

NEO Kids Foundation (NKF) is a charitable organization whose board members, officers, and executives are chosen to serve the public purposes to which it is dedicated. These persons have a duty to conduct the affairs of NKF in a manner consistent with such purposes and not to advance their personal interests. This Conflict of Interest Policy is intended to permit the Foundation and its board members, officers, and executives to identify, evaluate, and address any real, potential, or apparent conflicts of interest that might, in fact or in appearance, call into question their duty of undivided loyalty to NKF.

1. Covered Persons

This policy applies to NKF's board members, officers, and executives. Each Covered Person shall be required to acknowledge, not less than annually, that he or she has read and is in compliance with this policy on the pledge of personal commitment. This form shall be available for public consideration.

2. Covered Transactions

This policy applies to transactions between NKF and a Covered Person, or between NKF and another party with which a Covered Person has a significant relationship, or between another party and the Covered Person if the transaction could reasonably be expected to impact NKF. A Covered Person is considered to have a significant relationship with another party if:

- a. The other party is a family member, including a spouse, parent, sibling, child, stepchild, grandparent, grandchild, great-grandchild, in-law, or domestic partner;
- b. The other party is an entity in which the Covered Person has a material financial interest. This includes entities in which the Covered Person and all individuals or entities having significant relationships with the Covered Person own, in the aggregate, more than 10 percent; or
- c. The Covered Person is an officer, director, trustee, partner, or employee of the other party.

A Covered Transaction also includes any other transaction in which there may be an actual or perceived conflict of interest, including any transaction in which the interests of a Covered Person may be seen as competing or at odds with the interests of NKF.

3. Disclosure, Refrain from Influence, and Reusal

When a Covered Person becomes aware of a proposed Covered Transaction, he or she has a duty to take the following actions:

- a. Immediately disclose the existence and circumstances of such Covered Transactions to NKF's board in writing;

CONFLICT OF INTEREST

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- b. Refrain from using his or her personal influence to encourage NKF to enter into the Covered Transaction;
- c. Physically excuse him or herself from any discussions regarding the Covered Transaction except to answer questions, including board discussions and decisions on the subject.

In order to assist NKF in identifying potential Covered Transactions, each Covered Person annually shall complete a Conflict of Interest Questionnaire provided by NKF, and shall update such Questionnaire as necessary to reflect changes during the course of the year. Questionnaires shall be submitted to NKF's legal counsel who shall be responsible for their custody. Completed Questionnaires shall be available for inspection by any board member, and may be reviewed by NKF's legal counsel.

4. Standard for Approval of Covered Transactions

NKF may enter into a Covered Transaction where a) such Transaction does not constitute an act of self-dealing, and b) the board determines, acting without the participation or influence of the Covered Person and based on comparable market data, that such transaction is fair and reasonable to NKF. The board shall document the basis for this determination in the minutes of the meeting at which the Covered Transaction is considered, and shall consult with NKF's legal advisor as necessary to ensure that the Transaction does not constitute an act of self-dealing.

5. Administration of Policy

This policy shall be administered by the board, which shall be responsible for the following:

- a. Reviewing reports regarding the Conflict of Interest Questionnaires;
- b. Receiving disclosures of proposed Covered Transactions;
- c. Reviewing proposed Covered Transactions to determine whether they meet the above-described standard;
- d. Maintaining minutes, pledge of personal commitment, and such other documentation as may be necessary and appropriate to document its review of Covered Transactions;
- e. Reviewing the operation of this policy and making changes from time to time as it may deem appropriate.