



CODE OF CONDUCT

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Understanding Our Code

HealthTronics, Inc., together with its wholly-owned subsidiaries (collectively, “HealthTronics”) is committed to the highest quality of patient care and conducting its business activities in full compliance with all applicable laws and in accordance with the highest standards of honesty, integrity, ethics and professionalism.

To help us act with respect, trust and integrity, HealthTronics’ Code of Conduct defines how we interact with patients, healthcare providers, payers, suppliers, government officials, the healthcare community and each other. This Code applies to all employees and officers of HealthTronics (“Employees”). When HealthTronics standards differ from local requirements, always follow the higher standard.

- Act with honesty, fairness, integrity and personal accountability to protect our reputation
- Never compromise your integrity for the sake of “making the numbers” or due to pressure from a supervisor
- Respect fellow staff, government officials, business partners, competitors, customers and patients
- Know and follow the rules and seek guidance
- Sustain a culture where ethical conduct is expected, recognized and valued
- Report known or suspected violations of this Code
- Cooperate with investigations—always be forthcoming and tell the truth

What is Expected of Everyone

Each of us is individually accountable for acting in accordance with this Code. All Employees must certify, in writing or electronically, that they have reviewed, read, understand, and shall abide by this Code.

Compliance requires a team effort. To create a workplace which values commitment to honesty, fairness and compliance with the law, all Employees must be familiar with and abide by these standards of conduct. The Code of Conduct is designed to assist Employees in resolving issues of ethics, legal compliance and appropriate conduct in the workplace. HealthTronics depends upon and requires Employees to bring compliance issues to the attention of their supervisors or the Compliance Officer. *If uncertainty exists, individuals should err on the side of reporting the issue to his or her supervisor or to the Compliance Officer so that it can be resolved.*

Compliance in all areas of business is a subject we take seriously. We encourage open communication with our employees and suggest to them: **“when in doubt, ask”**. Whenever they have a question or concern, are unsure about what the appropriate course of action is, or believe that a violation of the law has occurred, ask your immediate supervisor or any member of management with whom you feel most comfortable.

What is Expected of Leaders

As a leader, you serve as an ethical role model and are held to a higher standard. This means proactively identifying questionable conduct, preventing problems before they occur and setting the right tone with

your reports and across the Company. You are also accountable for undertaking reasonable efforts to ensure that contractors or agents working under your management control adhere to the Code.

- Foster a culture that focuses on ethics and compliance, quality and patient safety as expected behaviors
- Guide your teams and reinforce the importance of our Code and Company policies along with timely completion of ethics and compliance training
- Partner with compliance leaders
- Take reasonable steps to make sure that vendors and consultants act in a manner consistent with this Code
- Proactively prevent and respond to ethics and compliance issues in a way that always reinforces the appropriateness of raising issues
- Take appropriate disciplinary actions in consultation with human resources, compliance leaders and legal contacts

Using Your Ethical Compass and Seeking Guidance

The right course of action is not always obvious. Reputations are maintained and built by everyday decisions.

Although the Code cannot anticipate every situation, it can and should serve as an ethical guide. If you have any doubts about a potential course of action, ask yourself the following questions:

- Is it legal?
- Is it ethical and consistent with our values?
- Is it consistent with our Code of Conduct?
- Am I being truthful and honest?
- Will it reflect positively on our reputation for integrity?
- Would I feel comfortable if it was reported in the news or to someone I respect?

If you still have questions, always seek additional guidance. You are not alone when faced with a tough ethical decision. If the answer to any of these questions is “no,” do not do it. It is never permissible to ignore our Code of Conduct to achieve a business objective.

Resources for Seeking Additional Guidance

Our Code of Conduct is not a substitute for understanding and following the policies applicable to your role. Other policy and compliance documents that should be reviewed for guidance include:

- AdvaMed Code of Ethics on Interactions with Health Care Professionals (applicable to any activities by Employees on behalf of Endocare, Inc., our medical device manufacturing subsidiary)
- HealthTronics Compliance Plan Relating to Physician-Owned Entities (applicable to any Employees whose job responsibilities relate to physician-owned entities)
- HealthTronics Employee Handbook (applicable to all Employees)

If you have other questions, you are encouraged to reach out to:

- Your Manager
- Compliance Officer
- Human Resources
- Legal Department
- Ethics & Compliance Hotline

Reporting Concerns

You play an important role in helping us meet the standards reflected in our Code of Conduct. When you raise an issue, we can look into the matter, take timely and appropriate action and make corrections, if necessary. If you observe or have knowledge of potentially inappropriate conduct, you have an obligation to report your concerns. HealthTronics has established procedures for handling reported concerns.

- Promptly raise concerns about a potential violation of law, Company policies or our Code of Conduct
- Foster an “open door” policy and maintain awareness of the variety of channels to raise and report concerns
- If a concern you raise is not resolved, raise it through another channel
- Fully cooperate with HealthTronics investigations and always be forthright and honest

How to Raise a Concern

HealthTronics offers several channels to raise concerns. You should use the channel that is most comfortable to you. As a general matter, your supervisor or manager may be in the best position to address an issue. However, that is not your only option. Potential channels to report a concern are:

- Direct Management or Senior Management
- Compliance Officer
- Legal Department
- Human Resources

HealthTronics also has in place an Ethics and Compliance Hotline where reports can be made at any time by phone or online. If you use the Hotline, an external third party will ask for details about your question or report and provide a reference number. You should note that investigations take time and our ability to share information may be limited.

You can anonymously report an issue, concern or question in three ways:

1. Dial Toll-Free **1-844-TEL-HTRN (1-844-835-4876)** *24 hours a day 7 days per week.*
2. Sending an email to: Tell-HealthTronics@GetInTouch.com
3. Via the web: Visit www.intouchwebsite.com/HealthTronics

The information you report will be treated confidentially. Your report will be shared only with those who need to know it to answer your question or investigate the matter. Should you identify yourself, HealthTronics will make every reasonable effort to keep your identity confidential while conducting a fair and thorough investigation. In some instances, HealthTronics may be required by law to reveal your identity.

Investigations of Possible Misconduct

HealthTronics takes reports of alleged misconduct very seriously and will investigate them to determine if any law, Company policy or aspect of our Code of Conduct may have been violated.

Non-Retaliation Policy

No form of retaliation or intimidation against an employee who makes a good-faith report of a suspected violation or participates in good faith in any investigation of a suspected violation will be tolerated. Employees who engage in retaliation or intimidation will be subject to disciplinary action, up to and including termination.

HealthTronics reserves the right to discipline anyone who knowingly makes a false accusation, provides false information about the Company or has acted improperly.

Disciplinary Actions

Any employee who violates this Code, Company policy or applicable laws may be subject to disciplinary action, up to and including termination. Misconduct may include violations of this Code and Company policies, failure to raise a known or potential issue, not cooperating with an investigation or intimidating or engaging in retaliation against an employee who raises a potential issue or provides information during an investigation.

The Healthcare Community

Patients, healthcare providers and healthcare regulators expect safe, effective and high quality products, services and solutions from trusted partners who act with integrity.

We act responsibly, lawfully and with integrity in our relationships with members of the healthcare community—patients, patient groups, healthcare providers and healthcare regulators. Maintaining these principles in our daily activities is critical to sustaining trust in our products and services and fulfilling our mission to improve treatment outcomes, access to care and economic value.

- Interact with healthcare providers ethically and in accordance with applicable laws and regulations when promoting or providing information about our products or services
- Abide by U.S. Federal Stark Law when dealing with affiliated physician partnerships
- Adopt good operating and quality principles throughout our research, development, manufacturing and distribution activities, always focusing on patients
- Communicate with healthcare providers, patients and the public in a fair and balanced manner about our products and services. Continuously monitor the safety, performance and quality of our products and services
- Promote transparency and cooperate with healthcare regulators by always providing truthful and complete information in a manner that facilitates trust and partnership

Interacting with Healthcare Professionals and Healthcare Providers

Laws and regulations that govern interactions with healthcare professionals are broad and complex. It is HealthTronics' intent to comply with all laws governing its activities, including those that address fraud and abuse in the health care industry. Under the law, no one may offer, give, solicit or receive anything of value as an inducement for referrals. "Anything of value" is a broad term that encompasses payments, gifts, discounts and rebates.

In order to ensure compliance with these laws and regulations, we have adopted the AdvaMed Code of Ethics on Interactions with Health Care Professionals for any activities by Employees on behalf of Endocare, Inc., our medical device manufacturing subsidiary. Any Employees who interact with healthcare professionals and providers in a sales or product promotion capacity relating to Endocare are required to understand and follow the AdvaMed Code on Interactions with Healthcare Professionals.

HealthTronics educates healthcare professionals and healthcare providers about our products, collaborates on research, relies on their expertise as advisers and trains them on the use of our devices and other products. Our interactions must always reflect our commitment to integrity, accuracy and transparency and adhere to our standards on prohibiting bribery and corruption.

HealthTronics also promotes scientific integrity and does not allow business pressures to influence in any way this valuable collaboration that advances scientific and medical understanding, including the appropriate use of our products, the management of diseases and patient care.

- All Employees whose job responsibilities include any activities relating to Endocare should be aware of the requirements set forth in the AdvaMed Code of Ethics on Interactions with Health Care Professionals and comply with all of those requirements. If you have any questions about those requirements, it is your responsibility to ask the Compliance Officer.
Engage healthcare professionals only when there is a bona fide need and always pay a fair fee consistent with our Health Care Professional Engagement and Fair Market Value policies and applicable local law whenever a fee is to be paid. Never attempt to buy business or provide anything of value to influence any healthcare provider’s judgment to choose a HealthTronics product or service nor create any misperception that HealthTronics is doing so
- Provide appropriate instruction, education and training on the safe and effective use of our products and services
- Maintain transparency regarding all your interactions with healthcare professionals and providers, institutions and others in the healthcare community
- Do not accept, pay for, or otherwise promote or encourage patient referrals in exchange, or as an improper inducement for the purchase, lease, recommendation or use of any HealthTronics product

Physician Partnerships

The U.S. Federal Stark Law prohibits physicians from referring patients for certain designated health services to an entity with which the physician or an immediate family member has a financial relationship. A “financial relationship” includes both compensation arrangements and investment or ownership relationships. The Stark Law and its implementing regulations provide a number of exceptions or safe harbors that permit certain financial relationships with physicians if they are carefully structured to meet the specific exceptions. If a physician has a financial relationship with an entity and U.S. federal healthcare program patients are being referred to that entity for designated health services by the physician, then the activity must comply with an exception to be legal.

This is a highly complex area of law and a number of states have their own self-referral laws.

HealthTronics has adopted a Compliance Plan Relating to Physician-Owned Entities that applies to all Employees whose job responsibilities relate to physician-owned entities.

- All Employees whose job responsibilities relate to physician-owned entities should be aware of the requirements set forth in the Compliance Plan Relating to Physician-Owned Entities and comply with all of those requirements. If you have any questions about those requirements, it is your responsibility to ask the Compliance Officer.
- Actively participate in all compliance trainings

Excluded Parties

The federal government may impose civil monetary penalties against health care providers and entities that employ or enter into contracts with individuals who have been excluded from participation in Federal or State health care programs or who have been convicted of a crime recently. Therefore, HealthTronics will not knowingly employ or contract with individuals or entities that fall into either of these categories. All individuals applying for employment with HealthTronics are required to disclose any criminal

conviction or exclusion action. Additionally, HealthTronics will screen individuals or entities for exclusion before entering into employment or contractual relationships with healthcare providers. Screening may be accomplished by consulting the Office of Inspector General (OIG) List of Excluded Individuals/Entities located on the OIG web site at <http://exclusions.oig.hhs.gov/> and the federal Excluded Parties List System administered by System for Awards Management (SAM), at <http://www.sam.gov>.

Good Operating Practices

Maintaining the quality of our products and services is critical to patient safety and to our success. Quality is what patients and the healthcare community expect of us. We meet these expectations by embedding quality principles into our operational activities and by adhering to applicable laws and practices, including current, Good Clinical Practices (GCP), Good Manufacturing Practices (GMP) and Quality System Requirements (QSRs). HealthTronics is committed to continuous quality and process improvement across our business segments.

Monitoring the Safety, Performance and Quality of Our Products and Services

Patient health and safety are top priorities. Maintaining the quality of our products and the continued monitoring of their performance is paramount to protecting the safety of patients. We have a responsibility to detect and report adverse events and quality complaints associated with our products and services, including unfavorable side effects, misuse, malfunctions and concerns about performance or efficacy of a device or procedure.

Due to our diversified business segments, HealthTronics operates across multiple industries with timing and reporting procedures that vary based on whether an adverse event is associated with a device or service. We conduct periodic reviews and analyses of safety information and always take responsible and appropriate actions to improve the safety profile of our products.

- Report all adverse events and complaints that you become aware of for any HealthTronics product or service, in accordance with our Product Complaint Reporting policy, by contacting the HealthTronics Complaint Handling Unit at productcomplaints@healthtronics.com or 1-855-230-0518
- Follow the instructions that are provided to you and are standard in your business unit for reporting safety information
- Provide prompt notification, in accordance with the requirements of Company policy, to your business unit of any potential safety issue or incident
- If you are unsure whether an adverse event has occurred or whether an incident is reportable, report it through the designated channels and allow our experts to make that determination

Promoting Our Products

We welcome opportunities to share our mission of meeting today's healthcare needs. HealthTronics is committed to promoting its products and services based on patient needs and the merits of each product in a transparent and accurate manner.

Our interactions with healthcare professionals should be focused on educating them about our products and services, and supporting their medical education and training needs to lead to improved patient care. We encourage truthful and ethical communications that will help healthcare professionals make informed and independent decisions about how they can best use our products on label for their patients.

The ideal location for discussing HealthTronics products and services is in a physician's office, a hospital or clinical setting. Local law or industry codes may allow for certain discussions outside of those settings in specific circumstances. Always follow the Company policy applicable to your business unit. If you have any questions, contact your business unit compliance leader or the Compliance Officer.

- Only use promotional materials and communications that are on label, accurate, not misleading and comply with applicable regulatory and local standards
- Do not promote the use of any product beyond its approved labeling and authorization
- Promotional materials must be previously approved, consistent with approved labeling information and be supported, as appropriate, by scientific evidence
- Provide fair balance by presenting the full picture of our products and services, including a summary of all safety information
- Do not mischaracterize or make unfair comments about competitors' products

Government Inspections and Requests

We operate in a complex and dynamic regulatory environment. Our facilities and activities are routinely inspected by healthcare and other regulators in the U.S. At all times, HealthTronics cooperates with regulatory authorities. Effective engagement with regulators is critical to our reputation and our ability to deliver safe, effective and high quality products, services and solutions. In the event of a non-routine request for information or a facility visit, the Legal Department must be notified immediately. The Legal Department represents the Company on all legal matters and determines the appropriate information to be provided and will facilitate our cooperation with investigative authorities.

- Cooperate with and be courteous to government inspectors and coordinate with our quality, safety and regulatory experts in response to regulatory inspections and requests
- Always provide regulators with honest, accurate, responsive and timely information
- Be familiar with your site's procedures for complying with a request to access the premises
- Contact the Legal Department immediately in the event of a non-routine or legal inquiry, such as a subpoena

Our Patients

Patient Information and Privacy

Federal law known as “HIPAA” regulates the protection of all electronically stored or transmitted individually identifiable protected health information (PHI). The HIPAA requirements are broad and dictate that such information may be used, in general, only for specific authorized purposes. The regulations further dictate that security standards be maintained to ensure no unauthorized access to electronically stored health information.

HealthTronics has established HIPAA Policies and Procedures which govern its treatment of patient information. Every employee, particularly those who deal with identifiable patient information, is expected to abide by the HealthTronics HIPAA Policies and Procedures.

- Avoid collecting, using or accessing personal information unless you have a legitimate business purpose and are authorized to obtain the information
- Collect the minimum necessary information and whenever possible do not collect information that identifies a specific person
- Do not share personal information with unauthorized individuals or entities
- Respect the privacy preferences of individuals about how their personal information may be used
- Third parties and agents to whom we legitimately disclose personal information should have policies and appropriate safeguards in place
- Take steps to reasonably ensure that personal information—particularly sensitive personal information such as health information—is appropriately secured in accordance with Company policies and applicable laws
- In the event of an actual or potential loss or unauthorized disclosure of personal information, immediately report the incident to the Ethics Hotline

Offering Inducements to Patients

Federal law prohibits HealthTronics from offering anything of value (other than items such as medical literature) to a Medicare or Medicaid patient or family member of a patient to influence their selection of a medical service provider. In its efforts to comply with this law and to help ensure that patients choose HealthTronics affiliated facilities based upon the quality of care rendered, HealthTronics will not offer any prohibited benefits to patients or clients to induce patients to utilize HealthTronics’ services. Any question regarding whether an item or service is an appropriate patient benefit should be directed to the Compliance Officer.

Our Customers, Suppliers and Government Officials

HealthTronics interacts with many types of individuals and entities including healthcare professionals, hospitals, governments, regulatory authorities, business partners, customers, suppliers and vendors. These interactions may arise in our sales and marketing, research and development, and manufacturing operations, as well as our import/export activities. In all business dealings, HealthTronics will be fair and honest and will comply with applicable law and Company policies.

- Adhere to competition and antitrust laws in the countries where we operate
- Comply with anti-bribery laws and do not offer or make illegal payments to government officials or business partners either directly or indirectly through intermediaries
- Do not enter into contracts with individuals who have been excluded from participation in Federal or State health care programs or who have been convicted of a crime recently
- Provide transparent and accurate pricing information to governments, private payers and healthcare providers
- Gather competitive intelligence in an ethical and lawful manner
- Conduct political activity responsibly and in compliance with applicable law
- Follow global trade laws

Competition and Antitrust

Many countries have fair competition laws. These laws generally prohibit anti-competitive practices, such as price-fixing, boycotting suppliers or customers and the exchange of information that may harm competition.

Mergers, acquisitions and other types of transactions may require prior review or even clearance. These laws are complex and vary by country, so it is critical that you consult with the Legal Department.

- Do not discuss, exchange information or enter into agreements with competitors about prices, strategic plans, terms or conditions of sale, production or distribution, allocation of products, territories, markets or customers
- Do not discuss or plan joint behavior (such as boycotts) towards customers, suppliers or competitors
- Do not make false or disparaging comments about competitors or their products or services or steal or misuse competitor trade secrets
- Do not manipulate a competitive bidding process

Anti-Kickback

The U.S. Federal Anti-Kickback statute prohibits inducing someone to recommend or purchase a healthcare product or service covered by the U.S. federal healthcare program. The intent of this law is to prohibit the impermissible influence of money or things of value in the selection of products or services that are reimbursed by the U.S. federal healthcare program.

Most countries also forbid making, offering or promising anything of value either directly or indirectly to a government official when the exchange is intended to influence an official act or a decision to obtain or retain an unfair business advantage. The U.S. Foreign Corrupt Practices Act (“FCPA”) and similar laws in other countries govern our interactions with government officials.

Payments, gifts or services should not be given to government employees or healthcare providers that are intended to or appear to influence their actions. In short, HealthTronics does not permit bribery of any kind.

- Do not make, offer or promise anything of value, including cash, services, gifts, entertainment or other business courtesies, in an attempt to influence a person’s actions, obtain a regulatory advantage or enhance the commercial interests of HealthTronics
- Business courtesies and gifts offered or received must be of modest value by local standards and may only be offered or received under circumstances that comply with Company policies and local law and industry codes
- Be aware that in countries with nationalized or public healthcare systems, healthcare professionals may be considered government officials
- Adhere to Company policies when interacting with government officials and be conscious of whether you are interacting directly or indirectly (such as through a distributor or other third party) with government officials
- Maintain your knowledge and complete training on Company policies and global and local anti-bribery laws

Pricing and Billing Information

The procedures for obtaining payments and reimbursements from government and private insurers are complex.

We have a legal and ethical responsibility to provide transparent pricing information to governments, private payers and healthcare providers. The submission of inaccurate pricing information or fraudulent claims to a government could subject our Company to substantial fines and penalties.

- Always provide accurate and complete information to government and private payers
- Adhere to Company policies on obtaining approval for, documenting and communicating lawful discounts, rebates or administrative fees
- Utilize accurate and complete information about billing, coverage, reimbursement and coding that adheres to local law and industry codes

Competitive Intelligence

Employees are encouraged to appropriately collect, share and use information about our competitors (“competitive intelligence”). However, just as we value our own non-public information, we respect the non-public nature of certain information about our competitors. We use only ethical and legal means to gather competitive intelligence.

It is always acceptable to gather competitive intelligence through publicly available information. Publicly available filings, presentations, news, journal articles and publications are legitimate sources of competitive intelligence. You may also ask third parties about competitors or accept competitive intelligence offered by third parties as long as there is no reason to believe the third party is under a contractual or legal obligation to not disclose the information or has gathered the information illegally or unethically.

- Never attempt to or ask a third party to acquire information through unethical or unlawful means, such as misrepresentation, deception, theft, spying, bribery or by breaching a nondisclosure agreement
- If there is any indication that information you obtained was not lawfully or ethically received or gathered, refuse to accept it
- If you receive competitive intelligence anonymously or information that is marked confidential, do not review it and contact the Legal Department immediately

Political Activities and Political Donations

Gifts of any value, including meals or products, should not be provided to Members of the U.S. Congress, their staffs or state and other government officials. Many other countries also regulate the political activities of corporations. You should consult with our Compliance Officer on potential company political activities outside of the U.S.

HealthTronics recognizes and encourages the right of our employees to participate in the political process as individuals. However, you may only participate on your own time and at your own expense. Company funds, facilities or assets may not be used for personal political activities.

- No corporate contributions for a candidate for any office should be made by or on behalf of HealthTronics, unless approved by HealthTronics' President, the Compliance Officer and the Legal Department
- Consult with the Compliance Officer prior to contacting public officials about U.S. and international restrictions on corporate political activities
- Do not use HealthTronics funds or other assets, such as telephones, e-mail accounts, conference rooms or stationary to assist a candidate, public official or political committee
- In personal civic affairs, clearly indicate that your views and actions are your own, not HealthTronics'

Trade Restrictions

Most countries regulate the flow of materials, information, services and funds into and out of their territories. As a U.S. company, certain U.S. trade control laws apply to our dealings around the globe. HealthTronics complies with all domestic and international trade regulations. These regulations may affect a range of our activities, such as sales, research, clinical trials, manufacturing and regulatory authorizations, as well as our import/ export activities.

Certain countries, entities and individuals are subject to trade sanctions that severely limit or prohibit our ability to interact with them. HealthTronics will not engage in business with countries or parties subject to such trade sanctions unless lawful and properly authorized. We also comply with export licensing, clearance requirements and customs laws for the countries in which we do business. HealthTronics will not cooperate with any requests to participate in international boycotts as prohibited by U.S. and other laws.

- Maintain and complete accurate import declarations and review the export classification of materials prior to export to determine if a special authorization is required
- Know your customer and supplier and screen your transactions against all applicable rules that prohibit improperly dealing with sanctioned countries, persons or entities
- Do not cooperate with illegal restrictive trade practice or boycotts
- If your responsibilities involve international dealings, maintain your knowledge of current import/export controls and trade restrictions which change frequently due to political and security threats

Our Workplace and Our Communities

Our workplace environment and commitment to our communities reflects our values. Through our giving, we also strive to improve treatment outcomes.

All Employees are provided with a copy of the HealthTronics Employee Handbook, and are required to acknowledge that they have received, read, and understand its provisions. It is a requirement of this Code of Conduct that all Employees abide by the Employee Handbook. Failure to do so, and any breach of the Employee Handbook, will be considered a breach of the Code of Conduct as well.

Our Work Environment

Each of us is responsible for maintaining a work environment that is free from harassment in any form and recognizes and values a diverse workforce. Employees should exhibit the highest standards of professionalism and integrity. Any behavior that constitutes unlawful harassment or discrimination will not be permitted.

HealthTronics is an equal employment opportunity employer and recruits, hires, trains and promotes our employees without regard to their race, color, religion, gender, age, national origin, citizenship, marital status, sexual orientation or identity, genetic information, disability, veteran status or any other protected characteristic recognized by applicable law.

- Discourage and report comments or physical acts that are inappropriate, offensive or derogatory to others
- Jokes, slurs and other remarks about characteristics that are protected by federal, state or local law, or that are of a sexual nature, are not appropriate
- Remarks or physical conduct that interfere with another person's work or creates an intimidating, hostile or offensive work environment are not tolerated
- Follow Company policies and applicable federal, state and local laws on unlawful discrimination

Protecting Employee Safety and the Environment

HealthTronics' employees are one of our most valuable assets. We have a responsibility to each other to maintain the safety and security of our work areas. HealthTronics is committed to maintaining a work environment free from the influence of any substance that could impair our ability to safely and professionally execute our job responsibilities. Violence in the workplace will not be tolerated.

HealthTronics will strive to act in an environmentally responsible way. All Employees are responsible for compliance with applicable legal and regulatory requirements on environment matters.

- Participate in safety training and adhere to Company safety and security policies
- Promptly report safety concerns or threatening or violent behavior
- Never use alcohol, illegal drugs, controlled substances or medication in a way that might harm your ability to perform HealthTronics business safely and successfully
- Selling, purchasing, possessing or using any illegal drug on HealthTronics property or while conducting HealthTronics business is prohibited

- Comply with all applicable environmental laws and report any environment incidents
- Take appropriate measures to reduce or eliminate the creation of waste and conserve resources

Solicitation

Solicitation of employees, physicians and patients on Company property is prohibited. Unauthorized sales and solicitations of orders for any type of product or service to anyone on Company property is prohibited as stated below.

Solicitation of employees by other employees and the distribution of associated literature between employees are prohibited during working hours. The term “working hours” means the time when the person doing the solicitation or the person being solicited should be working.

Distribution of literature, pamphlets, and other materials between employees is prohibited in work areas at all times. For this purpose, the term “work area” includes all places where employees regularly work, confer or conduct business. “Work area” does not include break rooms or any other area specifically set aside for non-work purposes.

Any notices or other materials to be posted in or on Company premises must have prior approval of the Company supervisor ultimately responsible for that area.

Supporting the Community

HealthTronics is committed to supporting initiatives that improve our communities, provide better access to care for patients and improve treatment outcomes. We support appropriate education for healthcare professionals and research that will advance scientific knowledge about our products and develop new products and services.

Our grants, donations and charitable contributions take the form of healthcare partnerships, community partnerships and disaster relief, as well as support for local non-profits. We fund high-quality educationally-appropriate and timely medical education. HealthTronics-supported education must provide fair, balanced and independent content to healthcare professionals and be delivered in accordance with applicable local law and relevant industry standards.

- Support non-profit organizations that facilitate involvement with and assistance to our local communities
- Support disaster relief as well as nonprofit and global initiatives in a manner that is consistent with our mission and policies
- Foster partnerships through the support of state, local or regional public health policy efforts to protect and improve the quality of care for patients
- Support medical education and clinical training to help advance improvements in patient care in HealthTronics' areas of therapeutic interest consistent with industry standards and Company policies
- Support independent investigator sponsored research that may advance clinical care, medical and scientific knowledge about our products and lead to new medical therapies consistent with industry standards and Company policy

Our Company

We are responsible for making ethical business decisions and conducting our operations in the best interest of our Company.

HealthTronics will operate in the best interests of the Company, be forthright about our operations and performance and exercise care in the use and protection of our assets and resources.

- Avoid conflicts of interest
- Do not disclose inside information and never trade public securities based on inside information
- Protect patents, trademarks, trade secrets and other intellectual property and safeguard confidential information
- Respect privacy and appropriately safeguard personal information, including personal health information
- Maintain and retain accurate books and records consistent with applicable law and Company policy
- Maintain an effective system of controls over financial reporting
- Use Company resources and systems appropriately

Conflicts of Interest

Nothing you do in your professional life or during your free time should conflict with your responsibilities to HealthTronics. A conflict of interest arises when the prospect of personal gain may improperly influence your ability to conduct HealthTronics' business. Examples may include using your position for personal gain, outside employment interfering or competing with your HealthTronics employment, referral of HealthTronics business to a firm with which you have a personal relationship or soliciting or receiving gratuities from suppliers or vendors.

HealthTronics deals with suppliers and others doing business with us in a fair and objective manner without favor or preference. A conflict of interest or potential conflict of interest may often be resolved or avoided if disclosed and approved. In other instances, disclosure may not be sufficient. It is important that you use available resources to discuss and resolve any potential conflicts of interest.

- Disclose to your manager or the Compliance Officer outside activities and employment relationships, financial interests or relationships that may present an actual or potential conflict prior to engaging in the activity or relationship
- Obtain approval from your manager and the Compliance Officer before accepting an officer or director position with an outside business or serving on a nonprofit board
- Do not seek or accept, directly or indirectly, any payments, fees, loans or services from any person or firm as a condition for their doing business with HealthTronics
- Do not seek or solicit any gifts, entertainment or benefits from those doing business or seeking to do business with HealthTronics
- Do not accept gifts, entertainment or benefits greater than modest value by local standards from those doing business or seeking to do business with HealthTronics and avoid any

perception of a potential conflict of interest. Gifts that have a market value greater than \$100 may not be accepted unless management approval is obtained.

- Do not use or misuse HealthTronics resources, intellectual property or facilities for personal gain
- Avoid personal relationships that may conflict with your responsibilities
- Avoid hiring, promoting or directly supervising a family member or close friend

Insider Trading

Many countries have laws regarding insider trading. Even though HealthTronics is not a public company or part of a public company, as a HealthTronics employee, you may learn of inside information relating to other companies that are public —information that is not known to the general public and that an average investor might consider important when deciding whether to buy, sell or hold securities. You may not disclose this information to others. No HealthTronics employee may engage in any transaction in securities while he or she is aware of inside information.

Illustrative examples of potentially inside information are information about a potential business acquisition, internal information about revenues, earnings or other aspects of financial performance that depart from what the market would expect based upon prior disclosures, important business developments (including regulatory approval or non-approval of one of our products), the acquisition or loss of a major customer or an important transaction.

- Never purchase or sell or direct anyone else to purchase or sell any type of security while you are aware of inside information relating to the company that issued the security
- Do not directly or indirectly disclose (“tip”) inside information to anyone, including family members, even if you do not intend for the tipeg to use the information to buy or sell securities
- Contact our Chief Financial Officer or Compliance Officer if you have any questions

Intellectual Property and Confidential Information

Some of our most valued assets are our intellectual property and confidential information. Protecting these assets is critical to our growth. This includes our patents, trade secrets, trademarks, copyrights, know-how, data, processes, experience and technical and business knowledge. A few examples are sales and marketing databases, marketing strategies and plans, pricing information, manufacturing techniques and research and technical data.

Every HealthTronics employee must protect our intellectual property and maintain the secrecy of our confidential information. Even after employees leave HealthTronics, they must continue to respect our intellectual property. Unauthorized use of the intellectual property or confidential information of others is also prohibited.

- Identify and protect HealthTronics intellectual property
- Respect valid patents, copyright materials and the intellectual property rights of others
- Consult with the Legal Department before soliciting, accepting or using confidential information or disclosing HealthTronics’ confidential information or permitting use of our intellectual property

- Understand your responsibilities regarding new inventions and ideas that you develop as a HealthTronics employee
- Do not develop new products or software with a third party without a written agreement that properly addresses ownership and other intellectual property rights
- Do not discuss confidential information in public places

Financial Integrity

To fulfill our commitment to our owner, creditors and government agencies, our books and records must fairly represent in all material respects the financial condition, operational results and cash flow of the Company. Employees are responsible for being aware of and adhering to our system of internal financial controls and Company policies.

Our internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of our operations, the reliability of our financial reporting, and our compliance with applicable laws and regulations. You should always assist in taking corrective actions in the case of a control failure, reporting any policies or procedures that are not being followed and identifying any control weaknesses.

- Prepare and maintain accurate and complete Company records
- Only sign records you believe to be accurate and complete after appropriate review
- Financial transactions must be appropriately authorized, be recorded in the accounting period in which they were incurred and be in the appropriate accounts with supporting documentation
- Be transparent and do not withhold information from our independent or internal auditors
- Never falsify records, misrepresent facts or circumvent our controls

Use of Company Systems and Resources

Each of us is entrusted with the proper use of Company systems and resources. Although the incidental and occasional personal use of our systems subject to certain restrictions is permitted, these systems and resources should be used for legitimate business purposes. Except where required by law, the privacy of information stored on or sent to or from Company systems is not guaranteed. HealthTronics may inspect your files at any time and without prior notice.

- Do not use any HealthTronics system or device to send or access inappropriate, discriminatory, sexually explicit or disruptive material
- Safeguard your system passwords and do not share them
- Do not record communications without proper authorization and only as otherwise permitted under local law
- Do not leave HealthTronics computers or devices unattended in places where they could be accessed or misused by unauthorized persons
- Treat all computer data as confidential

Company Records and Information Management

HealthTronics employees must maintain, store and, when appropriate, destroy Company records and information in a manner that protects the integrity of the information. Effective records management

facilitates sound decision-making, promotes operational efficiency and is integral to addressing our legal, financial, regulatory and contractual obligations.

Company records are viewed broadly and include records in all mediums such as paper (including handwritten notes), audio or video recordings and computer-based information, such as e-mails and electronic files. You should comply with Company records management policies and retention schedules. Requests by third parties (such as governmental agencies), lawsuits or other inquiries may necessitate the need to hold records beyond normal retention schedules. It is HealthTronics' policy to preserve any records relevant to a "Legal Hold" or any other "Hold Order" issued.

- Be knowledgeable of how Company records management policies apply to your job responsibilities
- Retain records for the time period specified by applicable laws, Company policies and retention schedules
- If you receive a "Hold Order," take special care to retain all documents or other records relevant to the "Hold Order"
- Never conceal, alter or destroy records relating to an imminent or ongoing investigation, lawsuit or inquiry
- Never leave Company documents unattended in public places and report any accidental loss or destruction of documents

Corporate Affairs and Media Relations

HealthTronics is committed to delivering accurate, reliable, timely and fact based information to the media and members of the public. To facilitate the appropriate provision of information, outside inquiries related to HealthTronics or our business units should be directed to the Compliance Officer. If an employee is contacted by a representative of a government agency, an attorney or a representative of an attorney seeking an interview or making a non-routine request for documents, the Legal Department should be contacted immediately. Employees should not make statements to the media or in response to any outside inquiry about the Company's business without appropriate authorization. Any media inquiries or other outside inquiries should be immediately sent to the Compliance Officer.

- Do not provide any information about HealthTronics or its businesses to outside sources, including the media, financial analysts, governmental officials, attorneys or their representatives without appropriate authorization
- If you are asked for information about current or former employees, refer the request to Human Resources
- If contacted by a government agency related to an inquiry, politely inform the government representative that as a matter of Company policy you are required to refrain from providing information until you have contacted the Compliance Officer

Compliance at HealthTronics

Our Board of Directors oversees our Company's compliance program which is founded on our Company's values and its commitment to ethics and compliance. The Compliance Officer maintains an effective enterprise-wide compliance program by establishing clear rules of business conduct, educating and training our employees and conducting ongoing monitoring to maintain a program that is operating as intended and to enhance its effectiveness.

The Compliance Officer also strives to establish relationships founded on trust, collaboration and mutual respect that are the basis for a proactive and sustainable approach to ethics and compliance.

- Oversight by our Board of Directors which receives quarterly updates on HealthTronics' compliance program
- Our Compliance Officer reports directly to our President and may also report compliance matters directly to the Board of Directors
- Our Compliance Committee, comprised of members of the executive leadership team, oversees, assesses and enhances our compliance program and supports HealthTronics' strategic approach to compliance
- Operate in accordance with written standards, such as this Code of Conduct, company compliance policies, and the AdvaMed Code of Ethics on Interactions with Health Care Professionals
- Promote and support ongoing education and training of our employees on this Code, Company policies and applicable laws
- Oversee the monitoring and auditing of our compliance with Company policies and procedures
- Conduct fair, objective and timely investigations of potential compliance violations
- Respond appropriately to violations and adopt corrective and preventative measures, where appropriate