PROJECT KITTY HAWK, INC.

Conflict of Interest Policy

This Conflict-of-Interest Policy (“Policy”) of Project Kitty Hawk, Inc. (“Organization”) is applicable to all current officers, directors, and key employees (“Covered Persons”).

1. Covered Transactions

This Policy applies to transactions or other arrangements in which the personal or financial interests of a Covered Person (including through a Family Member or Affiliated Entity) may appear to be advanced by an action of the Organization, or otherwise whenever a Covered Person’s personal or financial interests could be reasonably viewed as affecting his or her objectivity or independence in fulfilling his or her duties to the Organization (such transaction or arrangement, a “Covered Transaction”).

(a) “Family Member” includes any spouse (including former spouses within last five years), ancestor, sibling, child, grandchild, great-grandchild, or the spouse (or former spouse within five years) of such persons.

(b) “Affiliated Entity” includes an entity in which the Covered Person is an officer, director, trustee, employee, has a more than 10% beneficial interest, or has received, or is expected to receive, from an entity more than twenty-five thousand dollars ($25,000) in annual income (directly or with one or more Family Members or other Affiliated Entities).

2. Disclosure, Refrain from Influence, and Recusal

When a Covered Person becomes aware of a possible Covered Transaction, he or she shall have a duty to take the following actions:

(a) immediately disclose the existence and all material facts of the possible Covered Transaction to the President, or the Chair of the Board of Directors (“Disclosure”);

(b) refrain from using his or her personal influence to encourage entering into the Covered Transaction; and

(c) physically excuse himself or herself from participation in any discussions regarding the Covered Transaction with officers, directors, and employees of the Organization, except to respond to requests for information.

Any Disclosure provided herein shall be documented in writing as promptly as possible and include with specificity the nature of the conflict or perceived conflict. All Disclosures made pursuant to this Policy must be included in the Organization’s annual reporting to the University of North Carolina.

In order to assist the Organization in identifying potential Covered Transactions, each Covered Person who currently serves as an officer, director or key employee annually shall complete and sign a Conflict of Interest Declaration (“Declaration”) provided by the Organization and shall
update such Declaration as necessary to reflect changes during the course of the year. Completed
Declarations shall be available for inspection by the Board of Directors, the officers of the
Organization, and by such other persons as the President may deem appropriate. Declarations must
be included in the Organization’s annual reporting to the University of North Carolina.

3. Standard for Approval of Covered Transactions

The Organization may enter into a Covered Transaction if the Board or committee thereof acting
in either case without the participation of the conflicted party, determines that such transaction is
fair and reasonable to the Organization. If a majority of the directors who are not conflicted with
respect to a transaction vote to authorize, approve, or ratify the transaction, a quorum shall be
deeded present for the purpose of taking said action, so long as there are at least two directors
voting to authorize, approve or ratify the transaction.

4. Administration of Policy

This Policy shall be administered by the Board (or committee thereof) with assistance from the
President. The Board (or committee thereof) and shall be responsible for:

(a) reviewing the annual Declarations and receiving disclosure of possible Covered
    Transactions;

(b) reviewing possible Covered Transactions to determine whether they meet the standard
described above;

(c) maintaining such documentation as may be necessary and appropriate to document its
    review of Covered Transactions, such as the nature and resolution of a conflict; and

(d) if the Policy is administered by a committee of the Board, such committee shall report to
    the Board on its findings and actions.

The Board and/or committee may seek advice from outside advisors in connection with the review
of any proposed Covered Transactions or with the administration of this Policy. The Board shall
have authority to review the operation of this Policy and make changes from time to time as it may
deeem appropriate.

The President shall provide a copy of this Policy to each current Covered Person and to all new
Covered Persons upon undertaking the duties of such office.
PROJECT KITTY HAWK, INC.

Conflict of Interest Declaration

Project Kitty Hawk, Inc. (the “Organization”) requires each officer, director and key employees annually to (1) review the Organization’s Conflict of Interest Policy (the “Policy”); (2) disclose any possible personal, familial, or business relationship that reasonably could give rise to a conflict of interest or the appearance of a conflict of interest; and (3) acknowledge that he or she is acting in accordance with the letter and spirit of the Policy.

Please respond to the following questions to the best of your knowledge; use an additional page if necessary.

1. Are you aware of any current or proposed Covered Transactions (as defined in the Policy) or any other transactions between the Organization and you, a Family Member or an Affiliated Entity (each as defined in the Policy)? If so, please describe.

2. Are you aware of any other relationships, arrangements, transactions or matters involving the Organization which could create a conflict of interest or the appearance of conflict? If you are aware of any of the above, please describe.

3. Please list your Affiliated Entities that by their nature or purposes may be engaged in transactions with the Organization.
I have received and read the Organization’s Conflict of Interest Policy. I am currently, and agree to remain, in compliance with the Policy.

Date

Signature

Printed Name

Please return this document to [Name] at [Address] or via fax at [Fax Number] or via email at [Email Address].