

Corporate Code of Conduct LDR Spine/LDR Holding

LDR Spine, Inc.	Release Date: January 1, 2009	DC #: LDRC 100.01 09/01[01]
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Purpose:

LDR Spine (“LDR”) is a medical device distributor engaged in the business of developing, marketing, distributing, and selling spinal implants for human implantation in the treatment of spinal injuries and disorders. LDR is committed to conducting its business activities ethically and lawfully. This Code of Conduct establishes policies and procedures that are intended to guide employees, officers, and directors, and independent sales representatives who provide sales and sales support services to LDR in the performance of their duties and responsibilities and ensure compliance with the Company's commitment to ethical and lawful conduct as well as compliance with the applicable laws and regulations that govern the medical device industry generally. These policies and procedures apply to all employees, officers, and directors of LDR and, to the extent that have relevance, to the independent sales representatives of LDR, customers of LDR, and to all consulting and designing physicians who provide services of any type to LDR.

1. ***Compliance with Laws.*** LDR will conduct its business affairs and related activities in compliance with all applicable laws, rules, and regulations and in accordance with LDR’s high ethical standards. LDR is aware of the need to ensure compliance with those laws, regulations and guidelines which govern LDR’s business as well as that of its physician customers, and manufacturer affiliates on whose behalf LDR provides services.

2. ***Work Environment.*** LDR will maintain a safe and drug-free work place that is free from discrimination based on race, color, creed, religion, gender, age, disability, national origin, ancestry, citizenship, armed forces service, marital or veteran status, sexual orientation, or any other impermissible factor.

3. ***Selling Products.*** LDR is committed to manufacturing, marketing, distributing, and selling products through its independent and direct sales representatives in a safe and legally compliant manner. In connection with the marketing, distributing, and selling medical devices and related products, LDR has established and will comply with standards that meet or exceed the laws and regulations applicable to such activities.

4. ***Competitive Practices.*** LDR will compete for all business opportunities in the marketplace vigorously, fairly, ethically, and legally. LDR will comply with all antitrust and other laws regulating competition and trade and will not discuss pricing, cost, production plans, business strategies, or any other proprietary or confidential information with its competitors.

5. **Marketing and Sales.** LDR will represent its products and services accurately and will comply with applicable regulatory and legal requirements governing the marketing and sale of its products and services.

6. **Recording and Reporting Information.** In recognition of the fact that accurate information is essential to LDR's ability to satisfy legal and regulatory obligations, all employees, officers and directors, independent sales representatives, and physicians who provide services of any kind to LDR will record and report all information accurately and honestly. No employee or director will sign or submit, or permit others to sign or submit on behalf of LDR, any document or statement that he or she knows or has reason to believe is false.

7. **Payments.** Neither LDR nor its employees, directors, officers, or independent sales representatives will make any improper payments to government or non-government officials, employees, customers, persons, or entities, nor will LDR or its employees and directors request or accept any improper payment from suppliers, customers, or anyone seeking to do business with LDR.

8. **Fair Dealing.** Each employee, director, officer, and independent sales representative will deal fairly with LDR's customers, suppliers, competitors, affiliates, independent auditors, and other employees and will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing or practice.

9. **Confidential Information.** No employee, director, officer, independent sales personnel, or physician who provides services of any kind to LDR, will use, for his or her own personal gain, or disclose to any third party, any confidential or proprietary information that he or she obtained as a result of his or her employment with or relationship to LDR. Confidential or proprietary information includes without limitation all non-public information that might be of use to competitors or harmful to LDR and its customers if disclosed.

10. **Corporate Opportunities.** Employees, officers, and directors owe a duty to LDR to advance its legitimate interests when the opportunity to do so arises. Such personnel are prohibited from (a) taking for themselves personally opportunities that are discovered through the use of corporate property, information, or position, (b) using corporate property, information, or position for personal gain, or (c) competing with LDR.

11. **Conflicts of Interest.** No employee or director will engage in any activity or have any outside interest that might deprive the Company of his or her loyalty, interfere with the satisfactory performance of his or her duties, make it difficult to perform his or her duties for the Company objectively and effectively, or be harmful or detrimental to LDR. Employees and directors must immediately disclose in writing any actual or potential conflict of interest that they may have to senior management for resolution. A conflict of interest occurs when a person's private interest interferes or

appears to interfere in any way with the Company's interests and 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 with the Company.

Examples of actual or potential conflicts of interest include without limitation whenever:

(a) An employee or director holds an outside position or is engaged in an outside activity that affects the performance of his or her work for the Company.

(b) An employee or director, or any member of his or her family, is employed by, is a consultant to, or holds an ownership or other interest (other than a nominal investment in stock of a publicly traded company) in any concern that is a competitor of the Company, a supplier or dealer for the Company, or is involved in a joint venture with the Company.

12. ***Protection and Proper Use of Company Assets.*** Theft, carelessness, and waste have a direct impact on the Company's profitability. All employees and directors will take appropriate actions to protect the Company's assets and ensure their efficient use for legitimate business purposes.

13. ***Relationships with Consulting and Designing Physicians.*** In an effort to ensure the continuous development and commercialization of new products, as well as improvements upon existing products, LDR collaborates with members of the physician community in its design, development, and evaluation activities. LDR and its employees, officers, and directors will abide by all applicable laws, regulations, and industry guidelines when contracting with, working with, compensating, and otherwise reimbursing physicians in connection with their work for LDR. Internal policies and procedures addressing such activities will be routinely reviewed and updated as necessary and all LDR personnel will be trained on the applicable policies and procedures. LDR will not under any circumstances consider the value or volume of business, if any, generated by any physician with whom LDR works and LDR will enforce its policies and procedures regarding interactions with such physicians vigorously and without exception.

14. ***Disclosure.*** Patients who receive or are considering receiving LDR products have a right to know if their physician works with LDR on product development or related projects. LDR is committed to ensuring that patients have all information reasonably necessary about LDR and their products to make informed decisions about their healthcare. Therefore, LDR will make such disclosure to any health care institution or entity who requests same.

15. ***Compliance:***

(a) Any violation of this Code of Conduct and any implementing policies and procedures should be reported immediately to the President or executive in charge. The identity of the person or persons making a report will remain confidential except on a "need to know" basis. Reporting may be anonymous.

(b) Officers, directors, executives in charge of each division, subsidiary or operating unit, and other appropriate employees will be required periodically to confirm in writing that they understand and are complying with these policies and that they are not aware of any violations of these policies or have properly reported all violations.

(c) The Company will promptly investigate any alleged violation of these policies. Violation of a policy, retaliation against any individual for reporting a violation, or failure to otherwise comply with these policies will not be tolerated and will result in disciplinary action, including termination of employment where appropriate.

Questions concerning this Code of Conduct should be directed to the LDR Spine, Inc. Compliance Officer.

LDR Spine, Inc.'s Corporate Code of Conduct is hereby adopted and made binding on all employees, officers, directors, and, to the extent applicable, independent sales representatives of LDR Spine.

AUTHORIZED SIGNATURE:

Dennis Hynton, CFO and Compliance Officer

Effective as of January 1, 2008

Acknowledgement of Receipt and Certification

I certify that:

(a) I have read and understand the LDR Spine, Inc. Corporate Code of Conduct.

(b) I am not in violation of any of the policies contained in the Code of Conduct and I am not aware of any violation that has not been reported in accordance with the procedures set forth in the Code.

(c) I understand that failure to comply with the Code of Conduct may result in disciplinary action, including termination of employment, and that a violation of the Code of Conduct may also constitute a violation of law that may result in civil or criminal penalties for me and/or LDR Spine, Inc. I will abide by and support the policies set forth in the LDR Spine, Inc. Code of Conduct. I further understand that my agreement to comply with the Code of Conduct does not constitute a contract of employment or other guarantee with respect to my current or any future position with LDR Spine, Inc.

Signature:

Printed Name:

Date:
