

**PARK ELECTROCHEMICAL CORP.  
RELATED PERSON TRANSACTIONS POLICY**

This Related Person Transactions Policy (this "Policy") has been adopted by the Board of Directors of Park Electrochemical Corp. (the "Company").

**A. Definitions.**

*"Related Person"* – A related person is a director, executive officer, nominee for the Board, beneficial owner of more than 5% of any class of the Company's voting securities, and any of the forgoing person's immediate family members (including children, stepchildren, parents, stepparents, spouses, siblings, parents in-law, children in-law, siblings in-law, and any person sharing the household of the director, executive officer, nominee, or shareholder, other than tenants and employees).

*"Related Person Transaction"* – A related person transaction involves a Transaction in which the Company and either (i) a Related Person, (ii) a person that was a Related Person less than 12 months previous to the Transaction, or (iii) an entity in which a Related Person has a direct or indirect material interest, are participants, and in which the amount involved exceeds \$120,000.

*"Transaction"* – A transaction includes any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements, or relationships.

**B. General Policy.**

It is the general policy of the Company to prohibit all Related Person Transactions unless the Company's Board of Directors shall determine in advance of the Company entering into any such Related Person Transaction that the Transaction is conducted on terms that are fair to the Company. Each Related Person Transaction must be reviewed and approved by the General Counsel of the Company or the Chief Executive Officer of the Company and by the Board of Directors in advance of the Company entering into such Transaction.

**C. Requirements for Approval of a Transaction with a Related Person.**

In order for the Board of Directors to approve a Related Person Transaction:

(1) The Transaction should be presented to the Board of Directors before it is entered into by the Company;

(2) The Board of Directors must be satisfied that it has been fully informed as to the direct and indirect interests, relationships and conflicts or potential conflicts present in the proposed Transaction, specifically including:

- a. the Related Person's name and relationship to the Company;
- b. a complete description of the proposed Transaction, including both economic and non-economic features, and a copy of any proposed written agreement governing the Transaction;

c. the nature of the Related Person's direct or indirect interest in the Transaction; and

d. the Related Person's relationship to or ownership interest in any other party to, or which has an interest in, the Transaction.

(3) The Board of Directors must determine that, being fully apprised of the above, it believes, nonetheless, the Transaction is fair to the Company and, if necessary, the Company has developed an appropriate plan to manage any conflicts or potential conflicts of interest.

**D. Ratification.**

In the event that the Company enters into a Related Person Transaction that has not received approval by the Board of Directors, or a Transaction that was not originally a Related Person Transaction becomes a Related Person Transaction, the Board of Directors must review such Transaction promptly, and may ratify such Transaction, provided that, in such case, unless there is otherwise a compelling business or legal reason for the Company to continue with the Transaction, the Board of Directors may only ratify the Transaction if it determines that (i) the Transaction is fair to the Company, and (ii) any failure to comply with this Policy was not due to fraud or deceit.

**D. Notification.**

The General Counsel of the Company shall be responsible for ensuring that this Policy is distributed to all executive officers, directors and nominees to the Board. Such Related Persons shall also be notified that they are responsible for informing their immediate family members and entities in which they have a direct or indirect material interest of the Policy.

**E. Responsibilities of Related Persons.**

Any director, executive officer or nominee to the Board of the Company who proposes to enter into a Related Person Transaction or becomes aware of an unapproved Transaction, shall notify the General Counsel of such proposal or Transaction, and to the extent known, provide the General Counsel all of the information required under Section (C)(2) of this Policy, as well as any other information requested by the General Counsel. The General Counsel, upon receiving such notification, shall be responsible for requiring that any proposed Transaction be presented to the Board of Directors for consideration in accordance with this Policy.

Adopted May 11, 2010