

SUBJECT: Limityless Solutions, Inc. Conflicts of Interest Policy	Effective Date: 06-05-2018	Policy Number: 1-002.1
	Supersedes:	Page 1 Of 4
	Responsible Authority: Limityless Solutions Inc. board	

APPLICABILITY/ACCOUNTABILITY

The purpose of the conflicts of interest policy is to protect Limityless Solutions Inc. (The Corporation's) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to not-for-profit and charitable corporations.

POLICY STATEMENT

In connection with any actual or possible conflicts of interest, each director, principal officer and member of a committee with board delegated powers must disclose the existence and nature of his or her financial interest to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

DEFINITIONS

Interested Person - Any director, officer, or member of a committee with board delegated powers who has a direct or indirect financial interest, as defined below, is an interested person. If a person is an interested person with respect to any entity which the Corporation controls or is controlled by, he or she is an interested person with respect to such entity.

Financial Interest - A person has a financial interest if the person has, directly or indirectly, through business, investment or family --

- a. an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement, or
- b. a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation - Includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

PROCEDURES

- 1) Duty to Disclose - An interested person must disclose the existence and nature of his or her financial interest to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.
- 2) Determining Whether a Conflict of Interest Exists - After disclosure of the financial interest, the interested person shall leave the board or committee meeting while the financial interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- 3) If a Conflict of Interest exists --
 - a. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - b. After exercising due diligence, the board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
 - c. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.
- 4) Violations of the Conflicts of Interest Policy
 - a. If the board or committee has reasonable cause to believe that 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.
 - b. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

- 5) Record of Proceedings - The minutes of the board and all committees 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 board's or committee's decision as to whether a conflict of interest in fact existed. Also, 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 therewith.
- 6) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- 7) Persons who receive compensation, directly or indirectly, from the Corporation, whether as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters.
- 8) Each director, principal officer and member of a committee with board delegated powers shall annually sign a statement which affirms that such person-
 - a. has received a copy of the conflicts of interest policy,
 - b. has read and understands the policy,
 - c. has agreed to comply with the policy, and
 - d. understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- 9) Periodic Reviews - To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
 - a. Whether compensation arrangements and benefits are reasonable and are the result of arm's length bargaining.
 - b. Whether partnership, joint venture or other arrangements with third parties conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's charitable purpose and do not result in inurement or impermissible private benefit.
- 10) Use of Outside Experts - In conducting the periodic reviews provided for in Article

VII, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring that periodic reviews are conducted.

FORMS

Annual Disclosure Form

INITIATING AUTHORITY

Limitless Solutions Inc. board