

## **BUSINESS EXPENSES AND REIMBURSEMENTS POLICY**

It is the policy of Fairchild Corporate that the Company and its directors, officers, and employees abide by the following procedures with respect to business expenses:

1. The Company shall eliminate all Company-issued credit cards and terminate employee-originated direct billing to the Company for employee business expenses; provided, however, that certain divisional employees performing sales-related functions shall be entitled to Company-issued credit cards.
2. The Company's executive officers and directors have direct responsibility for segregating business and overlapping personal expenses and must seek reimbursement for such business expenses from the Company in a timely manner.
3. All requests for reimbursement must be made in writing within 60 calendar days of receipt by the party seeking reimbursement of a final billing statement for the expenditure to be reimbursed.
4. The Company's Chief Financial Officer shall approval all business expense reimbursements to all Company executive officers and directors.
5. The Company's Oversight Committee shall review on a quarterly basis all of the business expense reimbursements made to the Company's executive officers and directors and shall have the authority to allocate between business and personal expense requests for expense reimbursements as the Oversight Committee deems reasonably appropriate.

This Business Expense Policy shall not be amended, altered or repealed except pursuant to the affirmative vote of three-fourths of the members of the Oversight Committee.

Adopted December 7, 2005; effective December 23, 2005.