate with respect to it.
- (c) Each Director shall annually review the Statement of Employment and Financial Interest and any supplements thereto and advise the Counsellor of any changes.

SECTION 8. MISCELLANEOUS PROVISIONS

- (a) Each Director is considered to be acquainted with this Code.

(b) A Director may not in any manner solicit any support or financial assistance for any political party, candidate, or committee for any political, charitable, or other purpose, from any Employee.

(c) A leave of absence from employment with, or service as an attorney or consultant to, an aeronautical, aviation services or airport services enterprise, does not, of itself, constitute a Financial Interest. Directors should nevertheless disclose such relationships.

SECTION 9. INFORMATION NOT KNOWN BY DIRECTOR

If any information required to be included on a statement of employment and financial interest or supplementary statement, including any holding placed in trust, is not known to the Director, but is known to another person, the Director shall request that other person to submit the information on his or her behalf and so indicate on the statement.

SECTION 10. OTHER RELATIONSHIPS

(a) A Director is not required to submit on a statement of employment and financial interest or supplementary statement any information relating to his connection with, or interest in: a professional society; a charitable, religious, social, fraternal, recreational, public service, civic, or political organization; or a similar organization not conducted as a business enterprise.

(b) For the purposes of this section, educational and other institutions doing research and development or related work involving grants or money from or contracts with the Authority are considered to be "business enterprises" and are required to be included in the Director's statement of employment and financial interest.

SECTION 11. PUBLIC AVAILABILITY

(a) The statements of Directors are available for public review only at the Board of Directors offices at Ronald Reagan Washington National Airport.

(b) Each statement of employment and financial interest and each supplementary statement shall be maintained in the records of the Authority.

SECTION 13. INTERPRETATION AND ADVISORY SERVICE

The Counsellor shall provide counseling and interpretations to Directors who request advice and guidance on questions of conflicts of interest or any other matters of legal import covered by this Code. When feasible, interpretations arising under this Section will be in writing.

Adopted December 2, 1987

Amended April 1, 1992

Amended May 1, 2002, effective until July 31, 2002

Amended October 2, 2002

Amended December 3, 2003