



Code of Conduct



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INTRODUCTION

The mission of Precision Spine, Inc., and its subsidiaries (collectively "Precision Spine," "We," "Our," or "Company"), is to provide quality, cost-effective healthcare products in a positive and productive work environment. In fulfilling this mission, Precision Spine is dedicated to adhering to the highest ethical standards and recognizes the importance of full compliance with all applicable federal and state laws. Precision Spine's Board of Directors and management have adopted this Code of Conduct and its Compliance Program Policies to guide Employees and Associates in sustaining these values integral to our mission.

CODE OF CONDUCT

This Code of Conduct applies to all Precision Spine employees, officers, directors, agents, consultants, and business associates (collectively referred to as "You" or "Employee" or "Associate"). Precision Spine requires legal and ethical behavior from you at all times. Precision Spine has developed this Code of Conduct to provide you with guidance on required business conduct and principles that, if not followed by each and every Precision Spine employee, could have a negative effect on our business success. This Code of Conduct is part of a larger process that includes compliance with Precision Spine's corporate and compliance policies and procedures, an open working relationship between management and all employees, and your integrity and proper judgment.

In this regard, you must always:

- comply with all applicable laws, rules, regulations, and policies;
- ensure that all dealings with healthcare providers ("HCPs"), customers, key purchasing influencers, suppliers, vendor, and competitors are conducted fairly;
- ensure that all conflicts of interest are handled in accordance with this Code of Conduct and Compliance Program Policies;
- refrain from using your position in Precision Spine or Precision Spine's assets or information for improper personal gain;
- act with honesty and in the best interests of Precision Spine when dealing with your fellow Employees, and any vendor, supplier or customer with which you have contact;
- take all actions necessary to ensure that Precision Spine produces fair, accurate, timely and coherent disclosure in all reports and documents that Precision Spine files with a governmental entity, and in its communications to the public;
- properly use and prevent the improper disclosure of Precision Spine's proprietary information; and
- protect Precision Spine's assets and immediately report any suspected theft or fraud involving Precision Spine's assets.



COMPLIANCE PROGRAM

An integral component of Precision Spine's mission is the unequivocal commitment to operate in compliance with applicable federal and state laws, rules, and regulations, and to demonstrate good corporate citizenship. To fulfill this commitment, Precision Spine has developed and implemented a formal Compliance Program. The Compliance Program is a part of the routine operations of all Precision Spine facilities and corporate functions. Precision Spine has appointed a Chief Compliance Officer who has responsibility for overseeing the Compliance Program.

Precision Spine's Compliance Program is designed to ensure that our business policies, procedures, and practices serve to maintain and enforce throughout the organization the high standard of ethical behavior necessary for the Company (and each of us individually) to carry out its mission in a manner consistent with its values and principles. This Code of Conduct and the Compliance Program Policies should communicate to all personnel that Precision Spine will comply with all applicable laws.

It is your duty to read, understand, and comply with this Code of Conduct and the Compliance Program Policies. As a new employee, you will be required to sign a certification that you read and understood your obligations under this Code of Conduct, and that you have participated in all required training. Annually, you will be required to sign a certification that you read and understood your obligations under our Code of Conduct, that you have participated in all required training, and that you are not aware of any violations of our Code of Conduct or Compliance Program Policies that you have not reported.

It is important to note that this Code of Conduct is meant to serve as a guide and there are many scenarios or situations that are not covered. If you are uncertain about any of the laws, rules, regulations, and policies, or if you are uncertain as to whether there has been a violation, please contact your immediate supervisor or Precision Spine's Chief Compliance Officer for clarification.

REPORTING VIOLATIONS

You must report all violations of the Code of Conduct, any law, rule, regulation, or Precision Spine's Policies to your immediate supervisor, or to the Chief Compliance Officer, or Human Resources. Alternatively, you can report violations by calling our hotline at 1-888-799-2007 or using the Web at <https://precispine.compliancemanager.healthcity.com>. Instructions for using both of these hotlines are posted in common areas in Precision Spine's facilities. You can also refer to Compliance Program policy PCP-1010, Reporting Unethical and Illegal Conduct for further direction.

You have the option of reporting violations anonymously. You will never be subject to any disciplinary or retaliatory actions for making a good faith report of a violation of the Code of Conduct or Company Policies. It is important to note, however, that if a report of wrongdoing was made maliciously, frivolously, or in bad faith you may be subject to appropriate disciplinary actions.

This Code of Conduct does not purport to be all of Precision Spine's relevant policies with regard to the matters discussed in this Code of Conduct. You have a continuing obligation to ensure that you are familiar with all applicable laws, rules, and regulations, and Precision Spine policies that apply to your job function and those that are common to all employees such as those related to conflicts of interest and to maintenance of a safe and healthy work environment. If you are unsure about what laws, rules, regulations, and policies apply to you, or you have questions about any law, rule, regulation or policy do not hesitate to seek guidance from your supervisor, the Chief Compliance Officer or Human Resources.



ELIGIBILITY SCREENING

As a requirement of our Compliance Program, Precision Spine conducts an initial screening of pre-hires, employees, and in some cases business associates to verify that the employee or business associate is not on the U. S. Department of Health and Human Services, Office of Inspector General (“OIG”) List of Excluded Individuals/Entities (“OIG Sanction Report”), the U.S. Food and Drug Administration (“FDA”) debarment list, or any state exclusion list. In addition to initial screenings, Precision Spine conducts monthly screenings of all employees, and in some cases, business associates to verify that the employee or business associate is not on any federal or state exclusion list. If an employee or business associate is found to be on an exclusion list, he/she or it is considered to be ineligible to work for or do business with Precision Spine.

It is the policy of Precision Spine to assure that no person or entity engaged as an employee, vendor, independent contractor, distributors, and/or provider of services, shall perform any procedures and/or provide or order services, if such individual or entity is determined to be ineligible. You have a duty to inform Precision Spine of any change in your eligibility to work for or do business with Precision Spine.

PRODUCTIVE AND SAFE WORK ENVIRONMENT

Fairness

Precision Spine’s strengths are based on its people. Our dealings with each other in the workplace – and those with the wider community – should reflect mutual respect. We should treat others as we expect to be treated. Representatives of Precision Spine should strive to be honest, courteous, reliable and responsible in their interactions with others at all times. We are committed to treat everybody with dignity, including colleagues, customers, contractors, healthcare providers, members of the public, and governmental agencies. Treating people with dignity includes ensuring our own honesty and integrity and respecting confidentiality.

Precision Spine recognizes the need to respect and value the diversity of the workforce and we commit to supporting that diversity by providing a working environment where everyone receives fair and just treatment and is free to achieve their best. We believe in equal employment opportunity and a workplace free from discrimination, bullying and harassment. We show respect in our interactions with others irrespective of gender, age, race, culture, religion, ethnicity, disability, social and economic status, sexual orientation, political beliefs and family responsibilities. We do not tolerate disrespectful behavior observed in others.

Safe Work Environment

Precision Spine is committed to employee health and safety. In addition to complying with OSHA guidelines, unsafe and unhealthy conditions will be addressed promptly. The physical safety and security of our employees, along with that of the public, must be paramount in everything we do. It is your responsibility to follow all health and safety requirements, and you also must take personal responsibility for your safety and the safety of your co-workers. This includes, but is not limited to, not reporting to



work in a state that impairs your ability to work safely and conscientiously. You should promptly report any unsafe condition to your supervisor.

TRAINING

All Precision Spine employees, agents and applicable business associates shall receive education and training on healthcare compliance laws and regulations and Precision Spine's Compliance Program Policies. You are required to complete training, at least annually, and on an as needed basis. Failure to complete all assigned training is a violation of Precision Spine's Education and Training policy. Such failure not only has disciplinary implications, but also will be reflected in your performance evaluation.

COMPLIANCE WITH LAWS

One of Precision Spine's core principles is that all of its employees comply with all laws, rules, regulations, and policies. Precision Spine requires that you adhere to the highest standard of business ethics and conduct.

Interactions with Healthcare Providers

All interactions with healthcare providers ("HCP") are to be conducted in an ethical manner and in compliance with all laws, rules, regulations, and the Interactions with Healthcare Providers Policy, PCP-1009.

A HCP is any person or entity in a position to purchase, lease, recommend, use, or arrange for the purchase or lease of medical technology products. This includes both clinical and non-clinical people who make decisions related to product purchase. It also includes decision-makers within group purchasing organizations. The definition is broad, and is intended to encompass anyone with material influence over purchasing decisions.

Precision Spine engages HCPs to provide a wide-range of valuable, consulting services through various types of arrangements, such as contracts for research, product development, development and/or transfer of intellectual property, marketing, participation on advisory boards, presentations at Precision Spine-sponsored training and other services. Precision Spine will pay consultants fair market value compensation for performing these types of services, provided that these services are intended to fulfill a legitimate business need and such compensation does not constitute an unlawful inducement. Under no circumstances may you enter into a consulting agreement with a HCP with the intent of, directly or indirectly, implicitly or explicitly, influencing or encouraging the HCP to purchase, prescribe, use or recommend any Precision Spine product or reward any such prior action.

Before interacting with HCPs, you must read, understand, and be fully familiar with Precision Spine's policy on Interactions with Healthcare Providers, PCP-1009. Please contact the Compliance Officer with any questions or concerns you may have regarding your activities or circumstances.

Anti-Kickback Statute

A kickback is an act that involves the exchange or an offer to exchange or a solicitation of payments, in any form, directly or indirectly, for the referral or growth of business. Examples of payment forms are monies, fees, commissions, credits, gifts, gratuities, or any items of value. The federal and state governments impose criminal and civil sanctions for kickback activities involving HCPs. The statutes are devised to oversee the integrity of the healthcare industry including medical device manufacturing with regard to reimbursement, marketing, and ethical business conduct. Employees involved in the sale, marketing or advertising of Precision Spine and its products should ensure that all products are sold, promoted and marketed in accordance with all laws, rules, regulations, guidelines, policies and procedures, and that all information represented is correct and comprehensive. Examples of situations that could violate a law, rule, regulation, or policy include, but are not limited to the following:

- Any business ownership arrangement or relationship with a HCP or his or her agents that involve situations where there is remuneration to the HCP or his or her family or agents;
- Services, gifts, non-modest meals or travel arrangements or other perquisites that are offered to a HCP or his or her family or agents (regardless of whether you seek reimbursement from Precision Spine);
- Consulting agreements, royalty agreements, honoraria, or any other financial benefit directly or indirectly, that are used inappropriately;

Venues

All venues or accommodations that are chosen for the purpose of training, meetings, conferences or other educational purposes, should be moderately priced, and should focus on the specific function of the event and the convenience of its location for the attendees. This applies not only to physical lodging and accommodations, but also to the geographical location of the chosen venue. Additionally, it is important to note that all events must be business-oriented and Precision Spine's employees cannot host events that are not specific to a business function or purpose.

Meals, Travel, and Gifts

Precision Spine will provide reimbursement for meals, provided that the meal is moderate in price and is for the purpose of exchanging information concerning business products, services, or education. In addition, all reimbursement for meals shall be subject to Precision Spine's travel and expense reimbursement policy. All reimbursement for HCP travel must be modest (generally only coach-class airfare is permitted). No gifts should be given by Precision Spine employees to HCPs. If you have any questions about giving gifts, please consult with the Compliance Officer.

It is unacceptable to violate these meal, travel, and gift policies regardless of whether or not you seek reimbursement from Precision Spine.



Payments to HCPs

Neither Precision Spine, nor any of its employees or agents is permitted to make payments to a HCP in exchange for the HCP's purchasing our products.

Agreements with HCPs

All agreements between a HCP and Precision Spine, whether clinical education agreements, consulting agreements, or product development agreements, must be in writing and provide payments that will be made upon receipt of the work to be performed. All payments will be reasonable in amounts for the services performed and of fair market value.

Accurate Books and Records

Precision Spine requires accurate and timely recording of all information related to Precision Spine and its business. You must act in a manner that ensures that all of Precision Spine's books, records, accounts and financial statements are maintained in reasonable detail, accurately reflect transactions involving Precision Spine, and comply with applicable legal requirements and Precision Spine's internal control systems. In addition, all expense reimbursements must accurately reflect the nature and amount of the expenses incurred.

False Claims

The False Claims Act prohibits entities and individuals from submitting a false claim for reimbursement to the federal government programs such as Medicare and Medicaid. It applies to anyone who assists someone else in making a false claim to the government. If you encourage or cause a customer to make a false claim for reimbursement you can be held liable for the customer's false claim.

Off-label promotion has been held to violate the False Claims Act. If you promote a product for off-label use, you are using a false statement to cause a healthcare provider to present a claim for reimbursement from a federal government program. In other words, the government contends that the third party would not have submitted the claim to Medicare or Medicaid if the company had not promoted its device for an off-label use.

Violating the False Claims Act may result in criminal prosecution and steep fines for each false claim. To avoid violating the False Claims Act, do not promote Precision Spine's products for off-label uses; nor encourage or cause a healthcare provider to make a false claim.

Physician Payments Sunshine Act Reporting

The Physician Payments Sunshine Act ("Sunshine Act") requires disclosure to the federal government of defined transfers of value to certain healthcare providers. You must comply with all Company policies and procedures designed to ensure compliance with the Sunshine Act, including those related to expense reports and other record maintenance.

Foreign Corrupt Practices Act (“FCPA”)

The FCPA prohibits you from directly or indirectly, making any bribes or corrupt payments to a foreign government official. Most healthcare providers in foreign countries work for government-owned hospitals or institutions and are therefore subject to the FCPA. Your interactions with these healthcare providers must be conducted in accordance with Precision Spine’s policy on Interactions with Healthcare Providers, PCP-1009.

Bribes not only take the form of money, but also favors, entertainment, promises to pay, and anything else that has value. Criminal and civil penalties may be imposed for violations of anti-corruption laws.

Health Insurance Portability and Accountability Act (“HIPAA”)

Although Precision Spine generally does not collect, process or store personal health information (“PHI”) of patients, and does not meet the definition of a Covered Entity under HIPAA, in the event that you incidentally or inadvertently come in contact with a patient’s PHI in the course of your activities with Precision Spine, you must safeguard the confidentiality of PHI in accordance with federal and state privacy laws and regulations. This event must be reported to your supervisor or the Chief Compliance Officer. The HIPAA Privacy Rule aims to protect the privacy of individually identifiable health information of patients and research subjects. Essentially, the law states that individuals should know when companies are using their personal information, how the personal information is being used, and how the personal information is protected. Personal information may include medical histories or records and personal identifiers such as names, birth dates, and Social Security numbers.

CONFLICT OF INTEREST

Activities involving other businesses, organizations or individuals must not interfere or conflict with your duties or cause a loss or embarrassment to Precision Spine. You should not place yourself in a position where your actions or activities or the interests of others with whom you or with whom a member of your family may have a financial, business, professional, family or social relationship may be in conflict with the interests of Precision Spine. You shall not enter into any transaction or activity in which your interests are advanced at the expense of Precision Spine, or in which the transaction or activity may interfere with the proper performance of your duties or may cause loss or embarrassment to Precision Spine.

You shall not have any direct or indirect interest in or relationship to any transaction which might in any way affect your objectivity and independent judgment or conduct in carrying out your responsibilities for Precision Spine. You shall not conduct any business or perform any services for another professional or business venture or enterprise while on company time, nor shall you use any company resources for such activities. You shall refrain from transactions which might in any way embarrass Precision Spine because such interest or relationships might reasonably be misunderstood by others. Such transactions, while not including routine business transactions such as reasonable meals, specifically include the receipt of gifts.

You must disclose investment interests in excess of two percent (2%) in an entity that competes directly or indirectly with Precision Spine.



USE OF PRECISION SPINE'S ASSETS AND CONFIDENTIAL INFORMATION

All officers, directors and employees should endeavor to protect Precision Spine's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on Precision Spine's profitability. Any suspected incident of theft, carelessness or waste should be immediately reported for investigation. Precision Spine equipment (including electronic mail) should not be used for non-Precision Spine business. All information related to Precision Spine's business that is not public information (the "Confidential Information") is an important asset that belongs to Precision Spine. As a condition of your employment you have executed an agreement in which you agreed to not improperly use or disclose such Confidential Information and to assign all proprietary information developed by you to Precision Spine. It is important that you adhere to the obligations set forth in such agreement.

COOPERATION WITH GOVERNMENTAL INVESTIGATIONS

It is the policy of Precision Spine to cooperate fully with any lawful government investigation or audit. Precision Spine expects all employees to cooperate within the guidelines of this policy. If a Precision Spine employee is contacted by an official, representative, investigator or other individual acting on behalf of the government, the employee should immediately contact the Chief Compliance Officer and the General Counsel. You should ask to see official credentials and government-issued identification, as well as a business card, before speaking further with the person.

AUDITING AND MONITORING

Precision Spine takes reasonable steps to achieve compliance with applicable laws and Precision Spine's Compliance Program by employing auditing and monitoring practices to detect improper conduct. Violations of this Code of Conduct will subject you to disciplinary action, up to and including immediate termination of your employment.