

Conflict of Interest Policy

artbyFORM Inc.

January 1, 2023

Purpose. This policy is established to protect the interests of artbyFORM Inc. (FORM) as a non-profit organization operating for exempt purposes. As a non-profit organization, the work of the organization must fulfil its own organizational purpose rather than benefit any individual. Any action that might benefit the private interests of any director, officer, employee, or volunteer of the organization must be reviewed to ensure there does not exist a conflict of interest.

Applicability. Any director, officer, employee, or volunteer of the organization shall be bound by this policy. The word “volunteer” shall here be intended to mean any individual who provides labor to the organization outside the scope of any particular and individual event organized by the organization. Any labor performed for the organization’s general operation or on a continuing basis rather than solely confined to an event shall render a person a covered volunteer. Collectively, these shall be referred to as “covered individuals.”

Possible conflicts of interest. Any arrangement that could financially benefit or otherwise impair the independence of a covered individual is a possible conflict of interest. As a non-exhaustive set of examples, any business relationship, or possible business relationship, between the organization and one of the following is a potential conflict of interest:

- a covered person
- a third-party owned or controlled, in part or in whole, directly or indirectly, by a covered person
- a third-party for which a covered person is employed or works as a contractor
- a third-party that a covered person serves on the board of or is involved in the management of
- a third-party that has given gifts, loans, or preferable business terms to a covered person
- a third-party where a covered person has a close relationship with an individual involved in the third-party’s relationship with the organization

- a third-party at which a covered person has an outstanding offer for employment or contract labor

Disclosure requirement. Any covered person who becomes aware of a possible conflict of interest must disclose it to the board of directors as soon as they become aware of it. All covered persons must make a disclosure upon entering into any relationship or agreement that could result in a possible conflict of interest. Upon becoming a covered person, a disclosure of possible conflicts of interest shall also be required.

Addressing conflicts of interest. The board may request additional information about possible conflicts of interest. The covered person shall, if a member of the board, not be entitled to participate in deliberation or decision making regarding the possible conflict of interest. The organization shall not enter into any transactions that could form a possible conflict of interest without considering alternate options and concluding that the transaction is reasonable, with a vote of the majority of non-conflicted directors. Factors rendering a transaction reasonable may include the following:

- A transaction is substantially similar to one offered to the general public and which has been broadly engaged in by unaffiliated individuals or entities.
- A transaction has similar or better terms to those generally available in the relevant market, to the benefit of the organization, and the board would otherwise have engaged in another similar transaction with another individual or organization.

Any changes to the terms of a transaction after it has been agreed upon shall cause the transaction to require reapproval by the board.

Violations. The board may determine sanctions for a failure to report possible conflicts of interest at its discretion.

Banned transactions. The organization shall not provide compensation, other than reimbursement of reasonable expenses, to its directors and officers. The organization shall not make loans to its directors and officers or any related parties.