



## **Related Party Transaction Policy**

**Adopted October 01, 2024**

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## Purpose

The purpose of the Related Party Policy is to establish standard processes for reporting, addressing, and approving a Related Party Transaction (“Transaction”).

## Applicability

1. Board of Directors
2. Officers
3. Executive Employees

## Definitions

Related Persons – All TLC Directors and executive employees, any nominee for Director, any Immediate Family Member of a Director.

Immediate Family Members – Children, stepchildren, parents, stepparents, spouses, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law.

## Policy

All related parties must promptly disclose any actual or potential related party transactions to the Board of Directors, or any appropriate body designated by the Board, Disclose should include the nature and extent of the related party’s interest in the transaction.

1. Identification – Related party transactions must be identified and reviewed by the Board of Directors, or any appropriate body designated by the Board.
2. Evaluation – The Board or appropriate body will evaluate the proposed transaction to determine whether it is in the best interest of the organization. The Board of appropriate body will take appropriate measures to ensure the transaction is fair and reasonable.

3. Approval – Related party transactions require approval by a disinterested quorum of the Board of Directors or appropriate body. Interest parties should not participate in the discussion, vote, or be a signatory for the transaction.
4. Documentation – All related party transactions must be documented in writing, including the terms, conditions, and rationale for the transaction. Documentation should be retained by the organization in compliance with the Document Retention Policy.
5. Conflict of Interest – Any related party who has a direct or indirect conflict of interest in a proposed transaction should disclose their conflict of interest to the Board of Directors prior to discussing the transaction. If there is a direct conflict of interest the Director should not vote on such matter or participate in the discussion.