

EXHIBIT A

CITY OF ROYAL CITY

CONFLICT OF INTEREST POLICY

Section 1. Statement of Purpose. The citizens and businesses of the City of Royal City are entitled to have fair, ethical, and accountable local government which earns the public's full confidence for integrity. To this end, the Royal City City Council has adopted this Conflict of Interest Policy for city officials and employees to assure public confidence in the integrity of local government and its effective and fair operation.

Section 2. Definitions. The following words, terms, and phrases, when used in this policy, shall have the meanings subscribed to them in this section.

Business. A corporation, partnership, sole proprietorship, limited liability company, firm, holding company, joint stock company, receivership, trust, or any other for profit or non-profit entity.

City Council. The legislative and governing body of the city consisting of the mayor and city council members.

City Official. Any member of the city council, the mayor, and any appointed member of a board, commission or committee set up by ordinance, state law or otherwise, on a temporary or permanent basis, the City Clerk, and the Finance Director.

Employee. Any person employed by the city, including those individuals on a part-time basis, including independent contractors hired by the city for repetitive performance of services, but not independent contractors engaged for occasional services.

Section 3. Act in the Public Interest. Recognizing that stewardship of the public interest must be their primary concern, city officials and employees will work for the common good of the people of Royal City and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims, and transactions coming before the Royal City City Council, boards, commissions, and committees.

Section 4. Comply with the Law. City officials and employees shall comply with the laws of the nation, the State of Washington, and the City of Royal City in the performance of their public duties. These laws include but are not limited to: the United States and Washington constitutions; laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government; and City ordinances and policies.

Section 5. Conflicts of Interest and Disclosure. City officials and employees shall familiarize themselves and abide by the following conflicts of interest and disclosure statutes and principles:

(a) Chapter 42.23 RCW, which requires council members and certain officers to disclose a beneficial interest in any contract made by, through, or under the supervision of such officer, in whole or in part, or which may be made for the benefit of his or her office, or accept, directly or indirectly, and compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein. Further, any such member shall abstain from participation in discussion and voting

on the matters and that member shall remove themselves from the meeting area to ensure their presence does not hinder the free and open discussion of the item or influence the vote.

(b) Chapter 42.23 RCW, which prohibits council members and certain officers from using his or her position to secure special privileges or exemptions for himself, herself, or others; from accepting or receiving any compensation, gift, reward, or gratuity from a source except the employing municipality, for a matter connected with or related to the officer's services; from accepting employment or engaging in business or professional activity that the officer might reasonably expect would require or induce him or her by reason of his or her official position to disclose confidential information acquired by reason of his or her official position; and from disclosing confidential information gained by reason of the officer's position, or using such information for his or her personal gain.

(c) City employees shall disclose potential conflicts of interest to their supervisor and avoid participation in the handling of matters wherein employee have a personal interest.

Section 6. Compliance. City officials and employees themselves have the primary responsibility to assure that the standards provided for in this policy are understood and met. The City Council may impose sanctions, such as reprimand and formal censure, on city officials whose conduct does not comply with this policy.