

**RESOLUTION OF THE VISTAS HOMEOWNERS
ASSOCIATION
REGARDING BOARD CONFLICTS OF INTEREST**

Adopted July 24, 2008

WHEREAS The Bylaws of THE VISTAS HOMEOWNERS ASSOCIATION (the "Association") authorizes the Board of Directors to establish such policies and procedures as necessary; and

WHEREAS the Board of Directors has determined that the best interest of the membership would be served by the establishment of a Conflict of Interest Policy and

WHEREAS the Conflicts of Interest Policy shall remain in accordance with this Resolution until resolved otherwise by the Board of Directors. The Board of Directors may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Association adopts the following policy and practice effective thirty (30) after the date of this Resolution.

General Duty: The Board of Directors and officers of the Association shall exercise their power and duties in good faith and in the best interest of the Association. Each member of the Board of Directors and each officer has a fiduciary duty to the Association, which includes the duties of loyalty, care and confidentiality. All Directors and officers shall comply with all lawful provisions of the Declaration and the Association's Articles, Bylaws, Rules and Regulations and NRS 116 in carrying out their duties as Directors and officers of the Association. The aim of this resolution is to make a good faith effort to disclose any financial, business, professional or personal relationship or interest that would result or would appear to a reasonable person to result in a potential conflict of interest. This applies to potential candidates for the Board of Directors as well.

Definition: A conflict of interest arises when a Board member or an officer in his/her decision-making position has a direct or indirect interest, particularly a financial interest that benefits the Board member or officer, or their spouse or other immediate family members or other business matters.

Disclosure of Conflict: Board members and officers shall not enter into any contract or renew a contract with the Association to provide goods or services to the Association or accept any commission, personal profit or compensation of any kind from the Association for providing goods or services to the Association. Other conflicts of interest, as defined above, shall be immediately disclosed in writing to the Board of Directors as well as verbally disclosed at an open meeting prior to any discussion or vote on the matter. After disclosure, the interested Director or officer shall not participate in the discussion nor participate in the vote on the matter. The minutes of the meeting shall reflect the disclosure that was made, the abstention from voting, and record who voted for and against.

Failure to Disclose Conflict: Any contract or renewal of contract entered into in violation of this policy shall be void and unenforceable. In such event, the Board of Directors, at

the next open meeting, shall vote again on the contract, decision or other action taken in violation of this Policy

Code of Conduct:

- Avoid self-dealing, actual or apparent, in its administration of the Association.
- Avoid using his/her official capacity to make or participate in making an Association decision in which he/she may have a direct or indirect financial interest (other than an undivided homeowner interest).
- Disclose to the Board of Directors the potential for a conflict of interest as soon as it is apparent and work to avoid even the appearance of impropriety.
- Exercise his/her powers and duties in good faith to the best of each Director's and officer's abilities and with the utmost loyalty to the Association and Owners.
- Familiarize themselves with the Governing Documents (Articles, By-Laws, CC&R's, Rules & Regulations) and NRS 116 so that he/she can use them to assist the Board of Directors in the procedural and substantive decision-making process.
- Seek to understand and fulfill the responsibilities of his/her position as a Director, officer and/or committee member. If unable to perform these responsibilities because of the time required or any other reason, that Director or officer must advise the Board of Directors in writing.
- Prepare in advance for meetings so as to make the best use of all participants' time. This includes review of relevant material received prior to meetings.
- Keep confidential Executive Session business outside of Board of Directors' meetings, unless expressly authorized to do so by the Board of Directors. This duty extends even after his/her term has expired.

Every member of the Board of Directors and every officer of the Association upon acceptance of such position shall be deemed to have agreed to abide by the foregoing Conflict of Interest policy.

The undersigned, being the President of The Vistas Homeowners Association, a Nevada non-profit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on July 24, 2008.

By: _____
David Stefan, President

Date: _____

Attested by: _____

Date: _____