

**UNIVERSITY OF VIRGINIA INVESTMENT MANAGEMENT COMPANY  
CONFLICT OF INTEREST POLICY – SEPTEMBER 17, 2009**

---

As provided in its Articles of Incorporation, the University of Virginia Investment Management Company (“UVIMCO”) shall be operated solely to provide investment and investment management related services to the University of Virginia and its supporting foundations and organizations (collectively, the “supported organizations”). Members of the Board of Directors and employees of UVIMCO are expected to discharge their duties at all times in good faith, with due care, and in the best interest of UVIMCO and for the benefit of the supported organizations, without conflicts of interest and avoiding any appearance of impropriety. Each board member and employee of UVIMCO is also expected to discharge his or her duties at all times in conformity with the Policy on University-Related Foundations, a copy of which is available at <http://www.virginia.edu/foundations/policy.html>.

**General Provisions**

***Requirement for Disclosure and Approval of Certain Activities Involving Personal Financial Interests.*** No board member or employee of UVIMCO may participate in or attempt to influence UVIMCO business transactions, decisions or other action in which such board member or employee or any family member has knowledge of an actual or potential financial interest, direct or indirect, unless such financial interest has been adequately disclosed as set forth in this Policy, and such person’s participation has been approved by the appropriate authority (defined below), as set forth in this Policy. “Family member” is defined as a spouse, domestic partner, or dependent parent, sibling, child or other person living in the same household as the board member or employee. “Dependent” is defined as a person, whether or not related by blood or marriage, who receives from the board member or employee, or provides to the board member or employee, more than one-half of his or her financial support. “Indirect” financial interests include investments or accounts over which the person has investment discretion or influence.

With respect to approvals related to any board member or the chief executive officer (the “Chief Executive”), the disinterested members of the UVIMCO Audit Committee shall be the appropriate authority. With respect to approvals related to any employee other than the Chief Executive, the Chief Executive shall be the appropriate authority.

***Prompt Disclosure.*** Employees shall promptly disclose any potentially conflicting direct or indirect actual or potential financial interests to the Chief Executive or to UVIMCO’s general counsel (the “General Counsel”) as the Chief Executive may direct. Board members and the Chief Executive shall promptly disclose any potentially conflicting direct or indirect actual or potential financial interests with respect to a Board member or the Chief Executive to the Chair of the Audit Committee of the UVIMCO

Board. This Policy is intended to incorporate disclosure and common sense as best practices regarding potential conflict of interest issues.

***Prohibition of Investments Where Board Member, Employee or Family Member Has Ownership or Management Interest.*** A significant portion of UVIMCO's investment program involves investments in managed accounts, limited partnerships and other collective investment vehicles, including equity, fixed income, hedge, venture capital, corporate finance, distressed opportunity, real estate and other funds. UVIMCO shall not be permitted to make an investment in an account or collective fund, except for an open-end mutual fund or exchange-traded fund, in which a board member, employee or family member is involved as a manager, general partner, owner or other significant participant in the ownership or management of the sponsor. (It is expected that the cases in which a UVIMCO employee would be in such a position shall be limited, as the terms of employment by UVIMCO generally require employees to surrender active roles in other businesses.)

***Action Taken and Recorded.*** In all cases, a record will be made of the disclosure, consideration and resolution of any personal financial interest, including the participation, recusal, action or inaction by the individual involved.

***Maintenance of Confidentiality.*** Board members and employees of UVIMCO shall maintain in confidence and not disclose to third parties confidential or other non-public information of UVIMCO or the supported organizations, except as necessary or desirable in the conduct of UVIMCO's business and then only to the extent consistent with any applicable undertaking on confidentiality made by UVIMCO to the relevant supported organization. Board members and employees shall not use any such information for personal gain.

***Compliance with Federal and State Law.*** In the course of their duties for UVIMCO, board members and employees shall comply with, and cause UVIMCO to comply with, all applicable federal and state law, including without limitation the prohibition under the federal securities laws on trading securities on the basis of certain material nonpublic information (insider trading). An employee shall immediately notify the Chief Executive or the General Counsel if he or she believes that he or she has come into possession of material nonpublic information or confidential third-party information concerning an issuer or a security. Board members shall not disclose material nonpublic information or confidential information they may otherwise possess (from sources other than UVIMCO) to UVIMCO employees.

### **Provisions Applicable to Personal Securities Transactions by Employees**

***Compliance with Law; Requirement to "Ask First."*** An employee's duty to comply with law in all endeavors at or on behalf of UVIMCO shall extend to all personal securities trading by the employee or any family member, or on behalf of any account over which the employee or family member has investment discretion or influence ("personal securities trading"). In the event that the employee has any question as to

whether he or she possesses material nonpublic information or otherwise as to any legal requirement or requirement of this Policy, the employee shall promptly raise the matter with the Chief Executive or the General Counsel before taking further action.

***Restricted List; Internal List.*** The General Counsel shall be responsible for maintaining a restricted list of securities as to which UVIMCO may possess material nonpublic information or confidential third-party information, or as to which trading may be restricted by contract, e.g., a lock-up agreement (the “Restricted List”). The General Counsel shall also maintain a list (the “Internal List”) of all securities managed, or proposed to be managed, by UVIMCO’s staff (“Internally-Traded Securities”). The Restricted List will include Internally-Traded Securities in which UVIMCO may possess material nonpublic information or confidential third-party information, or as to which UVIMCO has contractual trading restrictions.

No employee shall trade in any security on the Restricted List on behalf of UVIMCO or for a personal account.

No personal securities trading may be made in any Internally-Held Securities without the employee first seeking and obtaining written permission from the General Counsel (or in the General Counsel’s absence, the Chief Executive). Permission will not be granted if (i) the relevant Internally-Held Securities are on the Restricted List, (ii) UVIMCO has a current intention to trade in the security, or (iii) in the judgment of the Chief Executive, it is not in UVIMCO’s best interests to permit personal trading in the circumstances (for example, if the personal trading would be in the opposite direction of UVIMCO’s internal holdings (e.g., the sale of a stock held long) or otherwise may create an appearance of impropriety). If granted, such permission shall be valid for no longer than the current trading day and the trading day immediately thereafter. All such permissions shall be in writing and shall be retained in accordance with UVIMCO’s record retention schedules.

As an alternative or additional means of preventing misuse of any material nonpublic information, UVIMCO may, under appropriate circumstances, employ information-blocking procedures to prevent transmission of the fact and nature of any such information within UVIMCO.

***Personal Securities Trading as a Privilege; Sanctions for Violation.*** An employee’s ability to engage in personal securities transactions is considered a privilege, which may be suspended or revoked at any time by UVIMCO for any violation of the intent of the provisions in this Policy. Violation by an employee of this Policy may result not only in suspension or revocation of this privilege, but also in required disposition of securities positions, surrender of securities positions to UVIMCO, surrender of any associated profit, payment to UVIMCO of any other measure of loss to UVIMCO and the supported institutions and/or gain to the individual, donation of proceeds, or termination of employment.

**Limited Activity.** Personal securities trading by employees is permitted by UVIMCO only on an incidental basis during normal hours of employment and should not interfere with their job duties. Thus, for example, “day trading” is not permitted.

**Prohibition on Certain Personal Trading.** The general provisions of this Policy require that UVIMCO employees and their family members refrain from using UVIMCO non-public information for personal gain. UVIMCO non-public information includes information concerning securities transactions and potential securities transactions by UVIMCO, as well as information concerning vendors, suppliers or other business counterparties of UVIMCO and the supported organizations. Accordingly, “front running” securities transactions by UVIMCO employees – *i.e.*, personally trading a security or a derivative shortly in advance of an anticipated transaction by UVIMCO -- is strictly prohibited.

In addition, UVIMCO employees and their family members shall refrain from personal transactions in the securities of publicly traded business counterparties during the course of negotiations or other active business dealings.

Finally, UVIMCO employees and their family members may not directly or indirectly engage in derivatives transactions (such as options or shorts) with respect to Internally-Traded Securities.

**Investment Partnerships and Similar Vehicles.** An employee’s or family member’s investment in any fund (other than a public open-end mutual fund or exchange-traded fund) is prohibited unless the employee receives prior approval of the Chief Executive or, where the Chief Executive is the proposed investor, the disinterested members of the Audit Committee of the UVIMCO Board. This includes passive participation in investment clubs. Any approval or non-approval will be based on a number of factors, including the likelihood of any investment by UVIMCO in the vehicle, the potential for conflict between individual and institutional investment goals and timing, the structure of the vehicle, any appearance that the employee has engaged in “free riding” in getting into the fund (*i.e.*, the investment opportunity would not have been available to the individual but for UVIMCO’s investment), and the structure and plan of operations of the vehicle (*e.g.*, as a fund of funds as opposed to a fund directly making investments).

**Investment in IPOs.** Employees and their family members are not authorized to invest in initial public offerings.

**Personal Transaction Reporting.** In order to facilitate UVIMCO’s monitoring of compliance with this Policy, commencing January 1, 2010, each employee shall cause UVIMCO to receive copies of all brokerage and other account statements reflecting all direct or indirect personal securities trading, including equities, corporate debt, derivatives, closed-end funds, and exchange-traded funds. However, the foregoing disclosure requirements shall not apply to transactions in public open-end mutual funds, foreign exchange transactions, Treasury securities, and municipal and government bonds.

Prior to January 1, 2010, employees may satisfy this paragraph by reporting all relevant trading in accordance with the procedures set forth in the preceding (September 18, 2008) version of this Policy.

Account statements shall include listings of investment fund and private company investments, as well as transactions for the benefit of family members or accounts as to which the employee has an economic interest (such as, for example, approved investment clubs) or investment discretion or influence.

All account statements will be reviewed by the General Counsel to confirm compliance with this Policy, and they will be kept confidential by the General Counsel and the Chief Executive except to the extent that they are required to be disclosed by law, regulation or court order, or in connection with disciplinary or legal proceedings. All such statements shall be disposed of in accordance with UVIMCO's record retention schedules.

Employees will be asked annually to certify to their best knowledge after due inquiry, as to the completeness of account statements submitted to UVIMCO pursuant to this Policy, and to such other matters as the Chief Executive may determine appropriate.

#### **Provisions Applicable to Personal Securities Transactions by Directors**

UVIMCO selects many of its board members because of their professional expertise in the investment industry. Such expertise is necessary to understand UVIMCO investment matters and to oversee the UVIMCO portfolio. In the routine course of their daily business, those working in the investment industry and their organizations will be privy to information about investments and managers in which UVIMCO may invest. This Policy is not intended to regulate such routine contacts and relationships, which are expected and acknowledged by UVIMCO as an inevitable part of such board members' work. The Policy also does not apply to any investment made or directed by a board member in the course of that member's employment or as a director of or otherwise in service of another institutional investor in which that board member or family member is not a controlling shareholder. However, in addition to the "General Provisions" set out above entitled "Maintenance of Confidentiality" and "Compliance with Federal and State Law," a board member shall comply with the "Restricted List; Internal List" requirements set out under "Provisions Applicable to Personal Securities Transactions by Employees" above in the event that the board member has received material non-public or confidential information from UVIMCO relating to any security that is then identified on the Restricted List or the Internal List.

***Investment Partnerships and Similar Vehicles.*** In light of UVIMCO's investment program and the role of the UVIMCO board members in overseeing that program, it is anticipated that potential conflicts may arise in connection with limited partnerships and other collective investment vehicles in which a board member or family member has an interest. As set forth under "General Provisions" above, UVIMCO is not permitted to invest in a fund where the interest of a board member or family member is as

a significant participant in the fund sponsor. This prohibition does not extend to a board member's or family member's investment in public open-end mutual funds or exchange-traded funds. Other personal financial interests can take a variety of forms, including, but not limited to, the following:

- The board member's desire to personally invest side-by-side in a fund being considered by UVIMCO;
- The board member's pre-existing investment in a fund being considered by UVIMCO;
- The board member's ownership or participation in a broker, property management firm, or other service provider with respect to a UVIMCO transaction.

Pursuant to this Policy, a board member's or family member's personal financial interest of this or any other sort (other than a public open-end mutual fund or exchange-traded fund) requires disclosure by the board member to the Chair of the Audit Committee, and review by the disinterested members of the Audit Committee. A board member's or family member's participation in or attempt to influence any UVIMCO business transaction, decision or other action by reason of a personal financial interest must be approved in advance by the disinterested members of the Audit Committee.

***Audit Committee Review of Personal Financial Interests.*** In their review of personal financial interests of board members and their family members, the disinterested members of the Audit Committee shall review all material facts, which may include a discussion with the affected board member. Audit Committee members may consider, among other factors, the degree of the proposed involvement of the board member in the particular fund or other arrangement, whether that involvement predated the board member's service on the UVIMCO Board, whether the terms for investment by UVIMCO in the opportunity are market-driven or otherwise subject to arm's-length negotiation, and whether the board member first learned of and pursued the opportunity independently of UVIMCO. No one factor will necessarily be determinative.

If a situation involves a financial transaction or arrangement with UVIMCO in which a board member or family member has a personal financial interest, the Audit Committee shall determine, after conducting a reasonable investigation under the circumstances, whether UVIMCO could obtain a more advantageous arrangement or transaction with reasonable efforts from a person or entity that would not give rise to a conflict of interest (or the appearance of a conflict). If a more advantageous arrangement or transaction is not reasonably possible under circumstances that do not produce a conflict of interest (or the appearance of a conflict), then the Audit Committee shall determine by vote of the disinterested members whether the transaction or arrangement is in UVIMCO's best interest, for its own benefit and is fair and reasonable to UVIMCO. The Audit Committee's decision as to whether to enter into the transaction or arrangement shall be made in conformity with that determination.

The interested board member shall abide by the decision of the disinterested Audit Committee members. In appropriate cases, the disinterested Audit Committee members may determine that the interested board member must “stand aside” and refrain from making a particular investment. Such a decision can be based on the substance or potential appearance of the particular conflicting interest.

### **Temporary Staff and Consultants**

Temporary UVIMCO staff, such as interns, and any consultants who may be retained by UVIMCO from time to time to provide investment-related services, shall be considered “employees” for all purposes hereunder, and the contract with any such consultant shall so provide. However, the Chief Executive or the General Counsel may allow temporary staff to satisfy the “Personal Trading Requirements” under “General Provisions,” above, by delivering photocopies of brokerage and other account statements together with certification as to their completeness and accuracy.

All other UVIMCO consultants who may have access to material non-public or confidential information at UVIMCO will be subject to the obligations set out in the “General Provisions” under the headings “Maintenance of Confidentiality” and “Compliance with Federal and State Law,” and their contracts shall so provide. In addition, any such consultant who often works on-site shall also comply with the “Personal Trading Requirements” set out under “General Provisions,” above, but the Chief Executive or the General Counsel may permit him or her to satisfy this obligation by delivering photocopies of brokerage and other account statements together with certification as to their completeness and accuracy.

### **Annual Certification**

This Policy shall be distributed to new board members and employees in connection with their appointment to the UVIMCO Board or staff. On an annual basis, each board member and the Chief Executive shall certify to the Chair of the Audit Committee, and each other employee shall certify to the Chief Executive (or the General Counsel as the Chief Executive may delegate) that he or she has read and understands the Policy and has complied with it. The Chief Executive (or the General Counsel as the Chief Executive may delegate) shall be responsible for dissemination of this Policy to employees and board members, the completion of the annual certifications by employees and board members, reporting any employee non-compliance to the Chair of the Audit Committee, and otherwise periodically reporting on the operation of the Policy and decisions made as required by the Policy with regard to employees. Board members and the Chief Executive shall report any conflicts to the Chair of the Audit Committee, and the Chair of the Audit Committee shall periodically report on the operation of the Policy and decisions made as required by the Policy with regard to board members and the Chief Executive.

## **Summary**

No written statement of policy can address every possible situation. Therefore, a spirit of total integrity should be read into this Policy and all questions be resolved on the side of avoiding any potential illegality or embarrassment to UVIMCO. If there is any question concerning whether a contemplated action would violate this Policy or applicable law, the interested person should contact the Chief Executive or the General Counsel before taking action.

Revised September 17, 2009