

Desert Research Institute Research Foundation Policy on Conflicts of Interest and Annual Disclosure & Declaration

SCOPE The following statement of Policy applies to each member of the Board of Trustees and to each Officer of the Desert Research Institute Research Foundation (the "Foundation"), which is a non-profit organization affiliated with the Desert Research Institute ("DRI").

FIDUCIARY RESPONSIBILITIES Board members and Officers of the Foundation serve as fiduciaries with the clear duty to make all decisions and take all actions on behalf of the Foundation solely on the basis of a desire to promote the best interests of the Foundation and DRI (the "Interests"). The integrity of the Foundation and DRI must be protected and advanced at all times.

REGULATION OF CONFLICTS OF INTEREST Board members and Officers may have personal interests, and may be involved in the affairs of other organizations that have interests, which may at times potentially or actually conflict with the Interests of the Foundation or DRI ("Conflicts of Interest"). Because an effective Board or group of Officers cannot always consist of individuals entirely free from all Conflicts of Interest, and because there is nothing inherently improper with a Conflict of Interest if properly disclosed and action is taken to prevent even the appearance of any resulting impropriety, it is the Foundation's Policy to regulate Conflicts of Interest by requiring each Board member and Officer to (i) disclose relationships that might lead to potential Conflicts of Interest and (ii) refrain from any participation on behalf of the Foundation in transactions that might involve a potential Conflict of Interest ("Conflicted Transactions").

DISCLOSURE Each Board member and Officer is required to disclose to the Board of Trustees (i) those substantive business relationships ("Substantive Business Relationships") that he or she, members of his or her family, or organizations with which he or she is involved have with the Foundation or DRI, or (ii) other facts ("Other Facts") that could be construed to potentially affect his or her independent, unbiased judgment in carrying out his or her decision-making authorities or responsibilities (the "Disclosures"). Each Board member and Officer shall make the Disclosures (i) annually by use of this Form and (ii) in writing at any intervening point if a new Substantive Business Relationship or Other Facts should arise before the next annual Disclosure Form is due.

Any uncertainties as to the appropriateness of disclosing a particular relationship or fact may be resolved by consultation with the Executive Committee, which will consult with the Audit Committee as the Executive Committee deems appropriate. Information disclosed or provided by a person pursuant to this Policy shall be held in strict confidence, except when, after consultation with that person, the Executive Committee determines the best interests of the Foundation and DRI would be served by revealing that information to the extent required to protect the interests of the Foundation and DRI.

The following definitions are provided to assist Board members and Officers in complying with this Policy:

Substantive Business Relationship means one in which a Board member, Officer, family member, or an organization with which the Board member, Officer, or family member is involved: (1) Does business with the Foundation or DRI; or, (2) has other direct or indirect dealings with the Foundation or DRI from which the Board member, Officer, or family member benefits directly, indirectly or potentially from cash or property receipts of any amount.

Involved with an organization means when a Board member, Officer, or family member is an officer, director, employee, partner, trustee, or the actual or beneficial owner of more than five percent (5) percent of the voting interest of an organization.

Family member means a spouse, parents, siblings, children or any other relative of a Board member or Officer if the latter resides in the same household as the Board member or Officer.

RESTRAINT ON PARTICIPATION Board members or Officers who have declared, or who have been found to have, a Conflict of Interest shall refrain from any participation on behalf of the Foundation with respect to the Conflicted Transaction, unless for special reasons the Board or a Committee requests information or interpretation. Persons with a Conflict shall not vote on the Conflicted Transaction or participate as a Board member or Officer in discussion of the Conflicted Transaction, and may be present at the time of the vote by the Board only to the extent required by the Nevada Open Meeting Law. However, the Conflicted Board member or Officer may on behalf of the other party to the Conflicted Transaction present the Conflicted Transaction to the appropriate Committee of the Foundation. Any proposed transaction in which a Conflict of Interest has been declared or found to exist must be approved by a majority (or greater percentage where otherwise required by the Foundation By-Laws or law) of the disinterested members of the Board.

DECLARATION

I certify that I have read the Foundation's Policy on Conflicts of Interest. I understand that the purposes of the Foundation's Policy are to protect the integrity of the Foundation's decision-making process, to enable our constituencies to have confidence in our integrity, and to protect the integrity and reputations of Board members, Officers and others affiliated with the Foundation.

I understand that this Policy is meant to supplement good judgment and not replace it, and I will respect its spirit as well as its wording.

By my completion of, and by my signature on, this Form I am disclosing all Substantive Business Relationships, and Other Facts that could potentially result in a Conflict of Interest. This Disclosure will be kept on file and I will update it as appropriate if my circumstances change before the next annual Declaration.

At this time, neither I nor any members of my family have, nor are we involved with any organizations that have any Substantive Business Relationships with the Foundation or DRI, or any Other Facts relating to an actual or potential Conflict of Interest, except as set forth below:

In the course of my Foundation meetings and activities, I will refrain from participation in any Conflicted Transactions in accordance with the procedures set forth above.

Date _____

Signature _____

Printed Name _____