

EXCELLENCE. INTEGRITY. PEOPLE. SAFETY. COMMITMENT.



CODE OF CONDUCT
Business Ethics
and Compliance

Hawker Beechcraft

OUR VISION, PERFORMANCE PROMISE AND VALUES

Our Vision

To be Recognized as the World's Best General-Aviation Company, relentlessly pursuing superior product quality and delivering the best experience to our customers.

Our Performance Promise™

Together we design, build and service the world's best aircraft at the world's best general-aviation company – every day. We promise that our relentless pursuit of superior quality will never stop. We continually think of ways to improve the quality of our products and our workplace. We share those ideas. We focus on delivering the best quality and experience for our customers and each other.



Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results.

—Andrew Carnegie

There are only two options regarding commitment. You're either in or out. There's no such thing as a life in-between.

— Pat Riley

Our Values

Excellence:

We always strive to be the best by designing, building and delivering the finest quality aircraft, the most attentive service and the best support in the industry. We deliver on our Performance Promise™ in everything we do.

Integrity:

We are committed to maintaining an environment that fosters the highest level of ethical conduct and motivates employees to do the right thing. We are honest, forthright, trustworthy and personally responsible for the quality of our work.

People:

We treat each other with respect, welcoming diverse opinions and encouraging teamwork and collaboration. We help our fellow employees to grow by improving their skills, encouraging them to take the lead, and recognizing their accomplishments.

Safety:

We are committed to providing our customers with products and services that are the safest and most reliable in the industry. We promote safety and safe practices throughout our organization and our value chain – from suppliers to end users.

Commitment:

We honor our commitments to our customers and to each other, accepting personal accountability for our actions. We acknowledge our mistakes and use all such occasions as opportunities for learning and growth.

Dear Colleague:

As employees of Hawker Beechcraft, we have inherited an over 75-year legacy of excellence in safety, quality, service and innovation. My vision is to extend that legacy and raise the bar even higher. The success of that vision depends upon the decisions each of us makes every day.

Those decisions must be informed by the values we hold as a company and as individuals – integrity, trust, mutual respect, and open communication. These values apply in all our work and our dealings with customers, suppliers, regulators, stakeholders, the public, and each other. A “success” achieved through compromising our values is no success at all, regardless of who is, or who isn’t, watching.

The Hawker Beechcraft Code of Conduct defines what is expected of every employee. Though it cannot tell us how to behave in every particular situation, it provides direction on appropriate conduct and serves as a resource for finding the people, policies and training to help us make the right decisions.

If you have doubts about whether an action is appropriate, or suspect that the Code of Conduct has or will be violated, you have a duty to speak up. You can talk to your supervisor, your Human Resources Liaison, or our Legal Team. You can also use the Ethics and Compliance Helpline or website to ask your question or voice your concerns anonymously. To function effectively, the Code of Conduct depends on such reports and I will not abide any attempt to retaliate against those who report a suspected violation in good faith.

So, please review this document carefully and ask questions about how the Code of Conduct relates to your job. Our reputation as an ethical company is essential to our customers and stakeholders, and it is as critical to our future success as the aircraft we build and the services we provide. All of us share the responsibility for protecting that reputation.

Thank you for being part of the Hawker Beechcraft family and for your commitment to these important values.

Sincerely,

Bill Boisture



COMPLIANCE STARTS WITH YOU

What is the Intent of the Code of Conduct?

The Code of Conduct is to promote lawful and ethical behavior by all employees, officers, and members of our Board of Directors. Following the Code will ensure that the Company's business is conducted according to the values of the Company. The Code applies to all employees, officers and directors.

What are your obligations to our company and fellow employees?

- Each of us is responsible for the reputation of our company and its products and services.
- Each of us has the obligation to take reasonable action to avoid violations of the Code of Conduct, HBC's policies and procedures, and all laws and regulations. If you see or hear something that concerns you, please take action immediately.
- Failure to act when you know improper conduct is occurring (or may occur) is, itself, also improper behavior. The proper form of action is to take action, referring concerns to the resources identified in the following pages.
- Each of us is responsible to request guidance – or report a good-faith concern or violation using one of the avenues provided in this Code of Conduct.
- Every employee, officer and director is required to review the Code of Conduct, understand the requirements of the Code, and sign an acknowledgment.

Questions to Ask Yourself When Faced With an Ethical Dilemma...

- Would this comply with the law, HBC's Code of Conduct, and HBC's policies and procedures?
- How would our customers and the general public look upon this?
- What would I do if the company's Vice President, General Counsel or Ethics Director were standing here with me?

MAKE THE RIGHT CALL FOR ASSISTANCE

HBC expects every employee to be proactive, raising concerns about ethical issues and reporting actions believed to be a violation of the Code of Conduct, a company policy and procedure, or a government law or regulation.

If an employee has a concern, needs assistance in determining the right course of action, or has knowledge about a violation of the law, the Code of Conduct, or company policies and procedures, he or she should notify:

- The toll-free HBC Ethics Help Line (866.546.9750)
- Your supervisor
- The Office of Business Ethics and Compliance (+1.316.676.8312)

HBC leadership, including executives and managers alike, will maintain an "open-door" policy to discuss any ethical concerns.

Here is what you can expect when reporting a potential Ethics issue:

- Every report is taken seriously.
- Each allegation is evaluated and, when necessary, investigated. If substantiated, issues are resolved through appropriate corrective or disciplinary action.
- Reports can be made anonymously (you do not have to reveal your identity) or confidentially (you do reveal your identity, but it is kept confidential).
- Every effort is made to maintain confidentiality, although limited disclosure may be necessary in some cases to effectively review and resolve the matter.
- Retaliation of any kind against you for reporting in good faith is strictly prohibited.



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COMPLY WITH THE LAW AND COMPANY POLICIES AND PROCEDURES

Every employee must know, understand and follow all the laws and regulations that apply to our company. Likewise, all employees must follow the policies and procedures of the company.

Any employee who violates laws, regulations, policies and procedures, or this Code of Conduct is subject to disciplinary action up to and including termination.

It is not always easy to know what is right in every situation. If you are unsure about a course of action, please seek advice from your supervisor, Human Resources, the Ethics Office or the Law Department.

Guidelines:

- Understand the laws, rules and regulations that apply to your business activities.
- Seek HBC legal counsel if you become aware of possible violations of laws or regulations, or if those laws or regulations seem ambiguous or difficult to interpret.
- Think globally. Compliance with laws as well as company policies is required even in foreign countries where local culture or common practice might be inconsistent.



*It takes less time to do things right, than to explain why you did it wrong.
– Henry Wadsworth Longfellow*

PROTECT OUR COMPANY'S GLOBAL REPUTATION

Remember...

- › Improper international business practices are strictly prohibited.
- › Do not take shortcuts when handling exports.

Policies and Procedures

- › Export, Re-export and Import Control Policy No. 82-1000
- › Export Administration Regulations Boycotts Authorized Policy No. 00233-HB

Who to Call

- › HBC Export Control
(+1.316.676.1734)

We expect our employees, consultants, representatives, suppliers, contractors, and agents to protect the company's reputation. Compliance with all applicable laws, such as the U.S. Foreign Corrupt Practices Act, similar laws of other countries, and related anti-bribery conventions, is essential.

Export Compliance

HBC complies with all applicable export, reexport and import control laws and regulations, including the International Traffic in Arms Regulations (ITAR), Export Administration Regulations (EAR), Customs Regulations, and Bureau of Alcohol, Tobacco, Firearms and Explosives (BATF). Exporting certain technical data, defense articles, defense services or commodities without proper government authorization carries severe business consequences. Questions should be addressed to Export/Import Control, the Ethics Office or the Law Department.

Boycotts

HBC will not participate in any refusal to do business with a person or company in a foreign country that is friendly to the U.S. and whose country is not itself the object of any form of embargo by the U.S. Government. Any such request to participate in a boycott, or to provide information in support of a boycott, must be immediately reported to the Law Department or the Ethics Office.

Guidelines:

- Abide by import and export controls as they relate to your business and products.
- Seek HBC legal counsel upon receipt of any boycott-related requests for information or action from a customer located in a boycotting country.
- Seek HBC legal counsel when doing business with countries that may be regarded as "unfriendly" or "sanctioned" by the U.S. Government.
- Apply HBC standards of financial control, ethics and conduct internationally, even in foreign countries where culture or common practice might indicate that lower standards of conduct are acceptable.

TREAT PEOPLE WITH DIGNITY AND RESPECT

We respect the personal dignity of each individual and expect all our employees to do the same. We honor diversity and inclusion, and are intolerant of violence, discrimination, harassment, intimidation, bullying or retaliation in our workplace.

Remember...

- › Joking, kidding or spreading rumors can become harassment.
- › “Inclusive” means every employee is valued and respected for using their unique perspectives for the betterment of the company.

Policies and Procedures

- › EEO Policy No. 00067-HB
- › Harassment Prevention and Management Policy No. 00279-HB
- › Alternative Dispute Resolution & Employee Relations Program for Self-Represented Employees Policy No. 00179-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Your supervisor
- › Human Resources (+1.316.676.7680)

Our employment and personnel decisions are based on individual merit and company requirements, and we are committed to fair employment practices. Accordingly, our employment-related decisions are made without regard to race, color, religion, national origin, gender, sexual orientation, age, disability and veteran status (Vietnam era or other eligible veteran).

HBC leaders at all levels have an obligation to foster an inclusive and open work environment and an ethical culture, where employees, customers, and other business partners can raise issues and concerns without fear of retaliation.

Guidelines:

- Promote understanding and respect in all interactions with other employees. All employees have the right to expect a workplace free from conduct that is harassing or abusive in nature. Keep others’ sensitivities in mind.
- Ensure a workplace free of inappropriate sexual conduct, including unwelcome sexual advances, requests for sexual favors, and other physical, verbal, or visual conduct based on sex, particularly when (1) submission to the conduct is an explicit or implicit term or condition of employment, or (2) the conduct has the purpose or effect of unreasonably interfering with the individual’s work performance by creating a hostile, offensive, or intimidating working environment.
- Make an affirmative effort to consider candidates that are reflective of HBC’s culture and values when making hiring and promotional decisions.
- Base employment decisions on performance. Provide challenging, meaningful and rewarding opportunities for personal and professional growth to all employees without regard to race, ethnicity, religion, gender, pregnancy, age, national origin, citizenship status, disability, sexual orientation, veteran status or any other legally protected status.
- Take personal ownership for making day-to-day decisions that reflect our principles on workplace respect.
- When business necessity makes it feasible, look for win/win situations that are work/life compatible.

MAKE A COMMITMENT TO THE ENVIRONMENT, HEALTH AND SAFETY

Remember...

- › Safety and quality go hand in hand.
- › There is time to do every job safely.
- › Protect yourself and coworkers – use all required Personal Protective Equipment (PPE) at all times.

Policies and Procedures

- › Drugs & Alcohol Policy No. 00076
- › Environment, Health & Safety Management System Policy No. 00169
- › Workplace Violence Policy No. 00392

Who to Call

- › Ethics Help Line (866.546.9750)
- › Your supervisor
- › EH&S for issues on workplace safety, proper handling or disposal of hazardous materials. (+1.316.676.7695)
- › Health Services for issues on drug and alcohol abuse (+1.316.676.7710)

We are committed to the environment, health and safety excellence throughout our operations, both to live up to our social responsibilities and as a means to build the value of our business. We will provide safe products to our customers. We will also ensure a safe working environment for all employees, customers, contractors and suppliers. Environment, health and safety concerns must always be at the forefront of our decision-making.

Every employee is individually responsible and accountable for understanding the environmental and occupational health and safety implications of our products and businesses, and for complying with the legal requirements relating to them.

Guidelines:

We will:

- Require each HBC business to have an active environment, health and safety program that is strongly supported by its management team.
- Include in all business plans due consideration for the environment, health and safety impact of the actions contemplated in such plans.
- Continually seek ways to improve the safety and quality of our products.
- Adhere to safety procedures and follow good safety practices, avoiding unsafe shortcuts.
- Maintain a drug-free and alcohol-free workplace.
- Proactively encourage employee attentiveness to help with hazard prevention and the avoidance of accidents and injuries.
- Follow reporting requirements for all incidents, injuries and unsafe equipment practices or conditions.

AVOID CONFLICTS OF INTEREST AND DISCLOSE POTENTIAL CONFLICTS

Remember...

- › Disclose potential conflicts of interest promptly.

Policies and Procedures

- › Conflict of Interest Policy No. 00253-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Your supervisor

All business decisions must be based on the needs of the company, not on personal interests or relationships. Any relationship or activity that could influence, or appear to influence, an employee’s duties to the company, must be disclosed to the Ethics Office for review and resolution.

Examples of such conflicts include:

- Outside employment and affiliations (including board of directors positions)
- Granting business where the employee or family member has a financial stake
- Acting independently as a consultant to a customer or supplier of HBC
- Accepting anything of value not approved pursuant to policy from a supplier or potential supplier
- Allocating company funds to a charity or sponsorship where the employee or a family member has a personal interest.

Appearances are important – it is essential that you avoid even the appearance of conflicts between personal interest and interests of the Company.

Guidelines:

- Do not serve as a director, officer, partner, agent or in any other capacity to a competitor, supplier or customer – whether for personal profit or not – unless authorization is received from the Ethics Office. In certain cases, authorization from the Board of Directors may be necessary.
- Do not hold, own or allow immediate family members to own significant financial interests in any enterprise which may be a competitor, supplier or customer of the company without consulting the Ethics Office.
- Accurately disclose any actual, potential or apparent conflicts of interest to the Ethics Office.
- Consult with the Chief Financial Officer prior to interviewing current or former employees of our external audit firm(s). Recent former employees of the external audit firm(s) who participated in the audit of the company during the prior year are prohibited from serving in certain financial management positions with the company.



AVOID ACCEPTING OR GIVING IMPROPER BUSINESS COURTESIES

Our relationships must be built on trust, integrity and objectivity. Giving or accepting gifts can create the appearance of impropriety or favorable treatment with customers or suppliers.

If you are involved in procurement transactions, you must be especially cautious to avoid the appearance of special treatment.

Remember...

- › All gifts, courtesies, favors or entertainment valued at \$20 or more must be reported to management; gifts over \$50 must be reported to the Ethics office.
- › Report any offers of cash to the Ethics Office immediately.

Policies and Procedures

- › Offering & Accepting Business Courtesies, Gifts and Other Gratuities Policy No. 00226-HB

Who to Call

- › Ethics Office
(+1.316.676.8312)
- › Your supervisor
- › Law Department
(+1.316.676.7202)

Gifts

Gifts, meals, etc., may be acceptable if their value is insignificant (\$20 or less), and they are sometimes acceptable at higher values. Employees must know and abide by the specific rules and exceptions established in Hawker Beechcraft Policy 00226-HB.

Bribes

Bribes, kickbacks, or other improper payments are prohibited because they are illegal and would subject the company and the employee to civil and criminal penalties. If anyone ever offers you money or gifts to influence a business decision, report it to your supervisor or the Ethics Office immediately.

Business Courtesies for Government Officials

No gifts or business entertainment valued over \$20 may be given to any employee of the U.S. Government, including the military, without prior written approval from the HBC Law Department. Be cautious about offering gifts to U.S. Government employees, including the military, because they are not allowed to accept items from HBC whose cumulative value exceeds \$50 in any year.

Guidelines:

- Graciously decline expensive gifts or entertainment from persons or organizations doing business with or seeking to do business with the company, except those offered as common courtesies or usually associated with customary business practices. Generally, acceptable gifts are (1) infrequent and not excessive in value, and (2) small enough so that you or the company are not embarrassed to discuss them. Any exceptions require approval of the Ethics Office or the General Counsel.
- Entertainment should not be accepted if you are not in a position to reciprocate and if such reciprocation would not be considered a reimbursable business expense. Airline tickets and hotel expenses should not be accepted from third parties unless prior approval is obtained from the Ethics Office or General Counsel. Entertainment may be appropriate if it is consistent with customary business practices, is not excessive in value, does not create the appearance of impropriety, and would not embarrass the company or the employee if publicly disclosed. Any exceptions require approval of the Ethics Office.
- Do not contribute company funds to political parties or candidates for office or seek reimbursement of individual contributions. Hospitality toward public officials should not give an appearance of impropriety.
- Do not offer anything of value (e.g., gifts, entertainment), directly or indirectly, to any government official, department or agency, except where such gift, payment or favor could not be reasonably construed to be a "bribe, payoff or deal," and where public awareness of the event would not embarrass the company or the recipient.

OBEY ALL LAWS WHEN DOING BUSINESS WITH THE U.S. AND FOREIGN GOVERNMENTS
Remember...

- › Consult HBC P&P's before offering a gift to any one affiliated with a foreign government.

Policies and Procedures

- › Offering & Accepting Business Courtesies, Gifts and Other Gratuities Policy No. 00226-HB
- › Offering Business Courtesies, Gifts and Other Gratuities to Foreign Government Persons Policy No 19-3004

Who to Call

- › Ethics Office (+1.316.676.8312)
- › Your supervisor
- › Law Department (+1.316.676.7202)

Doing Business with the U.S. Government

Selling goods and services to the U.S. Government is extensively regulated. When dealing with government customers or officials, including U.S. military, consult Hawker Beechcraft Policy 00226-HB to make sure you understand appropriate rules and limitations.

Doing Business with Foreign Governments

Hawker Beechcraft complies with the U.S. Foreign Corrupt Practices Act, the Organization for Economic Cooperation and Development Convention (OECD), and other international anti-bribery laws. These laws prohibit employees from bribing any public official, government or individual – notwithstanding nationality or local custom – to acquire any concession, contract or favorable treatment for Hawker Beechcraft or the employee.

Offering a gift to a foreign government official is strictly governed by HBC policy 19-3004. All employees should consult the policy and follow the prescribed procedures fully.

Guidelines:

- If you work with our U.S. Government customers, thoroughly understand the rules that govern this relationship and strictly abide by them.
- Be cautious whenever an official of a foreign government asks for compensation or anything of value to be given in exchange for facilitating a business transaction. When in doubt, seek guidance from the Ethics Office or the HBC Law Department.
- Do not offer anything of value (e.g., gifts, entertainment), directly or indirectly, to any government official, department or agency, except where such gift, payment or favor could not be reasonably construed to be a "bribe, payoff or deal," and where public awareness of the event would not embarrass the company or the recipient.



NEVER ENGAGE IN INSIDER TRADING

Remember...

- › If you are unsure whether information has been adequately disclosed to the public, do not disclose or use it until you are sure.

Policies and Procedures

- › Offering & Accepting Business Courtesies, Gifts and Other Gratuities Policy No. 00226-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Law Department (+1.316.676.5737)

Compliance with all laws regarding insider trading is essential. Insider information is non-public information an investor or potential investor would consider in their decisions to buy or sell stock or debt securities.

HBC employees and officers are required to consider all non-public information as inside information and should never use such information for personal gain.

Using non-public information to trade in securities or providing a family member, friend or any other person with a “tip” is illegal. The prohibition against the use of inside information applies even to other companies if material, non-public information about other companies — such as HBC’s customers or competitors — is discovered in the course of your duties for HBC.

Guidelines:

- Confidential business information should be restricted to those employees who “need to know,” especially if it concerns any entity that has publicly traded securities.
- You and your immediate family members should not buy or sell securities of the Company, including the Company’s debt, or any other entity, if you possess material, non-public information about the issuer of the securities.
- Material non-public information might include:
 - Company earnings projections
 - Significant accounting actions, such as write-downs of assets, increases in reserves or earnings restatements
 - The filing of a significant lawsuit
 - The fact that a major acquisition or sale of assets is being negotiated
 - Plans for material restructuring of the company’s businesses and/or functions
 - Reaching an agreement with a customer or supplier that could have a significant impact on the company’s revenues or income
 - The hiring or termination of a key executive.



ABIDE BY ANTITRUST LAWS

Remember...

› The monetary cost of antitrust violations, even unintentional violations, can run into the millions of dollars in fines and penalties – the cost to Hawker Beechcraft’s reputation would be even greater.

Policies and Procedures

› Antitrust Laws
Policy No. 00410-HB

Who to Call

› Ethics Help Line
(866.546.9750)
› Law Department
(+1.316.676.7202)

Antitrust law is designed to ensure that competition remains vigorous and free of anti-competitive arrangements. We prohibit any unethical or illegal practices which may reduce competition or restrain trade — including but not limited to, fixing or controlling prices, boycotting specified customers or suppliers, allocating customers or territories, or limiting the production or sale of products for anti-competitive purposes.

Guidelines:

- Restrict contact with competitors to legitimate business purposes. Seek guidance from the HBC legal team when in doubt.
- Do not discriminate as to prices or allowances offered to competing customers without seeking advice from a member of the Law Department.
- Do not agree with competitors to fix prices, rig bids, or allocate markets.
- Avoid discussing with a competitor prices, costs, production, products and services, bidding practices, other non-public business matters, sales territories, distribution channels or customers.
- Obtain HBC legal advice when considering territorial or customer restrictions, distributor terminations, tying or exclusive dealing arrangements, acquisitions or joint ventures.
- Do not condition the sale or lease of a product or service by HBC to the sale or lease by HBC of another product or service without review by the Law Department. This could constitute an illegal “tying” arrangement.
- Familiarize yourself with the company’s Antitrust Laws Policy.

MARKET, BID, NEGOTIATE AND PERFORM IN GOOD FAITH

Our reputation is of the utmost importance. Truthful and accurate communication of information about our products and services is essential to meeting our commitments to our customers.**Remember...**

- › Do not risk the company's reputation by cutting corners, leaving out information, or telling half-truths.

Policies and Procedures

- › Review of Proposals & Contract Documents Policy No. 00163-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Your supervisor

Employees must be factual in marketing, in preparing bid proposals based on properly estimated cost and pricing data, and in truthfully negotiating contracts. Excellence in performance must be based on our compliance with contract specifications and associated quality and testing requirements. We seek to outperform our competition fairly and honestly, and never through unethical or illegal business practices.

Guidelines:

- Deal fairly and honestly with all HBC customers, suppliers, regulators, business partners, competitors and others.
- Understand and strictly follow all requirements and guidelines for submitting bid proposals to HBC customers.
- Conduct yourself in a manner that will avoid any actual, potential or apparent conflict of interest between you and the company.
- Cooperate with ethics and legal compliance audits and investigations.
- Take corrective action upon the discovery of unethical business practices.



FOLLOW THE RULES WHEN HIRING FORMER GOVERNMENT AND COMPETITOR EMPLOYEES
Remember...

- › Do not discuss employment with any current or former government employee without knowing the rules.

Policies and Procedures

- › Employment of Current & Former U.S. Government Employees
Policy No. 00188-HB

Who to Call

- › Ethics Help Line
(866.546.9750)
- › Law Department
(+1.316.676.7202)

Any discussion or contacts with current or former U.S. Government employees (military or civilian) for the purpose of exploring potential employment or consulting opportunities with the company are governed by federal laws and regulations. These laws and regulations restrict the Company's ability to conduct employment discussions and to make hiring decisions. Furthermore, once hired, these individuals may also be prohibited from certain tasks and duties that related to their prior responsibilities while employed by the U.S. Government.

Additionally, the Uniform Trade Secrets Act and the Economic Espionage Act prohibit the theft of trade secrets and confidential business information. Therefore, when hiring an employee who has worked for a competitor, we must ensure that the competitor's trade secrets and other confidential business information is not obtained from, or provided by, the new employee to anyone at the company. Likewise, when leaving the company, employees are prohibited from providing any trade secrets or confidential business information to their new employer or any third party.

Guidelines:

- Consult with the Law Department before hiring former U.S. Government employees.
- When hiring an employee that worked for a competitor of HBC, do not seek to have that employee divulge any trade secrets or confidential information of the former employer. Understand the confidentiality obligations the employee may still owe to the former employer.

ENGAGE IN ONLY LAWFUL AND AUTHORIZED POLITICAL ACTIVITY

Remember...

- › Keep your political activities separated from work.

Policies and Procedures

- › Reporting Political Contribution, Fees & Commissions Involving Foreign Sales of Defense Articles/ Services Policy No. 00193-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Law Department (+1.316.676.7202)

Voluntary involvement of employees in the political process is encouraged by the company, but participation must be on an employee's own time and at the employee's own expense. Company resources, such as computers, may not be used for any political purpose, such as supporting or endorsing any candidate, officeholder, or cause, unless explicitly authorized by management.

The Hawker Beechcraft Political Action Committee (HB-PAC) is a voluntary, non-profit association that provides eligible employees an opportunity to collect and distribute funds to support candidates for federal and/or state political office who will support the highest standards of excellence for the aviation industry and quality service in the government. The HB-PAC is bipartisan and is not affiliated with any political party.

Guidelines:

- Do not contribute company funds to political parties or candidates for office, or seek reimbursement of individual contributions.
- Ensure that company assets are not used for any political purpose.



MAINTAIN OUR FINANCIAL INTEGRITY
Remember...

- › Financial accounting requires the whole truth and nothing but the truth.

Policies and Procedures

- › The Company maintains financial policies and procedures to provide guidance on numerous items including transaction processing, asset safeguarding and accounting and financial reporting matters. The policies are maintained in the Policies and Procedures section of the company's internal web site.

Who to Call

- › Ethics Help Line
(866.546.9750)
- › Internal Audit
(+1.316.676.6324)
- › CFO
(+1.316.676.3050)
- › VP Communications and Public Affairs
(+1.316.676.7690)
- › VP-Controller
(+1.316.676.2795)

Our reputation depends on the confidence others have in us. HBC's financial books, records, cost accounts and financial statements will properly document all assets and liabilities, accurately reflect all transactions of the corporation, and be maintained in accordance with company policies and procedures and applicable laws and regulations.

The company does not provide guidance or forward-looking statements other than that provided in our quarterly earnings calls.

Financial Accountability

The company follows U.S. Generally Accepted Accounting Principles (GAAP) to provide a uniform basis for measuring, managing and reporting company operations. No false entries will be made on the books or records of the company or its subsidiaries for any reason, nor will any undisclosed or unrecorded funds or assets be established.

Accurate Labor and Other Charging

The accurate charging of labor, material, or other costs are prerequisites to maintaining the integrity of the company's customer billing, financial reporting and strategic planning.

Every employee is personally responsible for ensuring that our labor, travel, material and other expenses are recorded truthfully and correctly, as are income and revenue transactions.

Guidelines:

- Financial statements and all books and records on which they are based must reflect accurately all transactions of the company in accordance with company policies and U.S. generally accepted accounting principles.
- Communicate openly, honestly and in a timely manner with our independent auditors.
- Provide those involved in the preparation of the company's public disclosures with information that is accurate, complete, objective, relevant, timely and understandable.
- Reports or other documents filed with or submitted to the SEC, as well as all other public communications, will contain, and each employee will endeavor to ensure, full, fair and accurate disclosures. All reports will be filed timely and will contain understandable disclosures as required by the SEC.
- Encourage employees to raise questions and concerns regarding the company's public disclosures and ensure that such questions and concerns are appropriately addressed.
- Expense accounts will comply with company policy, be fully documented, reflect actual travel taken for company business, and be approved by appropriate management. No employee is permitted to approve his or her own expenses. All expense account statements are subject to audit.
- Employees cannot provide guidance or forward-looking statements to external sources, including but not limited to, financial analysts, investment community, competitors, or all media. All queries should be forwarded to the Chief Financial Officer or Vice President Communications and Public Affairs.

MANAGE RECORDS APPROPRIATELY

Remember...

- › If you are aware of a government investigation or litigation, ensure you know the steps to preserving documents and records.
- › Follow the company's policy on destruction and retention of documents and records.

Policies and Procedures

- › Records Management Policy No. 00155-HB
- › Electronic Mail Retention Policy No. 00420-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Law Department (+1.316.676.7202)

The company is committed to efficiently, legally and compliantly managing its business records from creation, through retention, to ultimate disposition when no longer needed for legal compliance or business needs.

The Law Department should be contacted immediately if an HBC employee learns that a subpoena, audit, litigation or a government investigation is pending or imminent. If so instructed by the Law Department, employees must retain and preserve all records that may be responsive or relevant to any subpoena, litigation, investigation or records hold. No such records should ever be destroyed. All relevant records that would otherwise be automatically destroyed or erased (such as e-mails and voice mail messages) should be preserved from destruction. Destruction of such records, even if inadvertent, could result in significant damages being imposed against the company.

Guidelines:

- Preserve business documents and records in accordance with our Records Management Policy.
- Regularly review your files, including e-mail files and folders, to properly dispose of records where the retention period has passed.



USE COMPANY ASSETS APPROPRIATELY
Remember...

- › Conduct all computer activity as if the boss is watching.

Policies and Procedures

- › Electronic Mail and Internet-Intranet Policy No. 00421-HB
- › Company Assets; Authorized Limited Personal Use Policy No. 00301-HB
- › Reporting of Company Property Damage or Equipment Breakdown to Effect Recovery Policy No. 00307-HB
- › Removal and Transfer of Equipment Policy No. 53-0002

Who to Call

- › Ethics Help Line (866.546.9750)
- › Security (+1.316.676.5300)

Every employee has the responsibility to protect company property, including tools, equipment, computer systems, records, and customer information against theft, loss, or other misuse.

Employees or officers must not take, loan, sell, damage, or otherwise dispose of any HBC property.

Guidelines:

- The use of company property is for the sole purpose of conducting business-related tasks.
- Occasional, limited personal use of company assets, such as computers, telephones, Internet access, e-mail and copy machines is permitted, as described in Hawker Beechcraft Policy 00301-HB. Personal use of these assets:
 - Must be of reasonable duration and frequency
 - Must not occur during chargeable working time
 - Must not interfere with job performance
 - Must not involve personal business ventures, private consulting efforts, outside fund-raising activity, political or lobbying activity, illegal activity, or any activity that would cause embarrassment to HBC
 - Must not compromise intellectual property rights or otherwise jeopardize confidential or company-sensitive data.
- Use of HBC property to engage in unethical, harassing, illegal or inappropriate activities or to promote personal gain by employees is prohibited. Downloading or accessing pornographic material from the Internet is strictly prohibited.
- You should refrain from keeping personal items or information that you consider private in your work area or on company information systems. HBC reserves the right to gain access to these areas, in accordance with applicable laws.
- In general, the only software that should be loaded on your computer is that which the company has approved and purchased. In many cases, it is illegal to copy, download, or distribute software or other materials or files that are protected by copyright. Even so-called “free-ware” or “share-ware” – electronic programs and files available at no cost from the Internet – are prohibited, as they can serve as source materials for computer viruses.

PROTECT INTELLECTUAL PROPERTY AND CONFIDENTIAL OR PROPRIETARY INFORMATION

Remember...

- › Sharing information with anyone, even a co-worker, who does not have a business need to know about it can violate confidentiality.

Policies and Procedures

- › Employee Agreement Concerning Inventions & Other Intellectual Property Policy 00221-HB
- › Control of Company Proprietary Information Policy 00407-HB
- › Intellectual Property Policy 00415-HB
- › Protection of Personally Identifiable Information Policy No. 00295-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Law Department (+1.316.676.7202)
- › CFO (+1.316.676.3050)
- › VP Communications and Public Affairs (+1.316.676.7690)

HBC employees and officers must maintain in strict confidence all confidential business and proprietary information of the company, except where disclosure is authorized by the company or required by law. Confidential business and proprietary information generated and/or gathered by the company is a valuable Company asset. Protecting this information plays a vital role in the Company's continued growth and ability to compete.

Hawker Beechcraft employees are also required to respect and observe the property rights of other companies, including customers and prospects, and their proprietary information. The unauthorized use or distribution of such proprietary information of others violates company policy and may also be illegal.

The obligation to protect the company's proprietary and confidential information continues even after leaving employment with the company. Upon leaving the company, an employee must return everything that belongs to the company and must not disclose confidential information to a new employer or to others.

Although it is not possible to list all information that would be covered by this section of the Code, confidential business and proprietary information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers if disclosed. By example, confidential information includes intellectual property such as trade secrets as well as research and new product plans; objectives and strategies; records and databases; salary and benefits data; employee medical information; customer, employee and supplier lists and any unpublished financial or pricing information.

Guidelines:

- Restrict confidential business information to those employees who "need to know."
- Refrain from discussing confidential business information in public places or with family and friends.
- Clear and coordinate all discussions with the media through the VP Communications and Public Affairs.
- Avoid entrusting confidential business information to temporary employees when possible.
- Use care in storing and disposing of documents containing confidential information.
- Use code names for mergers, acquisitions, dispositions, or other confidential business transactions.
- Employees cannot provide guidance or forward-looking statements to external sources, including but not limited to, financial analysts, investment community, competitors or all media. All queries should be forwarded to the Chief Financial Officer or Vice President Communications and Public Affairs.



REFRAIN FROM IMPROPER COMMUNICATIONS ABOUT THE COMPANY
Remember...

- › Employees must not speak directly to the media.
- › Employees should refrain from posting anything online regarding the company, its employees or officers without authorization from Communications and Public Affairs.

Policies and Procedures

- › Employee Communications Policy No. 00017-HB
- › Media Relations Policy No. 00020-HB
- › SEC Regulation FD Policy No. 00244-HB

Who to Call

- › Ethics Help Line (866.546.9750)
- › Media Relations (+1.316.676.8674)

Media

Communication with the news media is an important part of any Company's communication program. In general, communications with news media should be directed to the company's Vice President of Communications and Public Affairs. Employees must never make unauthorized statements or disclosures to the news media.

Use of Company Name, Logos, Trademarks, Web Site and Copyrighted Images

All uses of the Company name and Web site must be pre-approved by the Communications and Public Affairs organization. These include but are not limited to logos, trademarks, copyrighted images, Hawker Beechcraft Corporation, Hawker Beechcraft Services, Hawker®, Beechcraft®, Beechjet®, Performance Promise™, King Air®, Baron®, Bonanza®, Hawker Beechcraft Charter and Management, and RAPID.

Additionally, all uses or release of copyrighted photographs and video must be pre-approved by Communications and Public Affairs.

Internet Postings and Chat Rooms

In today's electronic age, posting information on Internet bulletin boards, even communicating in chat rooms (other than internal/company-provided), is the same as "speaking to the media."

Employees must not use these forums to discuss matters or opinions related to the company or any of its industries, or to respond to comments about the company. If you see a comment or posting of concern, you should bring it to the attention of the Ethics Office, the Communications and Public Affairs office or the Law Department.

Guidelines:

- Clear and coordinate all discussions with the media through the Vice President Communications and Public Affairs.
- The company name, trademarks and logos should not be used without consultation with our Communications and Public Affairs organization.
- Do not allow company confidential information to be posted or discussed on the Internet.
- Do not allow any unauthorized access or use by third parties including family and friends, of the company's information systems, including the company Intranet, computers, e-mail, or other technology systems or files.

CHANGES TO OR WAIVERS FROM THE CODE OF CONDUCT

Changes to the Code of Conduct or waivers from the Code for any Executive Officer or Director may be made only by the Board of Directors and will be promptly disclosed as required by applicable laws and regulations.



DIRECTORY OF WHOM TO CALL

Communications and Public Affairs	+1.316.676.7690
EH&S (for issues on workplace safety, proper handling or disposal of hazardous materials)	+1.316.676.7695
Ethics Office	+1.316.676.8312
Ethics Help Line	866.546.9750
Health Services (for issues on drug and alcohol abuse)	+1.316.676.7710
Human Resources	+1.316.676.7680
Internal Audit	+1.316.676.6324
Law Department	+1.316.676.5737
Media Relations	+1.316.676.8674
Security	+1.316.676.5300

*In any moment of decision, the best thing you can do is the right thing,
and the worst thing you can do is nothing.*

—Theodore Roosevelt



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