

True Paleo Inc.

Conflict-of-Interest Bylaws

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

In the context of healthcare principles, transparency and disclosure regarding financial and pharmaceutical interests is essential to maintain the integrity of decision-making processes, especially for organizations whose principles and beliefs prioritize food and lifestyle habits as essential holistic components of healthcare, in contrast to medication-centric approaches.

Section 1. Definitions

Interested Person- Any director, officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial or pharmaceutical interest, as defined below, is an interested person.

Financial Interest- A person has financial interest if they have any direct or indirect financial involvement, whether personal, business-related, or through investments. This involvement may encompass:

- Ownership or potential ownership interest
- Investment or potential investment interest
- Compensation arrangements

with the Organization, other entities, or individuals with whom the Organization is negotiating, conducting transactions, or has established financial arrangements.

Pharmaceutical Interest- refers to any direct or indirect involvement, financial or non-financial, that individuals may have with pharmaceutical companies, their products (medication or supplements), or related business endeavors. This interest encompasses ownership, financial investments, employment or volunteering, consulting, research collaborations, or any interactions that could potentially influence decision-making or create conflicts of interest.

- *Ownership-* refers to possessing a legal stake or control over an entity, such as a business or property. It includes having rights to assets, decision-making authority, and a share of any associated profits or losses.
- *Investment-* involves putting capital or resources into an endeavor, asset, or financial instrument with the expectation of generating future income, profit, or appreciation in value. Investments can take various forms, such as stocks, bonds, real estate, or business ventures.
- *Compensation-* includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board decides that a conflict of interest exists.

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Section 2. Procedures

Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial or pharmaceutical interest and be given the opportunity to disclose all material facts to the directors with governing board delegated powers considering the proposed transaction or arrangement.

Determining Whether a Conflict of Interest Exists

After disclosure of the financial or pharmaceutical interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board directors shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest

1. An interested person must acknowledge potential conflict in writing and may make a presentation at the governing board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. The highest member of the governing board shall appoint themselves or another disinterested person of the board to investigate alternatives to the proposed transaction or arrangement, if appropriate.
3. After exercising due diligence, the governing board shall determine whether the Organization can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably possible to prevent a conflict of interest, the governing board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable.
5. In conformity with the above determination, the governing board shall make its decision as to whether to enter into the transaction or arrangement.

Violations of the Conflicts of Interest Policy

1. If the governing board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 3. Records of Proceedings

1. The minutes of the governing board with board delegated powers shall contain:
The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

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Section 4. Compensation

1. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 5. Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 6. Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 7. Use of Outside Experts

When conducting the periodic reviews as provided for in Article V, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.