

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

CODE OF ETHICS FOR MEMBERS OF THE BOARD OF DIRECTORS

1. PURPOSE AND POLICY

The Board of Directors of the Metropolitan Washington Airports Authority (the “Authority”) 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. Directors, Board leadership and Authority management are responsible for fostering high ethical standards for the Authority and its employees, thereby strengthening public confidence that the business of the Authority is being conducted with impartiality and integrity. Toward this end, this Code prescribes standards of ethical conduct and reporting requirements for members of the Board of Directors.

2. DIRECTORS' BASIC DUTY

Directors are expected to act in the best interests of the Authority in carrying out their duties as members of the Board, and to not knowingly engage in conduct that would violate the standards of this Code or bring discredit upon the Authority. Regardless of whether specifically prohibited by this Code, Directors must endeavor to avoid conflicts of interest or even the appearance of a conflict of interests, refrain from using the position of Director for private gain, refrain from giving undue preferential treatment to any person or entity, avoid compromising independence or impartiality, refrain from making Authority decisions outside of official channels, and avoid any other action that is likely to adversely affect the confidence of the public in the integrity of the Authority.

3. CONFLICTS OF INTERESTS

(a) *Actual and Apparent Conflicts.* An actual conflict of interests arises whenever a Director or member of the Director's Immediate Family:

(i) has a Substantial Financial Interest in an Interested Party; or

(ii) has a Substantial Financial Interest in any other Business or Property which may realize a reasonably foreseeable benefit or detriment as a result of an action or decision of the Authority.

An apparent conflict of interests arises whenever a Director or member of the Director's Immediate Family has any other personal interest of which the Director is aware that could reasonably appear to conflict with the fair and objective performance of the Director's official duties.

(b) ***Recusal; Declaration.*** Directors are expected to recuse themselves from participating in any Authority matter in which they have an actual conflict of interests. Directors are also expected to recuse themselves from participating in any Authority matter in which they have an apparent conflict of interests, unless the Director believes and publicly declares in the manner described below that the Director is able to participate in the matter fairly and objectively in the interest of the Authority notwithstanding the appearance of a conflict. When a Director is recused from a matter, a written disqualification and recusal agreement is to be executed.

(i) ***Recusal Procedures.*** A Director shall not vote on, or at any time Participate in, attempt to Participate in, or discuss with other Directors or Authority personnel, any matter from which the Director is recused from participating. (Directors may, however, consult the Ethics Officer or General Counsel regarding compliance with the provisions of this Code at any time.) The Director may remain present for any public portion of a meeting at which the matter is considered, provided the Director does not remain at the Board or committee table or dais during the discussion and consideration. The Director may not attend any portion of an executive session closed to the public at which the matter is considered. The Director shall promptly notify the Chairman of the conflict of interests and recusal, and shall cause the Board's official records to reflect the Director's recusal from participating in the matter. Additionally, the fact of the conflict of interests and recusal shall be publicly announced at any meeting of the Board or Board committee at which the matter is considered.

(ii) ***Declaration Procedures.*** If a Director believes that the Director is able to participate in a matter fairly and objectively in the interest of the Authority notwithstanding an apparent conflict of interests, the Director shall declare: (1) the nature of the Director's personal interest in the parties or matter before the Authority, and (2) that the Director is able to participate in the matter fairly and objectively in the interest of the Authority. The Director shall make the declaration orally at any meeting of the Board or Board committee at which the matter is considered. In any other circumstance, the Director shall file a signed written declaration with the Secretary of the Board, who shall cause the declaration to be included in the Board's official records and shall make it available for public inspection.

(c) ***Prohibited Interests.***

(i) ***Prohibited Interests Existing at Time of Appointment; Exceptions.*** To qualify for appointment, a prospective Director and members of the prospective Director's Immediate Family may not hold a Substantial Financial Interest in an Interested Party. Exceptions to this prohibition may be made by the appointing official at the time of appointment if the interest is disclosed to the appointing official and the Director does not participate in any Authority matter affecting such Interested Party.

(ii) ***No Acquisition of Certain Interests during Term of Service.*** No Director or member of the Director's Immediate Family shall knowingly acquire any interest in an Interested Party during the Director's term of service. This shall not preclude, however, acquisition of interests in one or more diversified mutual funds, employee benefit plans, or

other investment plans holding interests in an Interested Party that are administered by an independent party without participation by the Director or his or her Immediate Family members in the selection or designation of financial interests held by the fund or plan.

(iii) ***Prohibited Contracts and Employment with the Authority during Term of Service.*** No Director or member of a Director's Immediate Family shall be employed by the Authority during the Director's term of service. In addition, no Director, member of the Director's Immediate Family, or Business that is wholly or substantially owned or controlled by a Director or a member of the Director's Immediate Family shall be a party to a contract with the Authority during the Director's term of service. For purposes of this section, a Business will be considered "substantially" owned or controlled if the Director or a member of the Director's Immediate Family singly or in combination owns or controls more than fifty percent (50%) of the Business (i.e., by value or voting power).

(d) ***Authority Procedures for Facilitating Compliance with Conflict of interests Restrictions.*** In order to facilitate compliance with the conflict of interests provisions of this section, Authority management, on no less than a quarterly basis, shall supply to Directors a current list of all Authority Interested Parties and other Businesses or Property that may be affected by a Board or committee decision on particular matters at a future Board or committee meeting. In addition, at least one week prior to any meeting of the Board or committee, management shall supply to Directors a list of Interested Parties and other Businesses or Property that may be affected by a Board or committee decision on a particular matter for consideration at the upcoming meeting. Directors are entitled to rely on the accuracy of information supplied to them by the Authority pursuant to this subsection. Directors shall review the information at the time it is supplied against their current holdings, and shall, as necessary, recuse themselves from participating in any matter in which they have a conflict of interests or, in the case of an apparent conflict, make the declaration described in subsection (b)(ii) with regard to the matter. Authority management shall also collect information from Businesses seeking a contract or agreement with the Authority that will facilitate compliance with this Code, which may include a requirement for such Businesses to identify whether, to the Business's knowledge, any Director or member of the Director's Immediate Family has a Substantial Financial Interest in the Business (including a parent entity of the Business).

(e) ***Definitions.*** For purposes of this Section and throughout this Code:

(i) ***Business*** means a sole proprietorship, corporation, partnership, company, joint venture, association, joint stock company or any other form of entity recognized by law which is engaged in trade, commerce or the transaction of business, and any parent entity of the foregoing. For purposes of this Code, an entity will be considered a "parent" of a Business if the entity owns or controls more than fifty percent (50%) of the Business (i.e., by value or voting power).

(ii) ***Immediate Family*** includes a Director's spouse, domestic partner, any dependent children within the meaning of Section 152 of the Internal Revenue Code living in the Director's household, and any other person over whose financial affairs the Director has substantial legal or actual control.

(iii) **Interested Party** means any Business that has or is seeking a contract or agreement with the Authority or is an aeronautical, aviation services or airport services enterprise that otherwise has interests that can be directly affected by decisions or actions of the Authority.

(iv) **Participate** means approving, disapproving, making, undertaking, influencing or attempting to influence an action or decision of the Authority.

(v) **Property** means real property, including land, together with any structures or improvements thereon, and any rights or interests in land and/or improvements.

(vi) **Substantial Financial Interest** means:

(1) **Ownership of Interest in a Business.** Ownership interest (e.g., shares of stock or other securities) in a Business that exceeds three percent (3%) of the total equity of the Business, has a fair market value greater than \$15,000 or yields more than \$1,000 in annual income.

(2) **Ownership of Interest in Property.** Ownership interest in Property that has a fair market value greater than \$15,000 or yields more than \$1,000 in annual income.

(3) **Ownership of Interest in or Employment by a Business Receiving Income from an Interested Party.** Employment by or ownership (as defined above in subparagraph (1)) in a Business receiving revenues from an Interested Party of at least \$10,000 or three percent (3%) of the Business's gross income for its current or preceding fiscal year, whichever is greater.

(4) **Income.** Income in any form (whether or not deferred) from a Business or Property, including, but not limited to, wages, salaries, fringe benefits, interest, dividends or rent that exceeds or may reasonably be expected to exceed \$1,000 annually. Income also includes the prospect of income arising, for example, from an upcoming job or offer of employment with a Business.

(5) **Pledge or surety.** Personal liability (incurred or assumed) on behalf of a Business that exceeds the lesser of three percent (3%) of the asset value of the Business or \$1,000.

(6) **Loan or debt.** Personal indebtedness of \$1,000 or more to a Business, *except* a debt incurred in the ordinary course of business on usual commercial terms (e.g., a mortgage liability secured by a personal residence of the Director or the Director's spouse; a loan liability secured by a personal motor vehicle, household furniture or household appliances; a personal revolving line of credit or capital contribution loan liability; a debit, credit or other revolving charge account liability).

(7) **Personal Representation.** Personally representing or providing professional services to a Business, including legal, audit, accounting, financial and consulting services, regardless of the specific subject matter of the representation or amount of compensation received.

(8) **Fiduciary Duty.** The duty owed to a Business by a director, officer or general partner of the Business, even without financial remuneration from the Business.

(9) **Exclusions.** The following financial interests are excluded from “Substantial Financial Interests”: checking or savings accounts; money market accounts and other demand deposits; government bonds; certificates of deposit; and diversified mutual funds, pension plans, employee benefit plans, trusts, estates and other similar funds, plans and entities administered by an independent party without participation by the Director or the Director’s Immediate Family members in the selection or designation of financial interests held by the fund, plan or entity.

(10) **Imputed Interest.** The financial and other interests in a Business or Property held by the members of a Director’s Immediate Family are imputed to the Director for purposes of this Code.

4. POST-SERVICE RESTRICTIONS

(a) **No Contracts or Employment with the Authority for Two Years.** No Director or member of a Director’s Immediate Family shall be employed by the Authority for two years following the conclusion of the Director’s term of service. In addition, no Director, member of the Director’s Immediate Family, or any Business that is wholly or substantially owned or controlled by a Director or a member of the Director’s Immediate Family shall be a party to a contract with the Authority for two years following the conclusion of the Director’s term of service. For purposes of this section, a Business will be considered “substantially” owned or controlled if the Director or member of the Director’s Immediate Family singly or in combination owns or controls more than fifty percent (50%) of the Business (i.e., by value or voting power).

(b) **No Representation of Third-Parties before the Authority for Two Years.** No Director, within two years of the conclusion of the Director’s term of service, shall knowingly make, with the intent to influence, any communication to or appearance before the Board of Directors or any Director, officer or employee of the Authority on behalf of a Business or person other than the Authority in connection with a particular matter that the former Director knows or reasonably should know was pending during his or her term of service.

5. USE OF AUTHORITY POSITION

(a) **General Rule.** Directors shall not use their position with the Authority for their own personal financial gain, for the endorsement of any product, service or enterprise in which they have a financial interest, or for the private financial gain of friends, relatives, or individuals or entities with which they are affiliated, including nonprofit organizations of which they are officers or members, or with which they have or seek employment or business relations.

Notwithstanding the foregoing, based on personal knowledge, a Director may: (i) refer to the Authority President individuals other than relatives (as defined below in subsection 5(d)) who may be suitable candidates for employment and individuals and entities which may be able to provide products or services of potential interest to the Authority; following such referral, the Director shall take no action to influence a decision or action by Authority management to employ or contract with such individuals or entities; and (ii) respond to a request for an employment recommendation or character reference for individuals other than relatives who are being considered for Authority employment.

(b) ***Confidential Information.*** Directors shall not engage in financial transactions using proprietary, sensitive or confidential information of the Authority, allow or cause the improper use of such information to further any private interest, or allow or cause such information to be disclosed to unauthorized persons or in advance of the time prescribed for its authorized disclosure, except where and to the extent necessary to fulfill the Director's responsibility as a member of the Board of Directors and where required by law.

(c) ***Solicitation of Political or Charitable Contributions.*** Directors shall not solicit any support or financial assistance from the Authority or from any Authority employee for any political party, candidate or political committee, or for any charitable purpose. The Authority shall not give any support or financial assistance solicited in violation of this Code.

(d) ***Influence with regard to Relatives.*** A Director shall not participate in, address or discuss, or attempt to influence in any manner a decision by the Board or Authority management to hire, appoint, employ or promote, or to enter a contract with a person who is a relative of the Director. For the purposes of this subsection, the term "relative" means the following: husband, wife, domestic partner, father, mother, grandfather, grandmother, son, daughter, stepson, stepdaughter, granddaughter, grandson, brother, sister, uncle, aunt, nephew, niece, father-in-law, mother-in-law, daughter-in-law, son-in-law, sister-in-law or brother-in-law.

6. COMPENSATION AND REIMBURSEMENT OF EXPENSES

Directors do not receive compensation for serving as a Director of the Authority. Directors may, however, be reimbursed by the Authority for reasonable, authorized and properly documented expenses incurred in connection with the discharge of their official duties, in accordance with and to the extent permitted under the Authority's expense reimbursement policies. Directors are expected to exercise prudence when incurring expenses in connection with official duties.

7. GIFTS

(a) Definitions.

(i) ***Gift.*** A gift is any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value for which the recipient does not pay market value. A gift therefore includes, but is not limited to, cash, a meal, merchandise, services, admission to a sporting event, admission to a theatrical, musical or other spectator

event, admission to an event or activity in which persons are participants (e.g., a conference or golfing event), travel, transportation and lodging. It does not matter whether a gift is provided to the recipient in kind or in the form of a ticket, a payment in advance or a reimbursement of an expense that has been incurred; in all these cases, the item provided is considered a gift.

(ii) **Prohibited Source.** A Prohibited Source is:

- (1) an “Interested Party” as defined in Section 3(e)(iii) of this Code;
- (2) a Business or individual whose interests may be substantially affected by the performance or non-performance of the Director’s duties; and
- (3) a Business or individual where it is clear that the gift would not have been offered or given were the Director not a member of the Authority Board of Directors.

For purposes of this Section 7, “Business” includes the officers, employees and agents of the Business.

(b) **Solicitation of Gifts.** A Director shall not solicit a gift, regardless of its value, from a Prohibited Source or from any Authority employee, except as specifically permitted pursuant to the exception set forth in Section 1 of Appendix A to this Code.

(c) **Acceptance of Gifts.**

(i) **General Rule.** Directors shall not accept any gift, directly or indirectly, from a Prohibited Source, except as specifically permitted pursuant to the exceptions set forth in Section 2 of Appendix A to this Code.

(ii) **Direct and Indirect Acceptance.** A gift is accepted “directly” when it is provided to and accepted by the Director. A gift is accepted “indirectly” when (1) with the Director’s knowledge and acquiescence, it is provided to and accepted by the Director’s parent, spouse, domestic partner, sibling, child or dependent relative (as defined in Section 5(d) of this Code), whether or not living in the same home, because of that person’s relationship with the Director, or (2) is provided to and accepted by any other person, excluding a charitable organization or other charitable recipient approved by the Ethics Officer, on the basis of a designation, recommendation or other specification made by the Director.

(iii) **Limitations notwithstanding the General Rule.** Directors should not accept gifts, even though permitted pursuant to an applicable exception, on such a frequent or regular basis that a reasonable person could be led to believe they are using their position with the Authority for personal gain or are not performing the duties of their position in an impartial manner.

(iv) **Seeking Advice.** Directors are encouraged to seek the advice of the Ethics Officer when attempting to determine whether a particular offer of a thing of value may constitute a gift that may not be accepted under this Section 7.

(v) **Remedies.** A Director who has received a gift that may not be accepted under this Code shall do one of the following: pay the giver the gift's market value; return the gift to the giver; or in the case of perishable items delivered not by the giver but by a third party (e.g., Federal Express) deliver the gift to the Ethics Officer, who will make proper disposition of it. Market value may be estimated by reference to the retail cost of similar items or services of like quality. The Ethics Officer should be consulted when estimating the market value of a gift. Subsequent reciprocation of the giver by the Director does not constitute payment of the market value of a gift.

(d) **Disclosure.** Directors shall disclose to the Ethics Officer any gift solicited or accepted (directly or indirectly) from a Prohibited Source pursuant to an applicable exception of this Code. Gifts shall be disclosed in writing at the time of solicitation or acceptance (or as soon as possible thereafter). The disclosure shall briefly describe the gift, state its value and identify its source. Gift disclosures shall be maintained by the Ethics Officer for compilation and filing with each Director's Annual Disclosure Statement.

8. DISCLOSURE OF FINANCIAL INTERESTS AND OTHER MATTERS

(a) **Annual Disclosure.** Directors shall file a disclosure statement with the Ethics Officer on a form provided by the Authority within 30 days of assuming a position as Director, and by January 31 of each year thereafter for the duration of the Director's term of service ("Annual Disclosure Statement"). The Annual Disclosure Statement shall disclose:

(i) any Substantial Financial Interest in an Interested Party, Business or Property held by the Director or any member of the Director's Immediate Family at the time of filing, except for "personal representation" interests as defined in Section 3(e)(vi)(7) of this Code;

(ii) any positions of employment held by the Director or any member of the Director's Immediate Family during the prior calendar year, whether on a full- or part-time basis;

(iii) any outside positions held by the Director or any member of the Director's Immediate Family during the prior calendar year as a director, officer, general partner or trustee of any Business or other entity (including nonprofit, labor and educational organizations or institutions, although positions held in any religious, social, fraternal or political organization need not be disclosed);

(b) **Reimbursements and Gifts.** The following information shall be compiled by designated Authority personnel from Authority records for each Director, and filed with the Director's Annual Disclosure Statement:

(i) all reimbursements received from the Authority during the prior calendar year; and

(ii) all gifts accepted (directly or indirectly) from a Prohibited Source which had an aggregate value of \$350 or more, including a brief description of such gifts, their aggregate value and the identity of their source.

(c) **Continuing Disclosure Obligation.** Whenever a Director or a member of his or her Immediate Family acquires a disclosable Substantial Financial Interest in an Interested Party, Business or Property not previously disclosed, the Director shall notify the Ethics Officer, in writing, within 10 calendar days of the acquisition and its details, and such statement shall be maintained in the same file as the Director's most recent Annual Disclosure Statement.

(d) **Public Availability.** All statements required by this Section 8 shall be available for public inspection at the Authority offices at Ronald Reagan Washington National Airport.

9. ETHICS OFFICER

(a) **Designation.** The President, with approval of the Board, shall designate an Authority employee to serve as the Authority Ethics Officer, who will have and perform the responsibilities assigned to such officer in this Code of Ethics. An employee's designation as the Ethics Officer shall continue until rescinded by the President.

(b) **Duties.** The Ethics Officer is charged with fostering the highest ethical standards for the Authority and its Directors and employees, thereby strengthening public confidence that the business of the Authority is conducted with impartiality and integrity. Specifically, the Ethics Officer is responsible for the following:

- (i) distributing copies of the Ethics Code to Directors;
- (ii) distributing, receiving and reviewing Annual Disclosure Statements submitted by Directors;
- (iii) discussing potential conflicts of interest with Directors;
- (iv) advising Directors about the application of this Code to specific questions or situations presented by Directors, and documenting when ethics advice has been provided;
- (v) arranging for the preparation and delivery of ethics training materials and sessions;
- (vi) serving as primary support staff to the Board's Ethics Review Committee (defined in Section 11(b) of this Code); and
- (vii) receiving allegations of violations of this Code, conducting preliminary investigation into all such allegations, and reporting all allegations to the Ethics Review Committee with a recommendation for or against further inquiry based on the preliminary investigation.

(c) *Opinion of Ethics Officer.* No Director may be found to have violated this Code if the alleged violation followed from the Director's good faith reliance on a written opinion from the Ethics Officer that was made after a full and accurate disclosure by the Director of all material facts.

(d) *Role of General Counsel.* The Ethics Officer shall consult with the Authority's General Counsel, as necessary, in connection with carrying out the above-described duties.

10. TRAINING

Directors are provided with a copy of this Code of Ethics upon assuming their position as Director. Within 30 days of receiving the Code, Directors shall provide the Ethics Officer with a written certification that they have read and will comply with the Code. The Ethics Officer will arrange for all Directors to receive verbal ethics training and accompanying training materials within four weeks of the start of their term and thereafter on no less than an annual basis.

11. ENFORCEMENT

(a) *Enforcement Responsibility; Interpretation.* The Board is responsible for enforcing the provisions of this Code. It may seek general guidance regarding interpretation of the Code from the Ethics Officer and General Counsel.

(b) *Receipt and Review of Allegations.* Allegations of violations of this Code may be reported to the Board Chairman or to the Vice Chairman if the allegation pertains to the Board Chairman. The Board Chairman and Vice Chairman shall report any allegations received by them to the Ethics Officer for preliminary investigation. The Ethics Officer shall report all allegations to a Committee comprised of Directors and designated by the Board (with at least one Director from each appointing jurisdiction) with responsibility for ethics matters ("Ethics Review Committee"), with a recommendation for or against further inquiry based on the preliminary investigation. The Ethics Review Committee shall review all reports and recommendations received from the Ethics Officer and may conduct further inquiry or refer any matter to the Board of Directors for further action as the Committee deems appropriate.

(c) *Sanctions.* Disinterested members of the Board of Directors may hold a hearing regarding any ethics matter referred by the Ethics Review Committee. A Director whose alleged conduct is the subject of Board review shall be given notice and an opportunity to be heard, in writing and in person. If, following such hearing, the Board determines that a Director has knowingly violated this Code, the determination shall be made publically available, and the Board may take the action it determines to be appropriate, which may include but is not limited to any or all of the following:

- (i) issuing a public reprimand;
- (ii) giving notice of the violation to the Director's appointing authority; and

(iii) taking appropriate action regarding any contract or agreement that is related to the violation (e.g., voiding or cancelling a contract), to the extent permitted by law.

12. REVIEW OF POLICY

The Ethics Officer, in consultation with the Board Secretary and General Counsel, shall review this Code on an annual basis and report to the Board regarding any recommendations for amending the Code or its implementing policies and procedures.

Effective December 1, 2012

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

CODE OF ETHICS FOR MEMBERS OF THE BOARD OF DIRECTORS

APPENDIX A – GIFT RULE EXCEPTIONS

Solicitation or acceptance of gifts from Prohibited Sources is permitted only under the following circumstances:

1. SOLICITATION EXCEPTION.

When authorized by the Board Chairman and Ethics Officer and acting on behalf of the Authority, Directors may solicit donations for events sponsored in whole or in part by the Authority.

2. ACCEPTANCE EXCEPTIONS.

(a) *Gifts of \$25 or Less.* Directors may accept a gift (whether given directly or indirectly) *other than cash* of less than \$25.00, so long as the aggregate market value of individual gifts a Director receives from the same Prohibited Source in a calendar year does not exceed \$50. If the market value of a gift exceeds \$25 (or the aggregate market value of multiple gifts exceeds \$50), a Director may not pay the excess value over \$25 (or \$50) in order to accept the gift.

(b) *Personal Gifts.* Directors may accept a gift (whether given directly or indirectly) that is given under circumstances that make it clear that the gift is motivated by a personal friendship or family relationship rather than the position of the Director. Relevant factors in deciding whether a gift is motivated by a personal friendship or family relationship include the history of the friendship or relationship, and whether the cost of the gift is paid by the individual with whom the friendship or relationship exists or by the individual's employer.

(c) *Widely Attended Gatherings.* Directors may accept a gift of free attendance at a widely attended gathering (defined below), or an appropriate portion of such an event, with the written advance approval of the Ethics Officer that the Director's attendance is in the interest of the Authority because it furthers Authority objectives.

A widely attended gathering can take many forms, including, but not limited to, a reception, a luncheon or dinner event (including with entertainment), a banquet, a conference, and an activity-based event. A gathering is widely attended if it is expected that a large number of persons will attend, and such persons will bring differing interests, perspectives and/or viewpoints to the gathering. A sporting, theatrical, musical or similar spectator event will usually not be deemed to be a widely attended gathering.

The Ethics Officer will determine the Authority's interest in a particular widely attended gathering. Relevant factors that should be considered include the purpose of the gathering, the

relevance and importance of the gathering to the Authority, the identity of expected attendees and the range of interests, perspectives and viewpoints they will bring to the gathering, and the market value of the gift of free attendance.

Free attendance to a widely attended gathering may include the provision of food, refreshments, entertainment, instruction and instructional materials, and activity-based activities (e.g., a round of golf), each of which is furnished to all attendees as an integral part of the gathering. Free attendance may not include the provision of travel or lodgings.

(d) *Speaking Engagements and Events.* Directors may accept a gift of free attendance from the sponsor of an event at which they are speaking, presenting information or otherwise participating on behalf of the Authority. Free attendance may include food, refreshments and entertainment furnished to all attendees as an integral part of the event. Directors' participation in the event on the day of their participation is viewed as a customary and necessary part of the performance of their positions and does not constitute a gift to the Directors or the Authority.

(e) *Inaugural Flights.* Directors may accept a gift of travel, meals and lodging with respect to an inaugural flight to and from Reagan National or Dulles International Airport only if the terms of the gift are fully disclosed in advance to the Board and the public. An inaugural flight is deemed a gift to the Authority and not an individual Director.

(f) *Authority-Sponsored Events.* Directors may accept a gift of free attendance to an event that is sponsored solely by the Authority to recognize one or more Authority officers or employees or an Authority achievement or milestone, or that is sponsored, in whole or in part, by the Authority to raise funds for a charitable organization or cause. Free attendance to such an event may include the provision of food, refreshments and entertainment.

(g) *Gifts to Family Members.* A gift provided to the parent, spouse, domestic partner, sibling or child of a Director may be accepted where the gift results from the business or employment activities of the recipient, and it is clear from the circumstances that the gift is not being offered or given because of the Director's position with the Authority.

(h) *Prizes.* Directors may accept a gift that is a prize given to successful competitors in competitive contests or events or to persons based upon random drawings (including door prizes given randomly). Directors may accept a gift, not addressed in the prior sentence, that is provided as a favor or in recognition of attendance to all attendees at a widely attended gathering or at an event identified in paragraph (d) or (f), so long as the value of the gift is less than \$25.

(i) *Gifts to Authority.* A Director representing or acting on behalf of the Authority may accept and use gifts of property for the Authority. Property accepted under this section and proceeds from that property must be used, as nearly as possible, under the terms of the gift, if any. These include: (i) ceremonial gifts given to Directors (e.g., by representatives of foreign airports or governmental units) while serving as a representative of the Authority that are accepted on behalf of the Authority; and (ii) gifts of food or refreshments provided Directors at events they are attending as representatives of the Authority, where it is clearly in the interest of the Authority that it be present at the event through one or more official representatives. In the

case of ceremonial gifts, Directors are to turn the gifts over as soon as practicable to the Ethics Officer for disposition.

(j) *Gifts of Generally Available Items.* Directors may accept gifts that represent an opportunity or benefit, including favorable air fares, commercial discounts and upgrades of service from air carriers, that is available either to the public (e.g., frequent flyer miles) or to a class of individuals consisting of all Authority employees or all Authority employees working at an airport (e.g., discounts offered airport employees by concessionaires in the terminals). The acceptance of a gift representing an opportunity or benefit, including, for example, an upgrade of air service, that is made available to any other class of Authority employees, including a class of one employee, is not permitted.

(k) *Approved Gifts.* The Board of Directors may, in an open public meeting, approve a Director's acceptance of a gift not otherwise falling within one of the foregoing exceptions if it determines that the acceptance would not be detrimental to the impartial conduct of the business of the Authority.