

# AIR METHODS CORPORATION

## CORPORATE POLICY AND PROCEDURE ON INSIDER TRADING

Adopted March 28, 2003

### 1. Introduction

United States federal securities law seeks to ensure that all investors in the shares of a publicly traded company have timely and equal access to Material Information (as defined below) concerning such company when making a decision to buy, hold or sell its securities. The purpose of this Corporate Policy and Procedure on Insider Trading (the “Policy”) is to define the rules and procedures applicable to the purchase and/or sale of Air Methods Securities (as defined below) by persons having access to Material Non-Public Information (as defined below) concerning Air Methods Corporation (“Air Methods”).

This Policy covers (i) all directors, officers and employees of Air Methods, as well as their family members or other persons living in the same household and (ii) any other person or entity, including a trust, corporation, partnership or other association which effects a transaction in Air Methods Securities (as defined below), which securities are in fact beneficially owned by any of the persons named in clause (i) above; (individuals or entities in clauses (i) and (ii) above are referred to herein as “Air Methods Insiders”).

This Policy applies to any and all transactions in shares of Air Methods’ common stock, options or warrants to purchase such shares and any other types of securities that Air Methods (or any of its subsidiaries) may issue (“Air Methods Securities”).

### 2. Individual Responsibility

All Air Methods Insiders may have access, incidentally or in the course of their work with or at Air Methods, to information about the financial results and condition or other plans of Air Methods, which are not yet known by the public. It is the duty of each such person not to use this privileged position for direct or indirect personal gain. Thus, each person is responsible for understanding the Policy and following its guidelines.

A copy of the Policy will be delivered by the Compliance Officer to all existing directors, officers and employees of Air Methods, as well as to all new directors, officers and employees of Air Methods at the start of their employment or relationship with Air Methods. Upon first receiving a copy of the Policy or any revised versions, the recipient must sign an acknowledgement that he or she has read and understands the terms of the Policy. A form of acknowledgement is attached hereto.

### 3. General Principles and Definitions

A. Since Air Methods' common stock is registered under United States securities laws, listed on the Nasdaq National Market and publicly traded, Air Methods is obliged to make prompt disclosure of all Material Information. The securities laws and regulations prohibit a person who is in possession of Material Non-Public Information concerning Air Methods from:

- (i) purchasing and/or selling Air Methods Securities; and
- (ii) advising, "tipping" or otherwise assisting third parties trading in Air Methods Securities.

The penalties for violation of securities laws and regulations can be severe both for the person concerned and for Air Methods. The penalties are described in Section 7.

B. "Material Information" means:

- (i) information that is likely to be viewed by a reasonable investor as significant in deciding to buy or sell securities;
- (ii) information that one could assume would have a direct impact on the market price of Air Methods' securities; or
- (iii) information whose public disclosure would be expected to significantly alter the total mix of information in the marketplace about Air Methods.

Air Methods believes information about the following matters are likely to be material in many circumstances:

- < any information about financial results, significant changes in financial results and/or financial condition, and financial projections;
- < significant increases or decreases in the amount of outstanding securities or indebtedness;
- < material grants of options or material increases in compensation or bonus payments to directors or officers;
- < changes in business;
- < major new contracts, or the loss thereof,
- < significant acquisitions or dispositions of assets;
- < significant joint ventures;
- < significant developments in budgets or long-term plans;
- < changes in management or control;
- < dividends and share splits;

- < significant litigation or governmental investigation or other government action;
- < initiation or settlement of labor negotiations or disputes, strikes or lockouts;
- < changes in AIR METHODS's certifying accountants; or
- < any other information that might have a significant impact on the market value of AIR METHODS Securities

The above list is merely illustrative. The Compliance Officer or Air Methods' legal counsel should be consulted concerning any doubts about whether information constitutes Material Information.

It is important to note that, in the event of a dispute whether information is material, the U.S. courts will determine what is material after the fact, with the benefit of hindsight.

C. "Material Non-Public Information" is any Material Information that has not been publicly disclosed. The Company may make public disclosure by issuing a press release through a major news service, making a public filing with the Securities and Exchange Commission or other regulatory agency, or otherwise making information widely available to the public. Once the information has been publicly disclosed and has been available for a period of time (usually two business days) sufficient to allow the market to understand and react to the information, it is no longer Material Non-Public Information.

#### **4. Buying and Selling Air Methods Securities**

##### A. Trading Windows for Air Methods Insiders

In addition to the prohibition of trading when in possession of Material Non-Public Information, Air Methods has established Pre-Clearance Procedures that must generally be followed by Air Methods Insiders before buying or selling Air Methods Securities. The Pre-Clearance Procedures are described below. However, Air Methods has established trading windows during which trading in Air Methods Securities by Air Methods Insiders is generally permitted. The trading windows are being adopted with a view to providing Air Methods Insiders a regular period in each calendar quarter when it is less likely that Material Non-Public Information may exist and when purchases and sales may generally be made without following the pre-clearance procedures described below.

Unless an Air Methods Insider has Material Non-Public Information, he or she may buy, sell or otherwise transfer Air Methods' Securities for a period beginning the second trading day following the Company's issuance of a quarterly or annual earnings release and ending 15 days prior to the end of the quarter.

B. Pre-Clearance Procedures

If an Air Methods Insider desires to purchase, sell or otherwise transfer Air Methods Securities outside of the trading windows, pre-clearance for such transaction must be obtained through Air Methods' Compliance Officer. Pre-clearance requires an Air Methods Insider to deliver to the Compliance Officer a written request for approval on the attached Form A before initiating any transaction in Air Methods Securities. Requests may be delivered by hand or via fax and will be responded to promptly. If an approved transaction is not completed within 30 days after receipt of approval, a new Form A will need to be filed. The Compliance Officer will immediately inform the applicant should an authorization be refused under the pre-clearance procedure.

C. Pre-Sale Notification by Reporting Persons

Directors and officers of the Company who are required to file beneficial ownership reports with the SEC are requested to give at least two days notice to the Company to facilitate the required filing with the SEC.

D. 10b5-1 Trading Plan

Air Methods Insiders may purchase, sell or otherwise transfer Air Methods Securities pursuant to a trading plan or arrangement satisfying the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934 and the requirements of this Policy (a "Trading Plan"). The Trading Plan must be documented, bona fide and previously established (at a time when the Air Methods Insider does not possess Material Non-Public Information) and must specify the price, amount and date of trades or provide a formula or other mechanism to be followed.

Any Trading Plan must be approved in writing in advance of any trades by the Air Methods' Compliance Officer. Transactions pursuant to a pre-approved Trading Plan may take place during or outside of trading window. Air Methods Insiders are not required to obtain pre-clearance of Trading Plan transactions, as would otherwise be required by Section 4B of the Policy.

Air Methods reserves the right to require that additional provisions be included in a Trading Plan with the objective of complying with Rule 10b5-1. If an approved Trading Plan is in effect, no requirements regarding specific trades or trading instructions will be imposed. Air Methods may make public disclosures regarding the existence or terms of a Trading Plan if Air Methods deems it desirable, and may establish procedures with third parties to ensure timely compliance with Section 16 requirements. Air Methods also reserves the right to require that transactions under a Trading Plan be suspended during periods when Air Methods believes that legal, contractual or regulatory restrictions could prohibit such transactions or make them undesirable. These might include periods during which Air Methods Insiders have agreed with underwriters that they will not sell Air

Methods Securities for specified periods before and after a public offering, or periods in proximity to a public offering during which SEC Regulation M prohibits purchases by affiliates.

Air Methods Insiders are encouraged to consult with their financial, tax and legal advisors to help ensure that a Trading Plan meets their objectives.

## **5. Additional Prohibited Transactions**

It is Air Methods' policy that Air Methods Insiders *may not* engage in any of the following activities with respect to Air Methods Securities at any time:

- A. Short sales (a sale of securities which are not owned by the seller at the time of the sale), including short sales against the box.
- B. Buying or selling puts or calls.
- C. Frequent trading (for example, daily or weekly) to take advantage of fluctuations in share price.

In addition, because purchasing Air Methods Securities on margin can raise potential problems under the U.S. securities laws, it is strongly recommended that Air Methods Insiders consult with their own or Air Methods' legal counsel before purchasing or selling Air Methods Securities in margin accounts.

## **6. Other Legal Obligations**

The above restrictions are in addition to the legal requirements that may otherwise apply to Air Methods Insiders in Air Methods Securities, such as Rule 144 of the Securities Act of 1933, as amended; the reporting, short-swing profit and prohibited transaction provisions under Section 16 of the Securities Exchange Act of 1934, as amended; and the prohibition on purchases while Air Methods is distributing securities of the same class. Air Methods' legal counsel is available to advise you further about any of these matters.

## **7. Potential Civil and Criminal Penalties**

### **A. Penalties**

- (i) Air Methods Insiders. An individual who trades or tips Material Non-Public Information is subject in the U. S. to civil penalties of up to three times the profit gained or loss avoided, as well as criminal penalties of up to one million dollars and/or a jail term of up to ten years.

- (ii) Air Methods. Under U.S. rules, a company failing to take appropriate steps to prevent illegal trading is subject to civil penalties of one million dollars or more as well as criminal penalties of up to \$2.5 million.

**B. Reporting of Violations**

Any Air Methods Insider who violates the prohibitions against insider trading or knows of such violation by any other persons, must report the violation immediately to the Compliance Officer. Upon learning of any such violation, the Compliance Officer will determine whether Air Methods should publicly release any Material Non-Public Information, or whether Air Methods should report the violation to the appropriate governmental authority.

**8. Inquiries**

Please direct all inquiries regarding any of the provisions or procedures of this Policy to \_\_\_\_\_, the Compliance Officer, or in his absence \_\_\_\_\_,

**FORM A**  
**Request for Approval to Engage**  
**in Transactions in Securities of AIR METHODS Company**

To: \_\_\_\_\_

From: \_\_\_\_\_

Print Name

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Time: \_\_\_\_\_

**I hereby request approval for myself (or a member of my immediate family or household) to execute the following transaction relating to securities of AIR METHODS Company:**

Type of Transaction (circle one):

PURCHASE

SALE

EXERCISE OPTION (AND HOLD SHARES)

EXERCISE OPTION (AND SELL SHARES)

OTHER

Securities Involved in Transaction:

Number of ordinary shares: \_\_\_\_\_

Number of registered shares represented by  
option: \_\_\_\_\_

Other (please explain): \_\_\_\_\_

Beneficial Ownership (if not applicable, please write "N/A")

Name of beneficial owner if other than yourself: \_\_\_\_\_

Relationship of beneficial owner to yourself: \_\_\_\_\_

**THIS AUTHORIZATION IS VALID FOR ONLY [2] DAYS AFTER THE TIME OF APPROVAL.**

Approved by: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Time: \_\_\_\_\_