

**MRI INTERVENTIONS, INC.**  
**CODE OF BUSINESS CONDUCT AND ETHICS**

**I. INTRODUCTION**

MRI Interventions, Inc. (the “Company” or “MRI Interventions”) is committed to achieving high standards of business and personal ethical conduct for itself, the members of its Board of Directors (the “Directors”) and all MRI Interventions personnel. Through performance in accordance with these standards, MRI Interventions, our Directors and all of our employees will earn and enjoy the respect of one another, the business and scientific research communities, our consultants, contractors, suppliers, scientific collaborators and the public.

It is the personal responsibility of all Directors and employees to be familiar with all legal and policy standards and restrictions applicable to their duties and responsibilities, and to conduct themselves accordingly. In addition to the strictly legal aspects involved, all Directors and employees are expected to observe the highest standards of business and personal ethics in the discharge of their duties. This Code of Business Conduct and Ethics (the “Code”) is designed to help ensure this.

This Code applies to all Directors and Employees of MRI Interventions in all locations. “Employee” means an officer or employee of MRI Interventions or any of its affiliates, and it includes Executive Officers, unless otherwise stated. Certain parts of this Code may apply specifically to “Executive Officers,” and are so indicated. “Executive Officer” means a member of MRI Interventions management at the level of Vice President and above. All Employees and Directors are required to read and understand this Code, and compliance with the policies set forth herein is required of all personnel.

This Code is intended to comply with the Sarbanes-Oxley Act of 2002. Directors and Employees are encouraged to report violations, or suspected violations, of laws, regulations or this Code using the processes described in Section XII.E of this Code or as otherwise provided for by the Board of Directors (the “Board”). MRI Interventions will not permit any retaliation against Directors or Employees for reports of violations made in good faith.

**II. COMPLIANCE OFFICER**

In order to help ensure compliance with this Code, MRI Interventions has appointed a Compliance Officer, who is MRI Interventions’ Chief Financial Officer. The Compliance Officer will have the following duties:

- A. Coordinate periodic reviews and update this Code as necessary;
- B. Ensure that each new Employee is given a copy of this Code immediately after employment and that each such Employee signs an acknowledgment that he or she has read, understands and supports this Code;
- C. Maintain records related to this Code; and

D. Perform such other activities as may be reasonably related to the foregoing or are required to ensure a successful application of the program contemplated by this Code.

The Compliance Officer shall make periodic reports to MRI Interventions' Chief Executive Officer and Board of Directors concerning compliance with the requirements under this Code.

### **III. CONFLICTS OF INTEREST**

#### **A. Introduction**

For purposes of our Code, a "conflict of interest" occurs when an individual's private interests interfere in a material way or appear from the perspective of a reasonable person to interfere in a material way with the interests of MRI Interventions as a whole. A conflict situation can arise when an Employee or Director takes actions or has interests that may make it difficult to perform his or her responsibilities objectively and effectively. Ordinarily, a conflict exists when an outside interest could actually or potentially influence the judgment or actions of an individual in the conduct of MRI Interventions' business. Conflicts of interest may also arise when an Employee or Director, or a member of his or her family, receives improper personal benefits as a result of his or her position at MRI Interventions. Notwithstanding the foregoing, accepting things of value in accordance with Section III.D of this Code shall not constitute the receipt of improper personal benefits.

#### **B. General Policy**

MRI Interventions must have the confidence of its consultants, contractors, suppliers, scientific collaborators and the public. Directors and Employees must avoid conflicts or the appearance of conflicts, as discussed above. Specifically, Employees should avoid any outside financial interests that might conflict with MRI Interventions' interests. Such outside interests could include, among other things:

1. Personal or family financial interests in, or indebtedness to, enterprises that have business relations with MRI Interventions, such as relatives who are employed by or own an interest in consultants or suppliers of MRI Interventions.
2. Acquiring any interest in outside entities, properties, etc., in which MRI Interventions has an interest or potential interest.
3. Conduct of any business not on behalf of MRI Interventions with any consultant, contractor, supplier, scientific collaborator, or any of their respective officers or employees, including service as a director or officer of, or employment or retention as a consultant by, such persons, which or who are conducting business with MRI Interventions.
4. Engaging in any business with or serving as a director, officer, employee or consultant to any competitor of MRI Interventions or ownership of interests in such a competitor, other than nominal interests of public companies.

Employees should report any material transaction or relationship that could result in a conflict of interest to MRI Interventions' Compliance Officer, or through such other processes as may be established by the Board of Directors.

### **C. Serving as a Director, Officer or Employee of Another Business**

MRI Interventions expects its Employees to devote their full energies to their work. Therefore, an Employee's outside activities must not give rise to a real or apparent conflict of interest with the Employee's duties with MRI Interventions. Employees must be alert to potential conflicts of interests and be aware that they may be asked to discontinue any outside activity should such a conflict arise.

Employees must have written approval from the Compliance Officer in advance of accepting an appointment or position to serve as a director, partner, member, owner, officer or employee of any non-MRI Interventions business if the Employee expends, or anticipates expending, his or her time or attention to such business during MRI Interventions' normal business hours or if the business is or may become a competitor of or supplier or consultant to MRI Interventions or if it otherwise does business with MRI Interventions in any capacity. Employees should submit in writing any requests for approval to the Compliance Officer stating the name and address of the proposed employer, the nature of the position and the expected hours of employment. If the service is permitted, then any Employee acting in this dual capacity must inform the Compliance Officer of any matter affecting this dual responsibility at any time. Under no circumstances shall an Employee engage in any activity that competes with MRI Interventions. Unless approved by the Corporate Governance and Nominating Committee, no Director shall engage in any activity that competes with MRI Interventions.

Notwithstanding the foregoing, volunteering in civic and charitable organizations is encouraged for Employees. Prior to agreeing to serve as a director or officer of a charitable or civic organization that will require an Employee expending any appreciable amount of time on behalf of the organization at any time during MRI Interventions' normal business hours, the Employee must obtain written approval from the Compliance Officer. Participation in such activities shall not be deemed to be within an individual's scope of employment or authority as an Employee, and MRI Interventions assumes no liability therefor.

Non-Employee Directors are not considered employees of MRI Interventions and are not limited as to their outside employment by the provisions of this Section III.C other than the last sentence of the second paragraph of this Section III.C. Directors who accept nominations to serve as directors of other public companies shall, in cases where such nominations have not previously been disclosed, notify the Board in writing.

### **D. Acceptance of Gifts and Other Favors**

The general purpose of gifts and favors in a business context is to create goodwill. If they do more than that, and appear to have the potential to unduly influence judgment or create a feeling of obligation, Employees should not accept them. Employees may not solicit any kind of gift or personal benefit from present or potential consultants, contractors, suppliers or scientific collaborators of MRI Interventions. Employees are prohibited from accepting gifts of money (or

monetary equivalents) or gifts that would be viewed as expensive or extraordinary by a reasonable person, whether solicited or unsolicited, from consultants, contractors, suppliers or scientific collaborators of MRI Interventions. Notwithstanding the foregoing, the following transactions are permitted and shall be considered an exception to the general prohibition against accepting things of value:

1. Acceptance of gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those with parents, children or spouse) when the circumstances make it clear that it is those relationships, rather than the business of MRI Interventions, that are the motivating factors;

2. Acceptance of meals, refreshments, travel arrangements or accommodations, or entertainment, all of reasonable value, in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations, provided that the expense would be paid for by MRI Interventions as a reasonable business expense if not paid for by another party;

3. Acceptance of advertising or promotional material of reasonable value such as pens, pencils, note pads, key chains, calendars and similar items;

4. Acceptance of gifts of reasonable value related to commonly recognized events or occasions, such as a promotion, wedding, retirement or holiday; or

5. Acceptance of civic, charitable, education, or religious organizational awards for recognition of service and accomplishment.

If there is any doubt regarding acceptability, the item should be refused or returned. In the case of a perishable gift which appears to be of unreasonable value, it may be contributed to a charitable organization in the donor's name. Also, the donor should receive written notification of the return or disposal of the gift and a reminder of MRI Interventions' policies, and MRI Interventions' Compliance Officer should be copied on such correspondence. If you encounter situations in which you are not sure of your obligations, you should consult MRI Interventions' Compliance Officer.

Conversely, MRI Interventions will not tolerate any Employee giving any gift, bribe, kickback, favor or any other item to anyone doing business with, or anyone who may do business with, MRI Interventions with the intent of influencing that party in a transaction or potential transaction with MRI Interventions.<sup>1</sup>

It is inevitable and desirable that Employees may have individual business and personal relationships with MRI Interventions' consultants, contractors, suppliers, scientific collaborators and others who do business with MRI Interventions even though such individual business and personal relationship is not connected with MRI Interventions' business. This policy is not intended to discourage such relationships. Any such business relationship should be on customary terms and for proper and usual purposes.

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<sup>1</sup> Employees must also comply at all times with MRI Interventions' policies regarding interaction with Healthcare Professionals. See Section X below.

#### **E. Potential Conflicts by Family and Friends**

There may be situations where the actions of family members and close personal friends may cause an Employee to have a conflict of interest or the potential for a conflict of interest. For example, gifts or other benefits offered to an Employee's family member by contractors or suppliers of MRI Interventions or potential contractors or suppliers are considered business gifts and are treated the same as if they were given directly to an Employee. If an Employee's spouse or relative is directly involved in a business that would like to provide products or services to MRI Interventions, the Employee cannot use his or her position at MRI Interventions to influence the bidding process or negotiation in any way. In all cases, subject to the Company's Related Party Transaction Policy, if an Employee's spouse or relative is a competitor of MRI Interventions, or is employed by one, the Employee must disclose the situation to the Compliance Officer so MRI Interventions may assess the nature and extent of any conflict and how it can be monitored and/or resolved.

#### **F. Political Activities**

It is MRI Interventions' policy to comply with all laws relating to elections, voting and the political process. No Employee, acting on MRI Interventions' behalf, may contribute or loan money or items of value to any foreign, federal, state or local political candidates or parties. Employees may, however, participate in and/or contribute to the political process as concerned individuals, through means which would include voting and the contribution of their own time and money, and participate in or make contributions to political action committees, provided they do so in a manner that does not unduly connect them to MRI Interventions. For example, soliciting contributions for a political candidate using MRI Interventions stationery would not be appropriate or allowable.

#### **G. Bribery**

Federal law and the laws of most states prohibit bribery, which is the act of giving anything of value to public officials with the corrupt intent of influencing an official act. These laws also prohibit unlawful gratuities, which is the act of giving or promising something of value to a public official because of an official act, either before or after the act has been done. Employees should clearly avoid even the appearance of such "quid pro quo" arrangements. Employees also shall observe all applicable United States and foreign laws, including the Anti-Kickback Act and the Foreign Corrupt Practices Act. No gifts or business entertainment of any kind may be given to any government employee, whether or not there is intent to influence the person, without the prior approval of the Compliance Officer.<sup>2</sup>

### **IV. PROHIBITION ON TAKING CORPORATE OPPORTUNITIES**

Directors and Employees owe a fiduciary duty to MRI Interventions and must advance its legitimate interests when possible. It is a breach of this duty for any such person to take advantage of a business or investment opportunity for his or her own or another person's

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<sup>2</sup> Employees must also comply at all times with MRI Interventions' policies regarding interaction with Healthcare Professionals. See Section X below.

personal profit or benefit when the opportunity is within the corporate powers of MRI Interventions and when the opportunity is of present or potential practical advantage to MRI Interventions. If such a person so appropriates a MRI Interventions corporate opportunity, MRI Interventions may claim the benefit of the transaction or business and such person exposes himself or herself to liability and possible termination of employment. It is MRI Interventions' policy that no Director or Employee can take a MRI Interventions corporate opportunity without the consent of the Board.

## **V. BUSINESS CONDUCT AND FAIR DEALING**

### **A. General Policy**

MRI Interventions expects that all Directors and Employees will perform their duties in a professional manner, in good faith using prudent judgment and in the best interests of MRI Interventions. Each Employee and Director must endeavor to deal fairly with MRI Interventions' consultants, contractors, suppliers, scientific collaborators, competitors and other Employees. No Employee or Director shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of a material fact or any other unfair-dealing practice.

### **B. Dealings with Competitors**

MRI Interventions is committed to fair competition. MRI Interventions seeks competitive advantages through superior performance, never through unethical or illegal business practices, stealing proprietary information, possessing or utilizing trade secret information that was obtained without the owner's consent or inducing such disclosures by past or present Employees of other companies. The most important laws governing competitive practices in the United States are the federal anti-trust laws, which are designed to protect economic freedoms and promote competition. It is MRI Interventions' policy to fully comply with the anti-trust laws.

### **C. Dealings with Consultants, Contractors, Suppliers, Scientific Collaborators and Other Parties Doing Business with MRI Interventions**

1. Transactions with consultants, contractors, suppliers and scientific collaborators shall always be conducted at "arm's length."

2. No Employee shall misrepresent, circumvent, or conceal the nature of any material aspect of any transaction when dealing with a party doing business with MRI Interventions.

3. If a relationship between an Employee and a party doing business with MRI Interventions or a party that might do business with MRI Interventions exists, which potentially creates a conflict of interest, that Employee shall remove himself or herself from all dealings with that party.

## **VI. CONFIDENTIAL INFORMATION AND PRESERVATION OF RECORDS**

Much of the information developed by MRI Interventions, especially in product research and development, is original, and its protection is essential to the continued success of MRI Interventions. Employees frequently have access to confidential information concerning MRI Interventions' business and the business of those entities who do business with MRI Interventions. Confidential information includes all nonpublic information, including trade secrets and other proprietary information, that might be of use to competitors or harmful to MRI Interventions or its affiliates if disclosed. Safeguarding confidential information is essential to the conduct of the business of MRI Interventions. Caution and discretion must be exercised in the use of such information, which should be shared only with those who have a clear and legitimate need and right to know.

Employees shall maintain the confidentiality of MRI Interventions' business information, proprietary information and information relating to MRI Interventions' consultants, contractors, suppliers and scientific collaborators. Employees shall not use such information except for uses that are appropriate for MRI Interventions' business. Information regarding a consultant, contractor, supplier or scientific collaborator may not be released to third parties or government or other organizations, without the written consent of the consultant, contractor, supplier or scientific collaborator, unless required or permitted by law.

It is MRI Interventions' policy to cooperate with all reasonable requests from government authorities. Whenever an Employee becomes aware of an investigation which affects MRI Interventions or an entity doing business with MRI Interventions, or receives a request for information from a government authority, other than routine items requested in the ordinary course of business, he or she shall immediately notify MRI Interventions' Compliance Officer. Notwithstanding any MRI Interventions records retention guidelines, under no circumstances shall any records known to be the subject of or germane to any anticipated, threatened or pending lawsuit or governmental or regulatory investigation or case filed in bankruptcy be removed, concealed, altered or destroyed. For purposes of this section, "records" means any paper documents or electronic records, including, but not limited to, e-mail, voicemail and the contents of hard drives.

Furthermore, all audit and audit review work papers shall be retained as required, in accordance with the rules promulgated by the Securities and Exchange Commission (the "SEC") under the Sarbanes-Oxley Act of 2002.

## **VII. PROTECTION AND USE OF MRI INTERVENTIONS PROPERTY**

### **A. MRI Interventions Property**

Employees and Directors have a duty to protect and conserve MRI Interventions property and to insure its continued use for proper purposes. All MRI Interventions assets shall be used for legitimate business purposes and not for personal gain. Employees of MRI Interventions are to take care and responsibility to safeguard the property of MRI Interventions within reason. MRI Interventions property includes, but is not limited to: (i) all physical property of MRI Interventions whether leased or owned by MRI Interventions and includes all fixtures; (ii) all

books and records in possession of MRI Interventions; (iii) all marketing studies, advertising or promotional materials, logs, reports or any other forms or surveys that are in MRI Interventions' possession; and (iv) all intellectual property, including, but not limited to, all inventions, discoveries, patents, patent applications, designs, software programs, works of authorship, copyrights, mask works, know-how, trade secrets and all other intellectual property rights.

## **B. Use of Electronic Systems**

Electronic mail and e-mail systems (including electronic bulletin boards) are property of MRI Interventions and must be used primarily for business purposes. The use of e-mail must conform to the policies and values of MRI Interventions. Among other things, messages which violate any of MRI Interventions' policies or invite participation in illegal activities, such as gambling or the use and sale of controlled substances, are prohibited. Statements or images which, if made in any other forum, would violate any of MRI Interventions' policies, including, without limitation, policies against harassment or discrimination and the misuse of confidential information, are prohibited to the same extent in an e-mail message. E-mail systems may be used to transmit confidential or proprietary information only when such information is adequately protected. Subject to applicable laws and regulations, MRI Interventions reserves the right to monitor and review e-mail and voicemail as it deems appropriate.

The Internet is an efficient and valuable business tool and is to be used primarily for business purposes. MRI Interventions reserves the right to access all information on Company computers, including but not limited to e-mail and history of Internet usage, even where personal passwords have been assigned. If you have questions about the use of your computer, the Internet, e-mail or voicemail, please contact the Compliance Officer.

## **VIII. COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

### **A. General**

Directors and Employees must comply fully with applicable laws, rules and regulations at all times. In particular, Directors and Employees should take note of laws, rules and regulations regarding the integrity of MRI Interventions' records, financial reporting, insider trading, healthcare, interactions with healthcare professionals and fair employment practices.

### **B. MRI Interventions Business Records**

Accuracy, reliability and timeliness in the preparation of all business records, financial statements, reports to regulatory and other government agencies and other public communications is of critical importance to the corporate decision-making process and to the proper discharge of MRI Interventions' financial, legal and reporting obligations. All MRI Interventions business transactions shall be carried out in accordance with management's general or specific directives and with the highest standard of care. To this end, MRI Interventions shall:

1. comply with United States generally accepted accounting principles;
2. maintain a system of internal accounting controls that will provide reasonable assurances to management that all transactions are properly recorded;

3. maintain books and records that accurately and fairly reflect MRI Interventions' transactions, assets, liabilities, revenues and expenses;
4. prohibit the establishment of any undisclosed or unrecorded funds or assets; and
5. maintain a system of internal controls that will provide reasonable assurances to management that material information about MRI Interventions is made known to management on a timely basis, particularly during the periods in which MRI Interventions' periodic reports are being prepared.

All business records, expense accounts, vouchers, bills, payroll records, service records and other statements and reports are to be prepared with care and honesty. False or misleading entries are prohibited. For example, no payment shall be requested, approved or made with the intention or understanding that it will be used for any purpose other than that described in the documentation supporting the payment. Compliance with accounting procedures and internal control procedures is required at all times. It is the responsibility of all Employees to ensure that corporate accounting and internal control procedures are strictly adhered to at all times. If you suspect that any records or financial information are not being properly kept or are being falsified, immediately contact the Compliance Officer.

In accordance with the rules promulgated by the SEC under the Sarbanes-Oxley Act of 2002, it shall be unlawful and a violation of this Code for any officer or Director of MRI Interventions or any other person acting under the direction thereof, to take any action to fraudulently influence, coerce, manipulate, or mislead any independent or certified accountant engaged in the performance of an audit of MRI Interventions' financial statements for the purposes of rendering such financial statements materially misleading.

### **C. Insider Information and Securities Trading**

The information contained below is a summary of MRI Interventions' Securities Trading Policy (the "Trading Policy"), and Directors and Employees are encouraged to consult the Trading Policy for a complete description of the laws regulating stock transactions. Severe civil and criminal penalties can be imposed on individuals and corporations convicted of violations. Directors and Employees who have access to confidential information are not permitted to use or share that information for any purpose except for the conduct of MRI Interventions' business.

1. Directors and Employees who know any "material" fact about MRI Interventions, which has not been disclosed to the public ("inside information") may not buy or sell MRI Interventions' stock until a reasonable amount of time has passed after the information has been disclosed to the public. "Material" information means facts that would be likely to cause the value of the stock to go up or down or that a reasonable investor would consider important in deciding whether to buy or sell. Although it is not possible to compile an exhaustive list, information concerning any of the following items could be considered material information:

- Earnings, including whether MRI Interventions will or will not meet expectations;
- Mergers, acquisitions, tender offers, joint ventures or changes in assets;

- A significant clinical or regulatory development;
- A change in, or new, licensing and development arrangements;
- A significant product development or research and development relationship;
- Developments regarding customers or suppliers (including the acquisition or loss of an important contract);
- Changes in senior management;
- Changes in compensation policy;
- A change in auditors or auditor notification that MRI Interventions may no longer rely on an audit report;
- Financings and other events regarding MRI Interventions' securities (e.g., defaults on debt securities, calls of securities for redemption, repurchase plans, stock splits, public or private sales of additional securities);
- Significant litigation; and
- Bankruptcy, corporate restructuring or receivership.

2. In addition, Directors and Employees can be legally liable if someone outside MRI Interventions trades in MRI Interventions stock based on a "tip" of inside information given by a Director or an Employee. Company policy forbids giving confidential information about MRI Interventions to outsiders except under limited circumstances approved by the Compliance Officer.

3. Specific additional legal restrictions on MRI Interventions stock trading apply to Executive Officers and Directors, who have been furnished with detailed explanations of these restrictions.

#### **D. Fair Employment Practices**

*Race, Color, Religion, National Origin, Sex, Age, Covered Veteran Status and Disability.* Employees at MRI Interventions are recruited, selected and hired on the basis of individual merit and ability with respect to the position filled. As a business comprised of talented and diverse team members, MRI Interventions is committed to the fair and effective utilization of all Employees without regard to race, color, religion, national origin, sex, age, covered veteran status, disability or any other category protected by federal, state or local laws. Employees must remember that equal employment opportunity is critical in every aspect of the employment relationship. The relationship covers origin, training, working conditions, benefits, compensation practices, employment functions (including promotion, demotion, discipline, transfer, termination and reduction in force) and MRI Interventions-sponsored educational, social and recreational programs. MRI Interventions expects all of its Employees to treat each other, regardless of title or position, with the fairness and respect necessary to maintain a place of employment that encourages each person to contribute to her or his fullest potential.

*Harassment.* Every person conducting MRI Interventions business, whether or not employed by MRI Interventions, must refrain from engaging in any verbal or physical conduct that could be construed as harassment. Such conduct may consist of making unwelcome sexual advances, or engaging in coercive behavior that is sexual in nature when the rejection of or submission to such conduct affects, either implicitly or explicitly, an Employee's status of

employment (e.g., pay, promotion, assignment, termination, etc.) or the business relationship of a consultant, contractor, supplier or scientific collaborator. In addition to offending, if not injuring, the victim of such conduct, sexual harassment is counterproductive to sound business policy.

#### **IX. SPECIFIC POLICIES GOVERNING THE CHIEF EXECUTIVE OFFICER AND SENIOR FINANCIAL OFFICERS**

The Chief Executive Officer and all senior financial officers, including the Chief Financial Officer and principal accounting officer, are bound by the provisions set forth herein. In addition, the Chief Executive Officer and senior financial officers are subject to the following additional specific policies.

The Chief Executive Officer and all senior financial officers of MRI Interventions are responsible for full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by MRI Interventions with the SEC. Accordingly, it is the responsibility of the Chief Executive Officer and each senior financial officer of MRI Interventions promptly to bring to the attention of MRI Interventions' Disclosure Committee any material information of which he or she may become aware that affects the disclosures made by MRI Interventions in its public filings or otherwise assists MRI Interventions in fulfilling its responsibilities as required by rules promulgated by the SEC.

The Chief Executive Officer and each senior financial officer of MRI Interventions shall promptly bring to the attention of MRI Interventions' Disclosure Committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal controls, which could adversely affect MRI Interventions' ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other Employees who have a significant role in MRI Interventions' financial reporting, disclosures or internal controls.

#### **X. INTERACTIONS WITH HEALTHCARE PROFESSIONALS**

MRI Interventions' relationships with Healthcare Professionals, including customers and consultants, are very important to the company. MRI Interventions is firmly committed to complying with all laws and regulations governing its interactions with them. Under no circumstances may Employees or Directors engage in any conduct that unlawfully induces (or appears to unlawfully induce) anyone to purchase, lease, recommend, use or arrange for the purchase, lease or use of MRI Interventions' products.

"Healthcare Professionals" are individuals and entities which (1) are involved in the provision of healthcare services and/or items to patients, and (2) purchase, lease, recommend, use, arrange for the purchase or lease of, or prescribe MRI Interventions' products. The phrase Healthcare Professional includes both persons providing services (such as physicians, physician assistants and nurses) and persons who do not provide services directly but who are involved in the decision to purchase, lease or recommend MRI Interventions' products. In the latter case, such persons include, but are not limited to, hospital administrative personnel, purchasing agents, physician's practice managers and management within group purchasing organizations.

For more information on this topic, please refer to MRI Interventions' specific compliance policies regarding interactions with Healthcare Professionals.

## **XI. USE AND PROTECTION OF PROTECTED HEALTH INFORMATION**

Employees must always strictly adhere to laws and rules relating to protecting confidential patient information. This includes all individually identifiable information that relates to (1) an individual's past, present or future physical or mental health condition, (2) provision of healthcare to an individual, or (3) payment for providing healthcare to an individual. If the information identifies or provides a reasonable basis to believe it can be used to identify an individual, it is considered individually identifiable health information.

Remember that Employees are present in patient-care areas only at the physician's request and only to (1) provide requested support and guidance regarding the appropriate use or operation of Company products, and (2) to provide consultation, advice or assistance where the physician, in his or her professional judgment, believes that it will assist with a patient's treatment. Employees must limit their use of confidential patient information to the minimum amount necessary to perform these functions.

Employees perform these functions on behalf of MRI Interventions as an independent provider of products and/or services, and not as a business associate of a hospital or physician. Requests from hospitals or others to enter into a business associate agreement should be referred to the Compliance Officer.

Except to perform their official duties as described above, Employees must never request or use confidential patient information and must make every effort to avoid coming into contact with it. Furthermore, such information must never be disclosed. In the event that confidential patient information has been inadvertently removed from a customer site, the Compliance Officer must be notified immediately and the information must be returned or destroyed.

## **XII. COMPLIANCE WITH AND ENFORCEMENT OF THIS CODE OF BUSINESS CONDUCT AND ETHICS**

### **A. General**

All Directors and Employees are required to read and understand this Code and conduct themselves in accordance with the policies set forth herein. Enforcement of the Code is the direct responsibility of every supervisor. Supervisors may be sanctioned for failure to instruct their subordinates adequately or for failing to detect non-compliance, where reasonable diligence on the part of the supervisor would have led to the discovery of any problems or violations and given MRI Interventions the opportunity to correct them earlier.

Employees should immediately disassociate themselves from taking part in any discussions, activities or other situations that they recognize to be potentially illegal or unethical. No supervisor may direct a subordinate to violate this Code. If an Employee becomes aware of any illegal or unethical conduct or behavior in violation of this Code by anyone working for or on behalf of MRI Interventions, the Employee should report it promptly, fully and objectively to the Compliance Officer or such other point of contact established by the Board. MRI

Interventions will attempt to treat such reports confidentially and to protect the identity of any Employee who has made the request that his or her identity be kept confidential to the extent permitted under applicable law. All reports will be investigated. Upon receipt of credible reports of suspected violations or irregularities, the investigative party shall use reasonable efforts to ensure that corrective action takes place appropriately.

It is the policy of MRI Interventions to comply with all applicable laws that protect our Employees against unlawful discrimination or retaliation as a result of their lawfully reporting information regarding, or their participation in investigations involving alleged misconduct by MRI Interventions or its agents. Specifically, our policy is designed to prevent Employees from being subject to disciplinary or retaliatory action by MRI Interventions or any of its agents as a result of an Employee's:

1. disclosing information to a government or law enforcement agency or a representative of MRI Interventions, where the Employee has a good-faith, reasonable belief that the information demonstrates a violation or possible violation of a federal or state law, rule or regulation;
2. providing information, filing, testifying or participating in a proceeding filed or about to be filed, or otherwise assisting in an investigation or proceeding, regarding any conduct that the Employee reasonably and in good faith believes involves a violation or possible violation of a federal or state law, rule or regulation; or
3. providing information to MRI Interventions' representatives or other persons where the Employee has a good-faith, reasonable belief that the information discloses a violation or possible violation of our Code or other MRI Interventions policies.

If any Employee believes he or she has been subjected to any discrimination or retaliation or other action by MRI Interventions or its agents for reporting suspected misconduct in accordance with its policy of unlawful discrimination or retaliation, he or she may file a complaint with the Compliance Officer. If it is determined that an Employee has experienced any improper employment action in violation of this policy, MRI Interventions will endeavor to promptly take appropriate corrective action.

**THIS CODE SETS FORTH GENERAL GUIDELINES ONLY AND MAY NOT INCLUDE ALL CIRCUMSTANCES THAT WOULD FALL WITHIN THE INTENT OF THE CODE AND BE CONSIDERED A VIOLATION THAT SHOULD BE REPORTED. EMPLOYEES SHOULD REPORT ALL SUSPECTED DISHONEST OR ILLEGAL ACTIVITIES WHETHER OR NOT THEY ARE SPECIFICALLY ADDRESSED IN THE CODE.**

## **B. Questions Regarding Code**

General questions regarding this Code or the application of this Code to particular situations may be directed to the Compliance Officer. Questions from Directors and Executive Officers may also be discussed with the Chairperson of the Board or the Chairperson of the Audit Committee.

### **C. Determination of Violations**

Determinations regarding whether a violation of this Code has occurred shall be made as follows:

1. If the alleged violation under consideration concerns a Director, the determination of the existence of any violation shall be made by the Chairperson of the Audit Committee or, if the alleged violation concerns the Chairperson of the Audit Committee, by the Chairperson of the Corporate Governance and Nominating Committee, in either event, in consultation with the Compliance Officer and/or such external legal counsel as the appropriate Chairperson deems appropriate.

2. If the alleged violation under consideration concerns an Executive Officer, the determination of the existence of any violation shall be made by the Audit Committee, in consultation with the Compliance Officer and/or such external legal counsel as the Chairperson of the Audit Committee deems appropriate.

3. If the situation under consideration concerns any other Employee, the determination of the existence of a violation shall be made by the person to whom the Employee directly reports, in consultation with the Compliance Officer.

4. Whoever makes the decision as to whether a violation has occurred shall document the decision and forward the documentation to the Compliance Officer, or such other point of contact established by the Board, for the filing and retention of such documents.

5. In determining whether a violation of this Code has occurred, the person or persons making such determination may take into account to what extent the violations were intentional; the qualitative and quantitative materiality of such violation from the perspective of either the detriment to MRI Interventions or the benefit to the Director, Executive Officer or Employee involved in the violation; the policy behind the provision violated; and such other facts and circumstances as they shall deem advisable under all the facts and circumstances.

Acts or omissions that have been determined to be violations of this Code by any MRI Interventions Executive Officer or Director under the process set forth above, shall be promptly reported to the Board by the Chairperson of the Audit Committee, or the Chairperson of the Corporate Governance and Nominating Committee, as applicable. Acts or omissions that have been determined to be a violation of this Code by any other person under the process set forth above, shall be promptly reported by the Compliance Officer to the Audit Committee.

The Board shall determine, or designate appropriate persons to determine, appropriate actions to be taken if this Code has been violated by any MRI Interventions Executive Officer, Director or any other person whose violation shall be determined by the Compliance Officer and the Audit Committee to be material. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code, and may include written notices to the individual involved that the Board has determined that there has been a violation, a censure by the Board, a demotion or re-assignment of the individual(s) involved, a suspension with or without pay or benefits (as determined by the Board) and termination of the individual's employment. In determining what action is appropriate in a particular case, the Board or such

designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether the individual in question had committed other violations in the past.

#### **D. Request for Waivers**

A waiver of a provision of this Code shall be requested whenever there is a reasonable likelihood that a contemplated action will violate the Code. Waivers will only be granted under extraordinary circumstances through the following process:

1. If the waiver request under consideration relates to an Executive Officer or Director, the determination with respect to the waiver shall be made by the Audit Committee, in consultation with the Compliance Officer and/or such external legal counsel as the Audit Committee deems appropriate, and submitted to the Board for approval.

2. If the waiver request under consideration relates to any other Employee, the determination shall be made by the Compliance Officer, in consultation with the person to whom the Employee ultimately reports, unless such request is quantitatively or qualitatively material or outside the ordinary course of business of MRI Interventions, in which case such determination shall be made by the Audit Committee.

3. The decision with respect to the waiver requested shall be documented and forwarded to the Compliance Officer for filing and retention.

All waivers of this Code (other than those approved by the Audit Committee) shall be promptly reported by the Compliance Officer to the Audit Committee, and by the Audit Committee to the Board.

Waivers shall be publicly disclosed on a timely basis, to the extent such disclosures shall be required by applicable laws, rules and regulations or shall be determined to be appropriate by the Board.

#### **E. Good Faith Reporting of Wrongdoing**

Employees of MRI Interventions are protected, to the extent provided by law, against retaliation by MRI Interventions when they provide information or assist in an investigation by federal regulators, law enforcement personnel, Congress, or MRI Interventions itself, regarding conduct which the Employee reasonably believes relates to fraud against MRI Interventions' stockholders or any violation of this Code.

Subject to the second to last paragraph of this subsection, Good faith reports of wrongdoing should be submitted, in writing, to the Compliance Officer, or, if such reports concern the Compliance Officer, to the Company's Chief Executive Officer.

“Good faith report” shall mean a report of conduct defined as wrongdoing, which the person making the report has reasonable cause to believe is true and which is made without malice or consideration of personal benefit.

“Wrongdoing” shall mean a violation which is not of a merely technical or minimal nature of a federal or state statute or regulation or of this Code designed to protect the interest of the public or MRI Interventions.

All good faith reports and resulting investigations will be kept confidential to the extent required by law.

Directors may submit any good faith reports of wrongdoing in writing to the Chairperson of the Audit Committee.

The Sarbanes-Oxley Act of 2002 requires that the Company's Audit Committee establish procedures for confidential, anonymous submission of Employee concerns regarding questionable accounting or auditing matters. Employee complaints and reports of this nature shall be handled under the procedures established by the Audit Committee.

It is the policy of the Company to comply with both the letter and the spirit of the federal laws and regulations that govern the Company's activities. All operating policies, procedures and forms used to conduct the Company's business shall be in conformity with applicable federal laws and regulations. Any Employee who violates a provision of this Code is subject to applicable disciplinary action ranging from warnings and reprimand up to and including termination, and, where appropriate, the filing of a civil or criminal complaint. Directors who violate a provision of this Code are subject to such sanction as the Board shall impose. Notwithstanding the foregoing, the Company also preserves and reserves its other rights and remedies against any individual who violates any provision of this Code, both at law and in equity.

### **XIII. DISCLAIMER OF EMPLOYMENT CONTRACT**

This Code is neither an employment contract nor any guaranty of continued employment. The employment relationship between MRI Interventions and its Employees is “at will.” MRI Interventions’ policies, guidelines and related procedures are subject to unilateral change by MRI Interventions at any time.

### **XIV. RESERVATION OF RIGHTS**

MRI Interventions reserves the right to amend this Code, in whole or in part, at any time and solely at its discretion. Any amendments, to the extent determined to be required or appropriate by the Board, shall be publicly disclosed on a timely basis.

### **XV. CERTIFICATION**

Each Director and Employee will be required to read this Code each year and certify, in writing, that he or she understands his or her responsibilities to comply with the policies and provisions set forth herein.