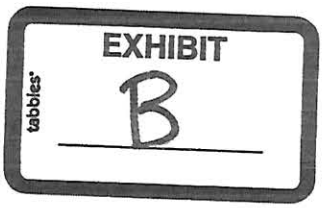

MAINE ROBOTICS

CONFLICT OF INTEREST POLICY

Article I

Purpose

The purpose of the conflict of interest policy is to protect Maine Robotics (the "Corporation") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations.

Article II

Definitions

1. Interested Person. An "interested person" shall mean any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below.

2. Financial Interest. A person has a "financial interest" if the person has, directly or indirectly, through business, investment, or family:

a. an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;

b. a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or

c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article Ill, Section 2, a person who has a financial interest may have a conflict of interest only if the Board of Directors decides that a conflict of interest exists.

Article III

Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest to the Board of Directors and be given the opportunity to disclose all material facts.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining members of the Board shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

a. An interested person may make a presentation at the Board, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. The person(s) so appointed need not be members of the Board of Directors.

c. After exercising due diligence, the Board shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the Board of Directors has reasonable cause to believe a Director or Officer has failed to disclose actual or possible conflicts of interest, it shall inform the Director or Officer of the basis for such belief and afford him/her an opportunity to explain the alleged failure to disclose.

b. If, after hearing the Director's or Officer's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the Director or Officer has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Proceedings

The minutes of the Board of Directors shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V

Compensation

a. A voting member of the governing board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

b. No voting member of the Board of Directors who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.