



# Bylaws of Stelleo Scientific Foundation, Inc.

---

A Non-Profit Scientific Research Organization

## **ARTICLE I: NAME AND PURPOSE**

### **Section 1. Name**

The name of this Corporation shall be Stelleo Scientific Foundation (, Inc.)

### **Section 2. Purpose**

The Corporation exists to conduct and promote scientific research and development in areas including but not limited to physics, energy storage, corrosion resistance, consciousness, and environmental engineering, for the benefit of humanity and scientific advancement.

## **ARTICLE II: BOARD OF DIRECTORS**

### **Section 1. Powers and Duties**

The Board of Directors shall oversee the Corporation's affairs, including governance, financial oversight, and strategic direction.

### **Section 2. Number and Terms**

The Board shall consist of not fewer than 3 and no more than 11 members. Terms shall be 3 years, renewable once consecutively.

### **Section 3. Meetings**

The Board shall meet at least quarterly.

## **ARTICLE III: OFFICERS**

### **Section 1. Titles**

Officers shall include a President, Treasurer, Secretary, and any additional roles as determined.

## **Section 2. Duties**

Officers shall perform duties typically associated with their titles and as directed by the Board.

## **ARTICLE IV: EXIT CLAUSE (PROTECTING FOUNDERS AND INVESTORS)**

In the event of a voluntary or involuntary exit (merger, acquisition, IPO, or asset sale), the following shall apply:

1. Founders' Equity Protections: No dilution or forfeiture of founder shares shall occur without unanimous Board consent and written agreement from all founders.
2. Investor Return Protections: Investors shall receive returns as per investment agreements, and preference rights shall be honored in all exit scenarios.
3. Right of First Refusal: Founders shall have a right of first refusal on the sale of any shares by non-founding shareholders.
4. Continuation of Mission: Any acquiring or merging entity must demonstrate intent to uphold the Corporation's core mission and research direction, or founders may veto the transaction.

## **ARTICLE V: DISSOLUTION CLAUSE**

Upon dissolution:

1. Creditors: All liabilities and obligations shall be paid or adequately provided for.
2. Investors: Remaining assets shall be distributed to investors in accordance with equity rights and liquidation preferences.
3. Founders: After satisfying debts and investment returns, any remaining assets (including IP) revert to founders or a designated successor entity for continuation of mission, subject to prior agreements.
4. Non-Profit Assets: Any grants or assets received under nonprofit designation shall be distributed to another 501(c)(3) entity aligned with the Corporation's mission, if applicable.

## **ARTICLE VI: WHISTLEBLOWER POLICY**

Stelleo Scientific encourages all employees, contractors, and board members to report any unlawful, unethical, or fraudulent activity.

1. Non-Retaliation: No individual shall suffer retaliation for good-faith reports.
2. Reporting Procedure: Reports may be made confidentially to the Chair of the Board or designated ethics officer.
3. Investigation: All complaints will be investigated promptly and appropriately, with findings reported to the Board.

## ARTICLE VII: CONFLICT OF INTEREST POLICY

1. Annual Disclosure: All Board members and key personnel must complete and sign a Conflict of Interest Disclosure Form annually.
2. Recusal: Any person with a material financial interest in a decision must recuse themselves from discussion and voting.
3. Documentation: Conflicts and recusals shall be documented in meeting minutes.

## ARTICLE VIII: COMPENSATION COMMITTEE

1. Composition: The Compensation Committee shall be composed of at least 3 disinterested Board members.
2. Duties: Set and review compensation for officers, founders, and key employees.
3. Recusal Requirement: Any person whose compensation is being determined shall not vote or participate in deliberations regarding their compensation.
4. Independence: The committee may use independent compensation studies or consultants to determine appropriate pay levels.

## Article IX: Private Foundation Restrictions (Required under IRC Section 508(e))

Notwithstanding any other provision of these Articles, **if the corporation is determined to be a private foundation** as defined in Section 509(a) of the Internal Revenue Code, the corporation shall be subject to the following provisions as required by Section 508(e):

1. The corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax under **Section 4942** of the Internal Revenue Code.
2. The corporation shall not engage in any act of **self-dealing** as defined in **Section 4941(d)** of the Internal Revenue Code.
3. The corporation shall not retain any **excess business holdings** as defined in **Section 4943(c)** of the Internal Revenue Code.
4. The corporation shall not make any **investments** in such manner as to subject it to tax under **Section 4944** of the Internal Revenue Code.
5. The corporation shall not make any **taxable expenditures** as defined in **Section 4945(d)** of the Internal Revenue Code.

## ARTICLE X: AMENDMENTS

These Bylaws may be amended by a two-thirds (2/3) vote of the Board, provided notice of the proposed changes is given in advance.