



CODE OF CONDUCT POLICIES

The Company is a professional, responsible, and law-abiding business entity. The conduct of every employee contributes to this. The Company requires every employee to agree that he or she will not take any action or engage in any conduct that would cause the Company or any of its employees embarrassment or humiliation, that creates the appearance of impropriety, or otherwise causes or contributes to the Company or its employees being held in disrepute by the general public, or the Company's clients, customers, or employees.

Employees are expected to devote their best efforts and full-time attention to the performance of their jobs at the Company. Any activity of a personal or non-Company related nature is not allowed during working hours, and will be grounds for discipline, up to and including termination, in appropriate circumstances.

Employees are also expected to use good judgment, adhere to ethical standards, and avoid situations that create an actual or potential conflict between the employee's personal interests and the interests of the Company. A conflict of interest may exist where the employee's loyalties or actions are divided between the Company's interests and those of another, such as a competitor, supplier, or customer, including self-employment side jobs and non-related second jobs. Both the fact and the appearance of a conflict of interest must be avoided. Employees who are unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss such an issue with their immediate supervisor or manager for clarification.

While it is not feasible to describe all possible conflicts of interest that could develop, some of the more common conflicts, from which employees are to refrain, include the following:

- Accepting personal gifts or entertainment outside of nominal meals or reasonable events in connection with work, but which are not made with an improper purpose in contravention of law, from competitors, customers, suppliers, or potential suppliers;
- Working for a competitor, supplier, or customer;
- Engaging in self-employment that interferes with work and never in competition with the Company;
- Using proprietary or confidential Company information for personal gain or to the Company's detriment;
- Having a direct or indirect financial interest in or relationship with a competitor, customer, or supplier (including earning consulting fees or other financial benefit from competitors, customers or suppliers). Note ownership of a publicly traded stock of a corporation is not considered a conflict;
- Using Company assets or labor for personal use;
- Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the Company;
- Committing the Company to give its financial or other support to any outside activity or organization without express prior written approval from the CEO; or,
- Developing a personal relationship with a subordinate employee of the Company that might interfere with the exercise of impartial judgment in decisions affecting the Company or any employees of the Company.

If an employee or someone with whom an employee has a close relationship (a family member or close companion) has a financial or employment relationship with a competitor, customer, supplier, or potential supplier, the employee must disclose this fact in writing to his or her supervisor. Employees



should be aware that if they enter into a personal relationship with an employee of a competitor, supplier, or customer, a conflict of interest may exist, which in turn may require full disclosure to the Company. Part-time employees may engage in outside employment, provided that they disclose such employment to the Company.

On an annual basis (normally at the beginning of the fiscal year), or at other times, supervisory and managerial employees may be required to complete a written statement regarding conflicts of interest. These written statements are then retained in the employee's personnel file. Failure to adhere to this policy, including failure to discuss or disclose any potential or actual conflicts of interest, may result in discipline, up to and including termination.

Prohibition of Improper Payments

The U.S. Foreign Corrupt Practices Act of 1977 ("FCPA") generally prohibits U.S. companies and citizens, foreign companies listed on a U.S. stock exchange, or any person acting while in the United States, from corruptly paying or offering to pay, directly or indirectly, money or anything of value to a foreign official to obtain or retain business. More specifically, FCPA's Antibribery provisions generally prohibit U.S. companies and citizens, foreign companies listed on a U.S. stock exchange, or any person acting while in the United States from corruptly paying or offering to pay, directly or indirectly, money or anything of value to a foreign official, a foreign political party or official, or a candidate for foreign political office for purposes of influencing any act or decision (including a decision not to act) of such official in his or her official capacity, inducing the official to do any act in violation of his or her lawful duty, or to secure any improper advantage in order to assist the payor in obtaining or retaining business for or with any person, or in directing business to any person.

The provisions of this section are not intended to apply to ordinary and reasonable business entertainment or gifts not of substantial value, customary in local business relationships and not violative of law as applied in that environment or made for an improper purpose. In some countries (but not in all countries and particularly not in the United States), it may be acceptable to make such insubstantial gifts to minor government officials where customary in order to expedite or secure routine administrative action required in the orderly conduct of operations. Managers are expected to exercise sound discretion and control in authorizing such business entertainment and gifts and to involve Company legal counsel when relevant.

Political Contributions

The Company will not make any contribution to any political party or to any candidate for political office in support of such candidacy except as provided in this Policy and as permitted by law. Corporations in the United States are strictly prohibited from making political contributions in their own name under federal law.

The laws governing participation by corporations in the political process of countries other than the United States vary widely. In certain countries, contributions of the political process (including contributions to political parties) are lawful and expected as a matter of good corporate citizenship. This Policy is not intended to prevent the communication of Company views to legislators, governmental agencies, or to the general public with respect to existing or proposed legislation or governmental



LSI COMPANY HANDBOOK

policies or practices affecting business operations. Moreover, under this Policy, reasonable costs incurred by the Company to establish or administer political action committees or activities organized to solicit voluntary political contributions from individual employees are not regarded as contributions to political parties or candidates, where such costs may lawfully be incurred by the Company.

If an employee has any questions regarding political contributions, he or she should consult his or her superior, the Chief Financial Officer, or when appropriate, the Company Counsel.

Reports and Periodic Reviews

Any employee who is requested to make, authorize or agree to any offer or payment which is, or may be contrary to this Policy will promptly report such information to the employee's manager, to the Company Chief Financial Officer, Head of Human Resources, or to assigned Company legal counsel.

Any employee who acquires information (for example, newspaper reports, reports from customers, or statements of individuals involved) that give the employee reason to believe that any employee is engaged in conduct forbidden by this Policy, or that any sales representative, distributor, or other person or firm representing the Company in any transaction is engaged in the type of conduct which, if engaged in by an employee of the Company, would violate this Policy, will promptly report such information to the employee's manager, to the Company Chief Financial Officer, Head of Human Resources, or to assigned Company legal counsel.

Any manager receiving a report as cited above will promptly consult with the Chief Financial Officer, Head of Human Resources, or assigned Company legal counsel, and thereafter will, after appropriate investigation take timely remedial or other action as warranted under the provisions of this Policy. Such manager will also promptly report the matter to higher management.

The Improper payment laws are complex and the discussion in this policy is not a complete statement of their application to the Company. If an employee has any specific questions regarding payments or political contributions, he or she should consult his or her supervisor, or the Chief Financial Officer and, when appropriate, Company legal counsel.

COMPLIANCE WITH THE ANTITRUST LAWS

Lifeline Scientific recognizes a need to single out compliance with the antitrust laws of the United States and other countries as a subject requiring a specific Company policy. The antitrust laws are relevant to many business decisions, and the consequences of violations anywhere can be seriously injurious to the Company and to the individuals involved.

The antitrust laws are complex and the discussion below is not a complete statement of their application to the Company. Specific questions should be referred to the Company's legal counsel.

No employee shall enter into any understanding or agreement, whether expressed or implied, formal or informal, written or oral, with a competitor limiting or restricting any of the following aspects of the competitive strategy of either party or of the business offering of either party to any third party, or parties:



- Prices
- Costs
- Profits
- Product or service offerings, terms or conditions of sale
- Production facilities or capacity
- Market share
- Decisions to quote or not to quote
- Customer or supplier classification or selection
- Sales territories
- Distribution methods

Discussions and Exchange of Information with Competitors

Communication with a competitor on subjects as to which an understanding with the competitor would be illegal is, in antitrust litigation, likely to serve as important evidence of the existence of an understanding, particularly if the communication is accompanied or followed by similarity of action.

Accordingly, no employee shall discuss with a competitor or any third party acting for a competitor, or otherwise furnish to or accept from a competitor or any third party acting for a competitor, information on any subject as to which an understanding with the competitor is prohibited by the above discussion, unless in the opinion of Company legal counsel, such discussion or transmittal of information would neither violate the antitrust laws nor furnish a reasonable basis for inferring such a violation.

Participation in Trade Associations and Other Meetings with Competitors

No employee shall attend or remain present: 1) at any surreptitious meeting of competitors; 2) at any meeting where there is a discussion by competitors of any subject which the Company's employee is precluded from discussing by the discussion above; or 3) at any informal meeting of competitor members of a trade association held for the purpose of discussing business matters without observing the formal procedural requirements established by such trade association for its business meetings.

Employees should also be aware that participation in standard development and product certification activities which impact competitors or suppliers may raise antitrust concerns. Before participating in committees or organizations which develop standards or certify products, employees should consult with their supervisor as appropriate, or the Head of Human Resources, the CFO, or Company legal counsel.



Violations of the Policy

Violations of the Policy are grounds for discharge or other disciplinary action, adapted to the circumstances of the particular violation and having as primary objective furtherance of the Company's interest in preventing violations and making clear that violations are neither tolerated nor condoned.

Disciplinary action may be taken, not only against individuals who authorize or participate directly in a violation of the Policy, but also against 1) any employee who may have failed to report a violation of this Policy; 2) any employee who may have withheld relevant and material information concerning a violation of this Policy; and 3) the violator's managerial superiors to the extent that the circumstances of the violation reflect inadequate leadership and lack of diligence.

Reports and Periodic Reviews

Any employee who is requested to engage in any activity which is or may be contrary to this Policy will promptly report such information to the manager whom the individual reports, or, if the employee was so directed by the manager, then to the Chief Financial Officer, Head of Human Resources, or outside counsel.

Any employee who acquires information that gives the employee reason to believe that any other employee is engaged in conduct forbidden by the Policy will promptly report such information to the manager to whom the employee reports, or, if the manager is engaged in such conduct, then to the Chief Financial Officer, Head of Human Resources or outside counsel.

Fraud Prevention and Detection- Whistle-blowing

Detecting Fraud and Handling Code of Conduct complaints

Lifeline Scientific, Inc. is committed to having in place a proactive process to detect, investigate, and resolve possible fraud schemes and code of conduct complaints. A key factor of successful fraud detection is an effective anonymous reporting process for employees. This policy applies to Lifeline Scientific, Inc, and all of its subsidiaries, including the separate entity, Cell and Tissue Systems.

The intent of the company is to establish a process which will document, tracking and handle code of conduct and fraud complaints, in an effort to promote:

- Honest and ethical conduct, including ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- Full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, any outside agencies and/or in other public communications made by the Company
- The prompt internal reporting of violations of the code to an appropriate person or persons
- Compliance with applicable governmental laws, rules and regulations
- Accountability for adherence to the code and the sanctions to be imposed on those who breach it



LSI COMPANY HANDBOOK

- That employees get a response to their concerns and that they are aware of how to pursue them if they are not satisfied with any actions
- Reassurance to employees that if they raise any concerns in good faith and reasonably believe them to be true, they will be protected from possible reprisals, victimization, or any other retaliatory action by the Company.

This policy describes the Company's process which includes:

- Documenting any process performance issues/problems that are identified.
- Tracking ethics/code of conduct training/ongoing programs
- Establishing a process for handling ethical, code of conduct complaints

Reporting Fraud and Other Code of Conduct Complaints

The Policy is intended to help employees who have concerns over any wrongdoing within Lifeline Scientific, Inc. or its Affiliates to report any suspicions of unlawful conduct, financial mismanagement or dangers to the public or the environment. Specific examples could include:

- a criminal offense (e.g. fraud, corruption or theft) has been/is likely to be committed
- a miscarriage of justice has been/is likely to occur
- the health or safety of any individual has been/is likely to be endangered
- the environment has been/is likely to be damaged
- company funds are being used in an unauthorized manner
- sexual or physical abuse of any member of staff or service recipient is taking place
- discrimination is occurring to any member of staff or service recipient on grounds of sex, race or disability
- any other form of improper action or conduct is taking place
- information relating to any of the above is being deliberately concealed or attempts are being made to conceal the same.

Lifeline Scientific, Inc. has provided this Policy so as to enable you to raise your concerns about such wrong doing(s) at an early stage and in the right way. Lifeline Scientific, Inc. encourages you to report the matter as soon as you become concerned.

If something is troubling you, which you think we should know about or look into, please use this policy. If, however, you are aggrieved about your personal position, please contact Human Resources to discuss your grievance. This Policy is primarily for concerns where the interests of others or of the organization itself are at risk.

If in doubt - raise it!

Anonymous Toll-Free Compliance Hotline

An anonymous toll-free compliance hotline has been established to assist in the reporting of fraud and other code of conduct complaints. Its number is available on the Company phone directory, or from the



LSI COMPANY HANDBOOK

Chief Financial Officer, or Head of Human Resources.

Who is covered

All employees of the Lifeline Scientific, Inc., and its affiliates. This includes full-time, part-time and temporary staff. It also covers agency staff and staff affiliated with a third party. Any concerns relating to the third party, if relevant to the staff, can also be raised under this Policy.

Contractors working for the Lifeline Scientific, Inc. may also report any concerns that the contractor's staff may have with regard to any contractual or other arrangement with Lifeline Scientific, Inc., Inc. The private concerns of the contractor relating to non-Lifeline Scientific, Inc. business should be raised with the relevant contractor and/or other suitable agency/regulator - including the police, if appropriate.

In sum, the Whistle blowing Policy covers any employee, contractor, or agent of Lifeline Scientific, Inc.

Non-Retribution

If you do raise a concern under this Policy, you will not be at risk of losing your job or suffering any form of retribution as a result, provided that: a) the disclosure is made in good faith; b) you reasonably believe that information, and any allegations contained in it, are substantially true; and c) you are not acting for personal gain. You will not be discharged, demoted, suspended, threatened, harassed or in any other manner discriminated against for any lawful acts taken in furtherance of efforts to report or stop fraud.

Lifeline Scientific, Inc. will not tolerate the harassment or victimization of anyone raising a genuine concern. We recognize that you may nonetheless want to raise a concern in confidence under this Policy. We will not disclose your identity without your consent. If the situation arises where we are not able to resolve the concern without revealing your identity (for instance because your evidence is needed in court), we will discuss with you whether and how we can proceed.

Please recognize that if you do not tell us who you are, it will likely be more difficult for us to look into the matter or to protect your position or to give you feedback.

How to Raise a Concern

As soon as you become reasonably concerned you should raise the issue with your Line Manager (unless s/he is the potential transgressor, in which case write to the CFO, Human Resource Representative, or the Corporate Legal Counsel). Concerns may be raised verbally or in writing. Employees who wish to make a written report should use the following format:

- the background and history of the concern (giving relevant dates)
- the reason why you are particularly concerned about the situation.

Lifeline Process

If the concern is raised verbally, the person receiving the information should put it in writing as soon as practicable to ensure that it properly reflects the concerns that have been raised. The Company will keep



the report in confidence. (There may be conditions under which the confidence could be revealed, but this would be done with your consent.) The relevant person and/or the Departmental Manager will ensure that the CFO receives adequate details of the employee's concerns for the purpose of corporate recording and monitoring purposes.

Once you have told us of your concern, we will investigate. This may involve an internal inquiry or a more formal investigation. If you have told us your identity, we will tell you who may be handling the matter, how you can contact him/her and whether your further assistance may be needed. If you request it, we will write to you summarizing your concern(s) and setting out how we propose to handle it.

When you raise the concern you may be asked how you think the concern(s) might best be resolved. If you do have any personal interest in the matter, we do ask that you disclose this at the outset. Should your concern fall within another policy we will tell you.

While the purpose of this Policy is to enable us to investigate possible misconduct and take appropriate steps to deal with it, we will give you as much feedback as we properly can. If requested, we will confirm our response to you in writing. Please note, however, that we may not be able to tell you the precise action we take where this would infringe a duty of confidence owed by us to someone else.

Concerns or allegations which fall within the scope of other policies and procedures will normally be referred for consideration under that relevant procedure. Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, this will be taken before any investigation is conducted.

Where appropriate, the matters raised may be investigated by management, or through the disciplinary process, be referred to the police, be referred to the external auditor, or form the subject of an independent inquiry.

Usually, within four weeks of a concern being raised, the person looking into the concern will write to you: acknowledging that the concern has been received, indicating how Lifeline Scientific, Inc. proposes to deal with the matter, giving an estimate of how long it will take to provide a full response, saying whether any initial enquiries have been made, supplying information on support available to you; and, saying whether further investigations will take place and if not, why not.

Subject to any legal constraints, the relevant employee will normally be informed of the final outcome of any investigation.

Employee Safeguards- Non-retaliation

Lifeline Scientific, Inc. will not tolerate any harassment or victimization (including informal pressures) and will take appropriate action to protect those who raise a concern in good faith.

Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning the employee.



LSI COMPANY HANDBOOK

No action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the obligation is not subsequently confirmed by the investigation.

Every reasonable effort will be made to ensure confidentiality.

Help may be provided to you in order to minimize any difficulties, which you may experience. This may include advice on giving evidence if needed. Meetings may, if necessary and in the discretion of the Company, be arranged off-site with you and with you being represented, if you so wish.

Taking Concerns Further

If you want independent advice at any stage, you should consult an attorney or other trusted counsellor.

This Policy is intended to provide an avenue within Lifeline Scientific, Inc. to raise concerns. If an employee takes the matter outside of Lifeline Scientific, Inc., s/he should ensure that there is no disclosure of confidential information and should check with Human Resources or the CFO, if unsure, as the Public Interest Disclosure Act does not provide blanket protection and could leave employees vulnerable to disciplinary or other action, if they disclose confidential information in circumstances not covered by the Act.

An employee who is not satisfied with the action taken by Lifeline Scientific, Inc. may consider the following possible contact points: Lifeline Scientific, Inc.'s corporate attorney's office if appropriate, the Police and/or Health and Safety Organization (OSHA).

Corporate Recording and Monitoring

Departments shall have sufficient internal arrangements to address the requirements of the Policy and the Departmental Managers shall be sufficiently trained and developed to implement this Policy. The CFO will maintain a Corporate Register containing all concerns that are brought to his/her attention. All Departmental Officers or Managers allocated to look into the concern must ensure the Monitoring Officer (Chief Financial Officer) is provided with sufficient details of the concerns for the Corporate Register.

The Monitoring Officer will review the Corporate Register and discuss its contents with the Chief Executive, and head of the Board of Director's Audit Committee and any other relevant member / officer forum. The verbal (or written) report will not mention any employees, only the concerns raised, the number of such concerns, from which department they related to, the post against which the concerns were related to (if not confidential) and flagging up any lessons arising from the same so as to ensure:

(a) that Lifeline Scientific, Inc. and / or the relevant department does not repeat any concerns found against the same; and (b) a consistency of treatment across the departments.

For the avoidance of doubt, the Corporate Register along with any annual reporting in writing referred to above will be available for inspection by External Audit, after removing any items that have been requested by the employees to remain confidential.

This Policy will be reviewed, prior to the start of each Calendar Year, by the Monitoring Officer and Human Resources so as to ensure the continuing effectiveness of the same.



POLICY ON RESEARCH MISCONDUCT

Consistent with its commitment to excellence in all aspect of its mission, the Company expects that any research conducted under its auspices will be conducted in an ethical manner and in accordance with applicable standards of scientific conduct to enhance the accuracy and validity of research and promote creativity, openness, interaction among colleagues, and communication and progress in the pursuit of knowledge related to basic, applied and clinical research. In addition to the discussion below, note that employees are required to execute Company confidentiality agreements which encompass both general confidentiality provisions, as well as invention, property rights, and other conditions relevant to research activities.

Basic expectations for research conduct include, but are not limited to, the following:

- All research efforts must be free of fraudulent activity that is commonly termed “misconduct.” Research misconduct is defined as fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results. **NOTE: The Company’s policy on scientific misconduct incorporates in its entirety the Federal Research Misconduct Policy, published on December 6, 2000 in the Federal Register (volume 65, number 235, pages 76260 – 76264). A copy of the Federal Research Misconduct Policy is kept on file by the Director of Research Operations and your HR representative.**
- Research efforts must comply with Federal, State or Local regulations concerning welfare and/or safety of human subjects or research personnel involved in studies.
- Research activity involving the use of animals must provide for humane treatment of the animals and must comply with all applicable regulations concerning the care and use of laboratory animals in research.
- Presentations and publications of research findings must be honest, fair and accurate, and co-authors must contribute in a substantive way.
- Applications for research funds and reports on the use of research funds will be complete, accurate and consistent with the letter and the spirit of applicable regulations.
- Funds made available for research purposes will be used for those purposes only.
- The sponsorship of research must be openly disclosed both to give due credit to the sponsoring organization and to allow those to whom the findings are presented to judge for themselves the extent to which the funding source may possibly have influenced the conduct of the research or the interpretation of the data.

No one will suffer any adverse effects to his/her relationship with the Company as a result of raising an ethical concern or questioning an organizational practice. Individuals in management positions have a special responsibility to demonstrate consistently high ethical standards in their behavior and to create an environment that encourages and supports ethical behavior: an environment where questionable practices are challenged.

Ethical conduct means doing the right thing. It means being correct from the standpoint of law as well as ethical judgment. It also means refraining from any actions that would violate or appear to violate those standards. As a rough test, one should avoid taking any actions one does not believe could be successfully defended if they were to become public knowledge.



LSI COMPANY HANDBOOK

Anyone who is in doubt as to the proper course of action in a particular situation should seek help from his/her organizational superior, or the office of the CEO.

When raising an ethical concern, it is not required that an individual go through channels if he or she is more comfortable raising the ethical concern outside of channels. Thus, an individual may raise an ethical concern with his/her organizational superior, directly with senior management, or the Companies' legal council.

It takes courage to raise an ethical issue – especially if it involves a situation in one's work area. However, the organization will support each employee in carrying out his/her ethical responsibilities. The best course of action when one has an ethical problem is to discuss it promptly with someone who can help to resolve it. Anyone contacted with a request for assistance or to discuss a perceived ethical issue will take every practical and reasonable measure to ensure that an individual's relationship with the organization will not be adversely affected as a result of the request.



APPENDIX B

*Acknowledgment Of Receipt And Understanding
Of The Company's Open Door, Equal Employment Opportunity, Anti-Sexual
Harassment, Non-Discrimination Policy, Code of Conduct, Fraud Detection
and Whistle-Blowing Policies*

My signature below acknowledges and certifies that I have received, read, and understand the Company's Open Door (whistle-blowing), equal employment opportunity, anti-sexual harassment, and non-discrimination policy and complaint procedure, contained in this Policy Manual . I have familiarized myself with the policy and complaint procedure, and I understand and agree that abiding by this policy is required by the Company.

EMPLOYEE:

Print Name

SIGNED:

Employee Signature

DATE:
