

WOMEN’S BUSINESS ENTERPRISE NATIONAL COUNCIL
CONFLICT OF INTEREST POLICY

1. PURPOSE

The purpose of this Conflict of Interest Policy (the “Policy”) is to protect the interests of Women’s Business Enterprise National Council (“WBENC”) 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 and Executive Committee in considering any transaction or arrangement where a conflict may exist. This Policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit corporations.

2. PERSONS COVERED BY THE POLICY

This policy addresses transactions and arrangements involving WBENC’s directors, officers, members of any committee of WBENC’s Board of Directors with authority to act on behalf of the Board of Directors (under WBENC’s bylaws, only the Executive Committee has authority to act on behalf of the Board of Directors), and WBENC’s executive employees (e.g., President, Chief Financial Officer) and any other manager or supervisor identified by the Executive Committee or the President as exercising substantial influence over the operations of WBENC (“Covered Persons”). Every Covered Person shall sign a statement that affirms that he or she has received a copy of this Policy, has read and understands it, and has agreed to comply with it, and shall complete the questionnaire attached hereto disclosing his or her actual and potential conflicts of interest on an annual basis.

3. DUTIES OF COVERED PERSONS

- a. **Duty of Care.** Every Covered Person shall perform his or her duties for WBENC 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 to WBENC, meaning that no Covered Person may use his or her position with WBENC to make personal profit or gain other personal advantage. No Covered Person may personally take advantage of a business opportunity that is offered to WBENC unless the Board of Directors or Executive Committee 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 or herself from voting on any transaction or arrangement in which he or she has a potential or actual conflict of interest, and shall not be present when any such vote is taken.

4. CONFLICTS OF INTEREST

- a. Identifying a Potential Conflict.** A Covered Person may have a conflict of interest with respect to a transaction or arrangement involving WBENC whenever he or she, or any of his or her family members:
- (i) **Compensation.** Receives compensation directly or indirectly from WBENC and the transaction or arrangement involves such compensation (e.g., a WBENC employee has a conflict of interest with respect to the determination of his or her own compensation). Compensation for purposes of this Policy includes direct and indirect remuneration, as well as gifts or favors that are substantial in nature;
 - (ii) **Financial Interest.** Has or anticipates having any financial interest, including an ownership interest, investment interest, or compensation arrangement, in or with any entity or individual that (i) sells goods or services to, or purchases services from, WBENC; or (ii) has any other transaction or arrangement with WBENC (e.g., an WBENC director who owns stock in a corporation that sells goods or services to WBENC may have a conflict of interest with regard to such sales transactions); or
 - (iii) **Management Role.** Serves or anticipates serving as a director, trustee or officer of, any entity or individual that either: (i) sells goods or services to, or purchases services from, WBENC; or (ii) has any other transaction or arrangement with WBENC; or
 - (iv) **Positions with Grant Applicants.** Has or anticipates serving as a director, trustee, or officer of any entity that receives or seeks grant funding from WBENC (a “Grant Applicant”); or
 - (v) **Financial Relationships with Grant Applicants.** Has or anticipates having any financial relationship, including as an employee or a paid consultant, to a Grant Applicant.
- 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 WBENC 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:
- (i) Existing at the time when he/she becomes a Covered Person;
 - (ii) That arises while he/she is a Covered Person, at the time such actual or potential conflict arises; and
 - (iii) Annually through the annual Conflict of Interest Questionnaire attached hereto, as such questionnaire may be modified from time to time by WBENC.

All disclosures shall be initially made to the President (who shall disclose his or her conflicts to the Executive Committee). A Covered Person who is in doubt as to the existence of a conflict of interest is encouraged to disclose all facts pertaining to the transaction or arrangement before undertaking the transaction or arrangement or making any decision in the matter.

b. Evaluation.

- (i) The President shall promptly report to the Executive Committee all conflicts of interest disclosed to him or her under this Policy. The Executive Committee will evaluate the disclosures and the material facts relating to the transaction or arrangement giving rise to the potential conflict of interest to determine whether they involve actual conflicts of interest and may attempt to develop alternatives to remove the conflict from the transaction or arrangement. The Executive Committee may, if appropriate, appoint a disinterested person or subcommittee to investigate alternatives to the proposed transaction or arrangement.
- (ii) A Covered Person who has an actual or potential conflict of interest shall not be present for or shall leave any portion of a meeting at which the Executive Committee is voting to determine whether a conflict exists, but may be present prior to the vote to make a presentation to disclose additional facts, or to respond to questions.
- (iii) In any case in which a Covered Person has a position as a director, trustee or officer of a Grant Applicant, the Executive Committee shall not be required to evaluate whether there is an actual or potential conflict of interest. The Covered Person who serves in such position shall not be present for and shall not participate (other than to answer questions raised by the disinterested directors or committee members) in any portion of a meeting of the Board of Directors, Executive Committee, or a committee appointed by the Board at which a grant to, or any other action concerning the Grant Applicant, is considered. This provision is intended to avoid conflicts in fiduciary obligations of the Covered Person owed to the Grant Applicant and to avoid any appearance of impropriety.

6. PROCEDURES FOR ACTING ON CONFLICT OF INTEREST TRANSACTIONS

a. Formal Approval. WBENC 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 on the Board of Directors or Executive Committee, as applicable, who have no interest in the transaction or arrangement approve the transaction or arrangement at a meeting after determining, in good faith and after reasonable investigation, that the transaction or arrangement is fair and reasonable to WBENC and is in WBENC'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) In any arrangement or transaction involving compensation, remuneration or other economic or financial benefit to the Covered Person, the Board of Directors or Executive Committee, as applicable, 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 WBENC.

- b. Transaction Fair to WBENC.** 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 WBENC, furthers its tax-exempt purposes, and does not result in private 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 Executive Committee 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;
 - (ii) the nature of the conflict of interest;
 - (iii) any action taken to determine whether a conflict of interest was present;
 - (iv) the Executive Committee's decision as to whether a conflict of interest in fact existed;
 - (v) The names of the persons who were present for discussions and votes relating to the transaction or arrangement;
 - (vi) the content of the discussion, including any alternatives to the proposed transaction or arrangement considered and any comparability data relied upon; and
 - (vii) a record of any votes taken in connection with the issue, transaction or arrangement.
- 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 Executive Committee, as applicable, or sixty (60) days after the final action on the matter is taken by the Board of Directors or Executive 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 or Executive Committee has reasonable cause to believe that a Covered Person has failed to comply with this Policy, the Board or Executive Committee may counsel the Covered Person regarding such failure and, if the issue is not resolved to the Board's or Executive Committee's satisfaction, may consider additional corrective action as appropriate.

WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL

ANNUAL CONFLICT OF INTEREST AND FORM 990 QUESTIONNAIRE

This Questionnaire solicits information required by Women's Business Enterprise National Council ("WBENC") in connection with its Conflict of Interest Policy and Form 990 filed annually with the IRS.

This Questionnaire is to be completed annually by all directors, officers, members of committees of the Board of Directors authorized to act on behalf of the Board, executive employees, key employees, and other employees identified by the Executive Committee or the President as exercising substantial influence over the operations of WBENC.

Please answer the questions *to the best of your knowledge*. Attach additional sheets if necessary.

NAME AND BACKGROUND INFORMATION

Name: _____

Telephone Number: _____

E-mail Address: _____

Employer/WBENC Member Organization: _____

Position with WBENC in 2013: _____
(i.e., director, officer (provide title), employee, etc. - list all that apply)

POTENTIAL CONFLICTS OF INTEREST

The following questions request information regarding relationships, investments, and transactions that may lead to a conflict of interest (or the appearance of a conflict of interest) with respect to WBENC. Note that the disclosure of such relationships, investments, and transactions may not result in a finding of an actual conflict of interest or prohibit a transaction that involves a conflict of interest, but will enable the Board of Directors and/or Executive Committee to appropriately evaluate potential and actual conflicts pursuant to WBENC's Conflict of Interest Policy.

- Investments.** Identify any investment¹ or other interest that you or a member of your family has in any organization (e.g., corporation or partnership) that has engaged or is likely to engage in a transaction with WBENC (e.g., loan, lease, license, sale of goods or services):

/ / None

¹ "Investment" for purposes of this disclosure does not include securities of a publicly traded company if: (a) such securities are less than 5% of the outstanding securities of the publicly traded company, and (b) the fair market value of such securities is less than 5% of the owner's annual gross income.

2. **Director or Other Services.** Identify any services that you or a member of your family provides as a director, partner, principal, manager, employee or consultant to any organization that has engaged or is likely to engage in a transaction with WBENC (e.g., loan, lease, license, sale of goods or services):

// None

3. **Positions in Grant Applicants.** Identify any position that you or a member of your immediate family holds as a director, trustee or officer of any organization that currently receives or seeks, or is anticipated to receive or seek, grant funding from WBENC:

// None

4. **Financial Relationship with Grant Applicants.** Identify any financial relationship, including as an employee or a paid consultant, that you or a member of your immediate family has with any organization that currently receives or seeks, or is anticipated to receive or seek, grant funding from WBENC:

// None

5. **Other.** Identify any 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 WBENC's business for personal profit or advantage.

// None

POTENTIAL FORM 990 DISCLOSURES

WBENC must disclose on its Form 990 (the annual information return filed by WBENC with the IRS) certain: (i) business and family relationships among WBENC's directors, officers, and key employees that existed during

the most recently completed fiscal year; and (ii) certain direct and indirect transactions between WBENC and any of its directors, officers, and key employees that occurred during the most recently completed fiscal year. Note that your responses to the questions below may not result in an actual disclosure on the Form 990, but will enable WBENC to comply with its obligation to assess whether any such disclosure is required.

1. **Business Relationships Among Current Directors, Officers, and Key Employees.** Describe any business relationship that you had at any time during the 2013 calendar year with another current director, officer, or key employee of WBENC listed on Exhibit A.

For purposes of this disclosure, “business relationship” includes the following:²

- a. One person was employed by the other, either directly/through a sole proprietorship or by an organization with which the other person was associated as a trustee, director, officer, or greater-than-35% owner* (even if the employing organization is tax-exempt).
- b. One person was transacting business with the other, directly or indirectly, in one or more contracts of sale, leases, licenses, loans, performance of services, or other transactions involving transfers of cash or property valued in excess of \$10,000. (*Indirect* transactions are transactions that involved an organization with which one person was associated as a trustee, director, officer, or greater-than-35% owner.*)

Reportable transactions do not include (i) charitable contributions or grants to tax-exempt organizations; or (ii) transactions that occurred in the ordinary course of either party’s business on the same terms as were generally offered to the public (e.g., the purchase of a car from a dealership owned by a current director).

- c. Each of the persons was a director, trustee, officer, or greater-than-10% owner* in the same business or investment entity (but not in the same tax-exempt organization).

* *Ownership, for purposes of this question, is generally measured by stock ownership of a corporation, profits interest or capital interest in a partnership or LLC, membership interest in a nonprofit organization, or beneficial interest in a trust. Ownership includes indirect ownership (e.g., you own 50% of an entity that has a 50% ownership interest in an entity that was transacting business with a company owned 50% by another director of WBENC).*

/ / None

2. **Family Relationships Among Current Directors, Officers, and Key Employees.** Describe any family relationship* that you had any at time during the 2013 calendar year with another current director, officer, or key employee of WBENC listed on Exhibit A.

* *For purposes of this disclosure, “family relationships” include spouses, ancestors, brothers or sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great-grandchildren, or spouses of brothers, sisters, children, grandchildren, or great-grandchildren.*

² For purposes of this question, do NOT report the following transactions and relationships: (a) attorney-client relationships; (b) physician/psychologist-patient relationships; and (c) priest/clergy-penitent/communicant relationships.

// None

3. Business Transactions with WBENC. Describe any business transaction(s) (i.e., contracts of sale, leases, licenses, insurance, or performance of services) that you or a “person or organization related to you” (see below) had with WBENC for which payments were made during 2013, regardless of when the transaction was initiated.

For purposes of this disclosure, “persons or organizations related to you” include the following:

- a. Any of your family members, or an entity (other than another 501(c)(3) organization or governmental unit) more than 35% owned or controlled, directly or indirectly, by you and/or your family members.
- b. An entity (other than a tax-exempt organization or governmental unit) with respect to which you or any of your family members were serving at the time of the transaction as a director, officer, or trustee.
- c. A partnership or professional corporation in which you and/or or any of your family members was a 5% owner.

For purposes of this disclosure, “family members” has the same meaning as “family relationships” described in #2, and “owned” has substantially the same meaning as “ownership” described in #1.

// None

4. Grants or Assistance from WBENC. Describe any grant (e.g., scholarship, prize, or award) or other assistance (e.g., goods, services, or provision of facilities) provided by WBENC during the 2013 calendar year to you, any of your family members, or any entity more than 35% owned, directly or indirectly, by you and/or your family members.

For purposes of this disclosure, “family members” has the same meaning as “family relationships” described in #2, and “owned” has substantially the same meaning as “ownership” described in #1.

// None

ACKNOWLEDGMENT AND SIGNATURE

To the best of my knowledge and belief, the above information is true and accurate. I have received a copy of WBENC's Conflict of Interest Policy, which I have read and understand, and I hereby agree to comply with it.

By: _____

Print Name: _____

Date: _____

RETURN THIS COMPLETED QUESTIONNAIRE TO:

havery@wbenc.org

Or:

Pamela Prince-Eason

President and CEO

WBENC

1120 Connecticut Avenue, Suite 1000

Washington, DC 20036

Or fax: 202-872-5505

If you have any questions regarding this form, please contact:

Pamela Prince-Easton, President & CEO: 202-872-5516

Lynn Quinn, COO: 202-872-5517

EXHIBIT A
Current Officers, Directors, and Key Employees

Below is a list of the current officers, directors, and **key employees** of WBENC. Note that current officers, directors and **key employees** include any one who served in such capacity at any time from January 1, 2013 through December 31, 2013.

Name	Title (Officer, Director and/or Key Employee)
Directors and Officers:	
Pamela Prince-Eason	President & CEO
Key Employees:	