

**PORT OF SEATTLE COMMISSION**

**MOTION REGARDING INDEPENDENT REVIEW OF  
THE CHIEF EXECUTIVE OFFICER'S POSITION  
ON THE EXPEDITORS INTERNATIONAL BOARD OF DIRECTORS  
AND PORT OF SEATTLE CONFLICT OF INTEREST PROVISIONS**

**September 11, 2012**

**Statement in Support of Motion**

Expeditors International of Washington, Inc. ("*Expeditors*") announced on August 10, 2012, that Port of Seattle Chief Executive Officer ("*CEO*") Tay Yoshitani had accepted its invitation to join the Expeditors International Board of Directors. The CEO's Retention Agreement, adopted by the Commission in public session on March 1, 2011 (the "*Retention Agreement*"), specifically allows the CEO to participate on a private sector board of directors.

The Retention Agreement states: "During the term of this Agreement, CEO may on his own time (e.g., after close of business or while on Paid Time-Off), participate as a member of a Board of Directors for a private entity; *provided*, that prior to accepting such appointment, the Port's General Counsel determines that CEO's participation would not create or appear to create a conflict of interest, or is contrary to any other provision of the Port's Code of Ethics for Employees."

It is important that the Seattle Port Commission (the "*Commission*") carefully review this matter and obtain the best outside legal counsel and ethical advice to ensure that it is carrying out its fiduciary responsibilities to the Port under state law and the Commission's Bylaws, to confirm that all terms of the Retention Agreement were properly complied with, and to properly oversee the implementation of the delegation of authority (to the CEO) as provided by Commission Resolution No. 3605, as amended.

**Motion**

1. The Commission hereby authorizes the reasonable expenditure of funds and directs a temporary committee of the Commission to be established as provided by Section III, Clause 6, of the Commission's Bylaws to oversee the hiring of independent counsel and ethics experts as described below.
2. The Commission shall retain outside legal counsel to provide an independent review and analysis of the legal basis for a finding of no actual, potential or apparent conflict of interest with respect to the CEO's outside board position detailed above, and compliance with all applicable state and federal laws.
3. The Commission shall also retain an expert to:
  - a. Provide a timeline of pertinent events from the time Mr. Yoshitani's Retention Agreement was approved on March 1, 2011, to September 10, 2012, with respect to the approval process regarding the Expeditors board position. Event descriptions

will minimally include individuals involved and matters addressed and any other relevant facts.

- b. Review and provide guidance with respect to the Port's ethics policies on conflict of interest, with recommendations for any general improvements and/or changes specific to the CEO, Port staff and the Commission.
4. The reports called for in Sections 2 and 3 shall be presented to the full Commission in public session no later than October 23, 2012.
5. Commissioners Tom Albro and Rob Holland shall represent the Commission on a temporary committee of the Commission in interviewing and choosing both outside legal counsel and outside experts.