

REGENERATED HOPE, INC.

Conflict of Interest Policy

Adopted by the Board of Directors: [Insert Date]

ARTICLE I – PURPOSE

The purpose of this Conflict of Interest Policy is to protect the interests of Regenerated Hope, Inc. (“RH” or “the Organization”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, key employee, committee member, or related party.

This policy is intended to:

1. Ensure decisions are made solely in the best interest of RH and its charitable mission.
 2. Protect RH’s federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.
 3. Comply with IRS intermediate sanctions regulations (IRC §4958).
 4. Provide transparency for foundation grants, Program-Related Investments (PRIs), and major land or lease transactions.
 5. Preserve public trust and institutional credibility.
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ARTICLE II – DEFINITIONS

1. Interested Person

Any director, principal officer, key employee, or member of a committee with governing board-delegated powers who has a direct or indirect Financial Interest.

2. Financial Interest

A person has a financial interest if they, directly or through a family member or affiliated entity, have:

- An ownership or investment interest in any entity with which RH has or may transact.
- A compensation arrangement with RH or with any entity RH has or may transact.
- A potential ownership or compensation arrangement in a proposed transaction.

- A creditor, debtor, leaseholder, guarantor, or contractual relationship tied to RH.
- A material role in an affiliated or related organization (including but not limited to Redbone Land & Energy LLC, Longhorn Transportation & Logistics, Decisive Data Technology Group, or other strategic entities).

Compensation includes direct and indirect remuneration, consulting fees, commissions, success fees, and non-cash benefits.

3. Family Member

Spouse, domestic partner, ancestors, siblings, children, grandchildren, great-grandchildren, and spouses of such persons.

4. Related Party Transaction

Any transaction between RH and:

- A director, officer, or key employee
 - A family member of such person
 - An entity in which such person holds a material financial interest
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ARTICLE III – DUTY TO DISCLOSE

Any Interested Person must:

- Fully disclose the existence and nature of their financial interest.
- Disclose all material facts prior to board or committee discussion.
- Update disclosures annually or as circumstances change.

Disclosure must occur before the board votes or deliberates on the matter.

ARTICLE IV – DETERMINING WHETHER A CONFLICT EXISTS

After disclosure:

1. The Interested Person shall leave the meeting.
2. The remaining board members shall determine if a conflict exists.
3. The board may consult independent legal or financial advisors if needed.

4. Determination shall be documented in meeting minutes.
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ARTICLE V – PROCEDURES FOR ADDRESSING THE CONFLICT

If a conflict is determined:

1. The Interested Person may present factual information but must leave before deliberation.
2. The board shall:
 - o Investigate alternatives.
 - o Compare market value terms.
 - o Determine whether the transaction is fair, reasonable, and in RH's best interest.
3. Approval requires:
 - o Majority vote of disinterested directors.
 - o Proper documentation in minutes.
 - o Written contract when applicable.

For transactions involving more than \$25,000 annually, the board should obtain comparability data where feasible.

ARTICLE VI – COMPENSATION MATTERS

A voting member of the board receiving compensation from RH for services:

- May not vote on matters pertaining to their compensation.
 - May not serve on committees approving their compensation.
 - May not participate in deliberations beyond providing factual information.
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ARTICLE VII – RECORDS OF PROCEEDINGS

Minutes shall contain:

- Names of persons with financial interests.
- Nature of the conflict.
- Board determination.
- Names of persons present for discussion.
- Comparability data reviewed.
- Vote results.
- Basis for determining fairness and reasonableness.

ARTICLE VIII – VIOLATIONS OF THE POLICY

If the board has reasonable cause to believe a member failed to disclose:

1. The member shall be informed and given opportunity to explain.
2. If violation is determined, the board may:
 - Void the transaction if legally permissible.
 - Remove the member from committee roles.
 - Recommend removal under bylaws.
 - Take corrective action consistent with fiduciary duty.

ARTICLE IX – ANNUAL DISCLOSURE STATEMENTS

Each director, officer, and key employee shall annually sign a statement affirming that they:

- Received a copy of this policy.
- Have read and understand it.
- Agree to comply.
- Disclosed all relevant financial interests.
- Understand RH is charitable and must operate in furtherance of its mission.

ARTICLE X – FOUNDATION & PRI TRANSPARENCY PROVISIONS

Given RH's involvement in land-based development, educational campuses, and PRI-structured projects:

1. All lease agreements with affiliated entities must:
 - Be documented in writing.
 - Reflect fair market value or documented mission-based subsidy.
 - Be approved by disinterested directors.
2. PRI-funded transactions must:
 - Be structured to avoid private inurement.
 - Maintain charitable purpose primacy.
 - Include independent board review.
3. Dual-entity structures (nonprofit leasing from related entity):
 - Must clearly separate governance and financial reporting.
 - Must be disclosed on Form 990 Schedule L when required.

ARTICLE XI – WHISTLEBLOWER PROTECTION

Any individual reporting a potential conflict in good faith shall be protected from retaliation.

ARTICLE XII – PERIODIC REVIEWS

To ensure compliance with 501(c)(3) requirements, the board shall periodically review:

- Compensation arrangements.
- Lease structures.
- Revenue-sharing agreements.
- Strategic partnerships.
- Land acquisition and transfer agreements.

Reviews should consider:

- Market comparability.
- Reasonableness.
- Charitable alignment.
- Risk to tax-exempt status.

ANNUAL DISCLOSURE FORM

Name: _____
Position: _____

I certify that:

I have no financial interests to disclose.

OR

I disclose the following financial interests (attach details):

Signature: _____
Date: _____