Conflict of interest

This policy applies to trustees, managers, officers, employees, and, to the extent determined by the CEO, consultants and agents (each, referred to as “Covered Individual”) of Luminate.

Please note that this policy is general in nature and cannot specifically identify every conflict that may arise. Thus, it should not be assumed that situations not described herein are exempt from the policy or otherwise permitted. Furthermore, federal, state, local and foreign laws may impose additional obligations or restrictions, and Covered Individuals are expected to comply fully with applicable law in addition to this policy.

When new conflict situations arise or there is uncertainty regarding interpretation or application of this Policy or applicable law, Luminate’s legal department should be consulted for further guidance.
Definition and examples
A conflict of interest arises when there is an actual or potential conflict between the interests of Luminate and the interests of a Covered Individual. Conflicts can take many shapes and forms, including: financial conflicts (such as personal investments in an Luminate portfolio company), non-financial conflicts (such as time commitments or legal constraints), indirect conflicts (such as conflicts where benefits flow to a Covered Individual’s family members or someone with whom the Covered Individual has a personal or business relationship, such as a domestic partner, business partner, or friend) and apparent conflicts (where third parties may perceive that a conflict exists).

Here are some more examples of conflict situations:
• you speak at a personal event wearing Luminate apparel and distributing Luminate business cards.
• you receive gifts that have more than a nominal value (generally $50 or less) from a current or prospective portfolio company;
• you serve on the board of directors of a non-portfolio company which is directly involved in activities in an Luminate investment area;
• you participate in discussions regarding the hiring by Luminate of a family member or an individual with whom you have a personal or business relationship;
• you serve on the board of directors of a portfolio company and make decisions on behalf of Luminate as a stockholder or grantor;
• you serve on the board of directors of a non-portfolio company which is directly involved in activities in an Luminate investment area;
• you participate in discussions regarding the hiring by Luminate of a family member or an individual with whom you have a personal or business relationship;
• you receive gifts that have more than a nominal value (generally $50 or less) from a current or prospective portfolio company;
• you speak at a personal event wearing Luminate apparel and distributing Luminate business cards.

Conflict reporting and resolution
The Luminate Legal Officer is the individual designated to resolve conflicts of interest. The Director of People Operations will assist the Legal Officer as appropriate.

Upon commencement of service, the legal department will circulate a conflict of interest disclosure statement to all Covered Individuals. Each Covered Individual is required to complete such disclosure statement to the best of his or her knowledge and will be required to update such disclosure statement in the event of changes to any responses. The legal department will collect and review all such disclosure statements.

Notwithstanding the disclosure statement, conflicts should be reported as soon as possible to the legal department, which, in consultation with the Head of People Operations, will advise you of any further actions required. If you are uncertain whether a conflict exists, or disclosure is required, you should consult with the Head of People Operations or the legal department.

Some conflicts may only require disclosure, while other conflicts may require approval or other actions. Factors to be evaluated when considering conflicts may include, but are not limited to:
• relative size of financial or other benefits,
• length of pre-existing relationship or ownership,
• degrees of separation if indirect benefit,
• public exposure of conflict, and
• the position and authority of the Covered Individual

Specific conflicts
Relationship with portfolio company
Any relationship with a current or prospective Luminate portfolio company should be disclosed to the legal department and the applicable investment lead. Relationships should be disclosed whether direct (involving the Covered Individual) or indirect (involving a member of the Covered Individual’s family or someone with whom the Covered Individual has a personal or business relationship). Examples of relationships that should be disclosed include:
• stock ownership;
• prior employment;
• serving as a current or past board member.

In addition, the Covered Individual should disclose if he or she is subject to confidentiality obligations to such portfolio company.

Upon disclosure, the Legal Officer shall notify such Covered Individual whether he or she may participate, in part or in full, in discussions regarding the portfolio company. Regardless of participation, such Covered Individual should abstain from making any decisions on behalf of Luminate regarding such portfolio company, including new grants or investments, grant renewals, follow-on investments or other decisions. Similarly, the Covered Individual should, unless otherwise advised by the Legal Officer or legal counsel, abstain from making decisions on behalf of such portfolio company regarding Luminate.

In addition, termination of the Covered Individual’s relationship with the portfolio company, divestment of stock ownership or other actions may also be recommended or required to minimize the outside perception of a conflict of interest.
Employment, consulting, volunteering and matching gifts for portfolio companies are also subject to the guidelines below regarding those specific types of conflicts.

Co-Investment/grant
Except as provided in this section, Co-Investments or grants by a Covered Individual, a member of the Covered Individual’s family or someone with whom the Covered Individual has a personal or business relationship, to a current or prospective Luminate portfolio company should be disclosed to the legal department and the applicable investment lead, and are subject to prior written approval.

If approval is granted, such Covered Individual should abstain from making any further decisions on behalf of Luminate regarding such portfolio company, including new grants or investments, grant renewals, follow-on investments or other decisions.

Notwithstanding the foregoing, donations up to $10,000 per year to a current or prospective Luminate portfolio company are permitted without disclosure or approval.

Relationship with vendor
Any relationship with a current or prospective Luminate vendor should be disclosed to the legal department and the department head involved in engaging such vendor. Relationships should be disclosed whether direct (involving the Covered Individual) or indirect (involving a member of the Covered Individual’s family or someone with whom the Covered Individual has a personal or business relationship). Examples of relationships that should be disclosed include ownership, management and referral fees.

In addition, the Covered Individual should disclose if he or she is subject to confidentiality obligations to such vendor.

Upon disclosure, the Legal Officer shall notify such Covered Individual whether he or she may participate, in part or in full, in discussions regarding the vendor. Regardless of participation, such Covered Individual should abstain from making any decisions on behalf of Luminate regarding such vendor, including decisions to engage or terminate such vendor. Similarly, the Covered Individual should ensure that his or her relationship with Luminate is fully disclosed to the vendor, and, when advised by the Legal Officer or legal counsel, abstain from making decisions on behalf of such vendor regarding Luminate.

In addition, termination of the Covered Individual’s relationship with the vendor, divestment of stock ownership or other actions may also be recommended or required to minimize the outside perception of a conflict of interest.

Board Position with portfolio company
A Covered Individual appointed by Luminate to hold a board position at an Luminate portfolio company has fiduciary duties to the portfolio company that may conflict with the interests of Luminate as a stockholder or grantor. Please consult with the legal department if you would like more information regarding such fiduciary duties.

Such director may participate in discussions at Luminate regarding such portfolio company unless otherwise notified by the Legal Officer. Regardless of participation, such director should abstain from making any decisions (including signing documents) on behalf of Luminate regarding such portfolio company, including new grants or investments, grant renewals, follow-on investments or other decisions. Similarly, such director should ensure that his or her relationship with Luminate is fully disclosed to the portfolio company, and, unless otherwise advised by the Legal Officer or legal counsel, abstain from making decisions on behalf of such portfolio company regarding Luminate.

Compensation or other benefits offered to or received by such director, other than gifts of nominal value (generally $50 or less) or gifts otherwise provided as customary business courtesy, should be turned down or transferred to Luminate. In the event such compensation must be held by the Covered Individual, such as stock options, the Covered Individual should seek further guidance from the Legal Officer. Reimbursement of reasonable travel expenses of a Covered Individual related to his or her service as a director shall not be considered compensation or other benefits.

Other roles at portfolio companies (e.g., advisory board member, investment committee member, board observer, etc.) may not involve the same fiduciary duties as a director, but, unless otherwise notified by the Legal Officer, should be treated similarly for conflicts purposes.

Board position independent of Luminate
Luminate encourages active roles in the community, including service as board members of local organisations and companies. However, Covered Individuals should be aware that such roles may give rise to actual or perceived conflicts of interest. For example, serving on such boards may imply support by Luminate or lead to requests for such support.

Board positions at non-portfolio companies and any related remuneration should be disclosed to the legal department. Prior written approval of the Legal Officer is required for board positions of organisations that fall within one of Luminate’s current or reasonably anticipated investment areas.

Other roles at non-portfolio companies such as advisory board member should be disclosed and, unless otherwise notified by the Legal Officer, treated similarly for conflicts purposes.

Other employment or consulting relationships
Any employment or material consulting relationship with a third party and any related remuneration should be disclosed to the Head of People Operations.

Outside employment is permitted only with prior written approval for part-time and full-time employees. Covered Individuals that are not employees of Luminate may engage in outside employment without prior approval, provided that such employment is disclosed.

Outside consulting services are not permitted during working hours for employees of Luminate, and prior written approval is required for any material consulting relationships for employees of Luminate. Covered Individuals that are not employees of Luminate may engage in outside consulting services without prior approval, provided that material consulting relationships are disclosed.

Luminate equipment and resources should not be used for any outside employment or consulting services without approval.

When a Covered Individual engages in outside employment or consulting services as permitted under this policy, it should be
made clear that the individual is engaging in such employment or consulting services solely as an individual, and not as an agent or representative of Luminate.

Volunteer activities
Luminate encourages active roles in the community, including volunteering with local organisations and companies, as well as Luminate portfolio companies.

Volunteer activities should take place outside working hours for employees of Luminate, and no Luminate equipment or resources should be used for such volunteer activities without prior written approval.

Ongoing volunteer activities that involve a portfolio company should be disclosed to the legal department. One-time volunteer activities with a portfolio company need not be disclosed.

Depending on the level of ongoing volunteer involvement with a portfolio company, the Legal Officer may notify a Covered Individual whether he or she may participate, in part or in full, in discussions regarding the portfolio company, and whether such Covered Individual should abstain from making decisions on behalf of Luminate regarding such portfolio company, including new grants or investments, grant renewals, follow-on investments or other decisions.

New employee hires
If a member of a Covered Individual’s family or someone with whom the Covered Individual has a personal or business relationship applies for a job at Luminate, such Covered Individual should disclose such relationship to the Head of People Operations and recuse himself or herself from all discussions and decisions regarding such applicant.

Gifts/meals
Gifts or meals provided to a Covered Individual may affect his or her decision-making ability and may also create the perception of conflicts. Gifts may include products, services, entertainment, travel, loans or other items.

A Covered Individual may accept gifts and meals of nominal value (generally $50 or less) or otherwise provided as customary business courtesy as described in item 4(i), should be turned down or transferred to Luminate. Unrelated personal speaking engagements, public events and publications do not need to be disclosed or approved, provided that no relationship, sponsorship or other affiliation with Luminate is made or implied. For instance, Luminate business cards and marketing materials should not be distributed, Luminate apparel should not be worn and references to Luminate should not be made. Please contact the Marketing and Communications Team for appropriate language disclaiming any sponsorship or approval of such speaking engagement, public event or publication.

Luminate trustee/manager
Decisions made by the Board of Trustees of Luminate Fund, Inc. and by the Managers/Directors of other Luminate Entities may also be subject to laws relating to “interested director transactions” in addition to the provisions of this policy.

In the event that a Trustee, Manager or Director has a conflict of interest relating to a matter brought to the Board, the Legal Officer should be consulted with respect to additional procedures and actions that may be necessary, such as creation of a committee of disinterested members, approval by disinterested stockholders or seeking outside confirmation that the transaction is fair and reasonable.

Political and religious activities
Various laws regulate Luminate’s involvement in political and religious activities, including a prohibition on Luminate Fund, Inc. for lobbying or funding political campaigns. Extensive penalties to Luminate Fund, Inc. could result from engaging in such political activities, including monetary penalties and loss of its 501(c)(3) status.

As a result, Covered Individuals may not engage in any political or religious activities using Luminate’s name, resources, facilities or equipment without prior written approval from the Legal Officer.

Covered Individuals may engage in political or religious activities on their own time and at their own expense, provided that no relationship, sponsorship or other affiliation with Luminate is made or implied. For instance, Luminate business cards should not be used in connection with such activities. Luminate apparel should not be worn when engaging in such activities and references to Luminate (even as an employer) should not be made except to disclaim any representation of or support by Luminate. Please contact the legal department in advance of personally engaging in significant political or religious activities to minimise the appearance that any such activities are supported or otherwise sponsored by Luminate.

Disclosure of Luminate relationships
Subject to confidentiality restrictions, Luminate strongly encourages disclosure of any relationship that Luminate may have with portfolio companies, vendors or third parties that a Covered Individual recommends to others for potential investments, grants, service engagements or otherwise.

Please contact the legal department if you have any questions or concerns [including confidentiality obligations] that may affect such disclosure commitment.