

SUMMARY MINUTES  
EXECUTIVE AND GOVERNANCE COMMITTEE  
MEETING OF JUNE 18, 2014

In the Chairman's absence, Mr. Session chaired the June 18 Executive and Governance Committee Meeting, calling it to order at 9:46 a.m. A quorum was present during the Meeting: Mr. Carter, Mr. Curto, Mr. Davis, Ms. Hall, Mr. McDermott and Ms. Wells. Mr. Adams, Mr. Chapman, Mr. Gates, Mr. Griffin, Ms. Lang, Ms. McConnell and Mr. Williams were also present.

Approval of the Revisions to the Code of Ethics for Employees. Naomi Klaus, Ethics Officer, reported that Section 11 of the Code of Ethics for Employees calls for the General Counsel to review the Code from time to time and recommend revisions. Ms. Klaus presented the following two revisions: 1) the prohibition against two Authority employees who are relatives reporting directly to the same supervisor and 2) the degree to which employees are permitted to have a financial interest in an aviation-related business.

Ms. Klaus reported that the first provision involving two relatives who report directly to the same supervisor is unusual in institutional codes of ethics. She stated that the revision would allow discretion to review circumstances on a case-by-case basis, and she referenced a recent example whereby two employees had become brothers-in-law after one had married the other's sister. With respect to the second provision, Ms. Klaus stated that the revision would make the language consistent with the Code of Ethics for Members of the Board of Directors and the federal statute and forbid certain employees from having a Substantial Financial Interest in an aviation-related Business. She stated that the practical effect would allow certain employees to own up to \$15,000 of stock in an airline. Ms. Klaus noted that several new employees had had to divest themselves of stock prior to employment with the Authority.

Mr. Curto inquired whether Ms. Klaus had informally collaborated with the Federal Accountability Officer and the Office of the Inspector General, to which Ms. Klaus responded affirmatively.

In response to Mr. Session's inquiry, Ms. Klaus reported that the Board of Directors had approved the Codes of Ethics for Employees and Members of the Board of Directors in September 2012. The day's revisions are the only ones proposed thus far, but Ms. Klaus stated that extensive

revisions would be proposed to the Executive and Governance Committee in the next couple years.

The Committee thereupon approved the recommendation, and Mr. Session stated that the Board would consider the revisions to the Code of Ethics for employees later that day.

The Meeting was thereupon adjourned at 9:55 a.m.