

## RESOLUTION

### STARLIGHT CHILDREN'S FOUNDATION OF WASHINGTON (the "Corporation")

#### BOARD OF DIRECTORS AND CHAPTER

#### CONFLICT OF INTEREST POLICY

WHEREAS, directors, officers, and employees of the Corporation must act in the best interest of the Corporation.

NOW, THEREFORE, BE IT RESOLVED that the following is approved by the Board of Directors of the Corporation, and shall be referred to as the "Conflict of Interest Policy."

#### **Directors and Officers**

**Fiduciary Obligation.** Each Director or Officer of Starlight Children's Foundation of Washington (the "Corporation") has a fiduciary obligation to the Corporation and owes the Corporation a duty to act in good faith and to loyally serve its interests. This fiduciary obligation includes, but is not limited to, the duties required of employees as set forth below.

**Disclosure and Abstention.** A Director or Officer shall disclose any actual or possible conflict of interest to the Board of Directors when the conflict of interest involves a matter before the Board of Directors. Any Director having a conflict of interest shall not vote or use personal influence on the related matter. The minutes of the meeting shall reflect that a disclosure was made and that the Director abstained from voting. The foregoing requirements shall not be construed as preventing the Director from briefly stating a position on the matter nor from answering pertinent questions of other Directors.

## Employees

**Financial Interests.** Employees and their immediate family members must avoid any situation in which their personal financial interest would be in direct conflict with their responsibilities to the Corporation. Some examples of financial interests are:

An employee seeking employment for an immediate family member with the Corporation;

An employee seeking a consulting agreement for an immediate family member with the Corporation; or

An employee or his or her immediate family member selling goods or services to the Corporation.

A good rule of thumb for determining if personal financial interests might create a conflict of interest is to think in terms of how that financial interest might affect the employee's decisions made on behalf of the Corporation, or how decisions of the Corporation might affect the value of the employee's financial interest.

**Corporation Assets.** Employees may not use Corporate assets to provide personal gain. Corporate assets may not be given away or sold without the approval of management authorized to make that decision. If the Corporation chooses to transfer an asset to an employee or their immediate family member, a receipt or bill of sale must support the transfer. An employee never has the sole authority to transfer a Corporate asset to himself or herself, or to a family member or any other person or entity with which the employee has a relationship.

**Disclosure.** Employees should direct conflict of interest disclosures and questions to the Executive Director.

**Board of Director Discretion.** The Corporation recognizes there may be times in which a conflict of interest situation is both fair to, and desired by, the Corporation. However, no situation involving a conflict of interest may occur without prior approval from the Board of Directors.

Approved: Dec. 11, 2006

I have received and have read this Conflict of Interest Policy:

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Signature

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Date