



CODE OF BUSINESS CONDUCT

Dear Colleagues:

Excellence in business conduct is a key to our success in all our dealings with our partners, employees, vendors, stockholders and others with whom we do business. As a service provider, our ability to obtain and retain partners, employees and vendors depends on our reputation and integrity. If we are to live up to the trust placed in us by our partners, employees, vendors and stockholders, we must conduct ourselves in accordance with the highest principles of fair and ethical business practice.

This Code of Business Conduct expresses principles of business conduct that we expect every employee, officer and director of AcuNetx, Inc. ("the Company") and its subsidiaries to uphold and follow. Compliance with this Code, company policies and the laws and regulations applicable to our business must be a priority for each of us. While the formalization of the principles set forth in this Code may be new for a young company like ours, these principles are fundamental to the success of our business, and both I and our Board of Directors have made the Code a priority for our Company.

This Code is designed to help guide our business conduct. It has been simplified to provide clear, understandable principles to guide our conduct. It is not possible for this Code to describe expected conduct for every situation. If you ever have questions about a particular situation you are facing, just ask.

This Code is not a catalog of work place rules. You should be aware that we have policies that cover specific topics - Insider Trading and Disclosure Policy, Regulation FD (Fair Disclosure) Policy, Confidentiality Policy and Antitrust Compliance Guide. These policies have been distributed or made available to you through the Company's intranet under the Legal Department's section. You should consult the policies of AcuNetx in specific areas as they apply.

This Code applies to all employees, officers and directors, no matter where you work, so it is important that you read it and understand it. Again, if you have any questions, just ask. Always remember that compliance with the Code will have a significant impact on our business success and reputation. Both I and our Board of Directors fully support the principles set forth in this Code.

Terry R. Knapp, MD
President and CEO

YOUR RESPONSIBILITIES

- It is your responsibility to read and understand this Code. You must comply with the Code in both letter and spirit. Ultimately, you are responsible for your own actions. Failure to be informed about this Code or other company policies is no excuse.
- Follow the law wherever you are and in all circumstances.
- Reasons such as "Everyone does it" or "No one will ever know" are unacceptable excuses for violating this Code, company policies or the law.
- Some situations may seem ambiguous. If you have any reservations, use common sense and good judgment, trust your instincts and/or ask for advice.
- You have several options for seeking guidance. You may discuss concerns with your manager and higher levels of management. You may also discuss your concerns with the General Counsel, or the Chairperson of the Audit Committee of the Board of Directors via email (directors@acunetx.com) or regular mail (AcuNetx, Inc. 1000 S. McCaslin Blvd., Superior, CO 80027, Attn: Corporate Secretary).
- Employees are obligated to report violations and suspected violations of the Code. This includes situations where a manager or colleague asks you to violate the Code. If a manager knows that an employee is contemplating a prohibited action and does nothing, the manager will be responsible along with the employee.

- You can report violations of the Code to your manager or higher levels of management, to the General Counsel, or to the Chairperson of the Audit Committee of the Board of Directors. Every effort will be made to maintain confidentiality.
- Employees are obligated to fully cooperate with investigations of suspected violations of this Code and must always be truthful and forthcoming in the course of these investigations.
- No employee or officer may retaliate, directly or indirectly, against an employee for reporting a suspected violation of this Code, company policies or applicable laws and regulations or assisting an investigation of a suspected violation.
- More information about the administration of this Code can be found toward the end of this Code under the heading of "Administration of the Code."

CONFLICTS OF INTEREST

STATEMENT OF PRINCIPLE

Employees, officers and directors must conduct themselves in a manner that avoids actual or apparent conflicts of interests. The personal activities and relationships of the employees, officers and directors must not conflict, or appear to conflict, with the interests of the Company.

GUIDELINES FOR CONDUCT

- A conflict arises when the judgment of an employee, officer or director is or may be influenced by considerations of improper personal gain or benefit to that employee, officer or director or to another person.
- You should avoid situations where your personal interests conflict, or appear to conflict, with those of the company.
- As conflicts may not always be clear-cut, you are encouraged to report all transactions or relationships that reasonably could be expected to give rise to a conflict.

Employees and Officers

- You may not engage in any outside activity, including being a director, officer, employee or advisor to another for-profit business or a non-profit organization, that will interfere with the performance of your duties to the Company or conflict with your obligations to the Company, without the prior approval of the General Counsel.
- You may not be a director, officer, employee or advisor of, or assume a similarly responsible position with, any entity that is a competitor, partner or vendor of, or otherwise does business with the Company, without the prior approval of the General Counsel.
- You may own up to 1% of the stock in an entity that is a competitor, partner or vendor of, or otherwise does business with, the Company, so long as you do not have discretionary authority in dealing with that entity.
- You may not purchase more than 1% of the stock in an entity that is a competitor, partner or vendor of, or otherwise does business with, the Company or with respect to which you have discretionary authority in dealing with that entity, without the prior approval of the General Counsel.
- If you have a financial interest in a transaction between the Company and a partner, vendor or other third party, that interest must be disclosed to the Company and approved by the General Counsel prior to the transaction, even if your financial interest is indirect, for example, through a family member. If, however, you have a financial interest in a partner, vendor or other third party only because someone in your family works there, then you do not need to seek prior approval unless you deal with that partner, vendor or other third party or your family member deals with the Company.
- Any potential conflict of interest that involves an employee or officer of the Company must be approved in advance by the General Counsel. Any potential conflict of interest that involves an executive officer of the Company must be approved by the Board of Directors or its designated committee.
- Loans from the Company to executive officers are prohibited.

Directors

- Directors who are not also employees of the Company may own the stock in an entity that is a competitor, partner or vendor of, or otherwise does business with, the Company and may engage in outside activities, including being a director, employee or advisor of such an entity, subject to their duties as a director of the Company under applicable law and the Company's policies.
- A director must remove himself or herself from any Board activity that directly impacts the relationship between the Company and any entity in which he or she has a financial interest or is otherwise affiliated.
- Any potential conflict of interest that involves a director and that is not specifically addressed by this Code must be approved by the Board of Directors or its designated committee.
- Any transaction between the Company and a director or an entity with which the director is affiliated that would require disclosure under U.S. Securities laws requires written confirmation from the Board of Directors or its designated committee that the proposed transaction is fair to the Company.
- Nothing in this Code is intended to or shall affect the application of the provisions of any written agreement in existence prior to the date of this Code between the Company and any entity with which any director who is not an employee of the Company is affiliated or any actions previously taken by the Board of Directors.
- Loans from the Company to directors are prohibited.

COMPLIANCE WITH ALL LAWS

STATEMENT OF PRINCIPLE

Employees, officers and directors are expected to comply fully with all laws and regulations applicable to the Company's business and with all applicable the Company's policies.

GUIDELINES FOR CONDUCT

- You must not knowingly violate any law or regulation, including federal securities, antitrust, consumer protection or privacy laws. You should consult with the Legal Department on any matter relating to actual or potential noncompliance with any law or regulation.
- You may not engage in conduct or business practices that are intended to mislead, manipulate or take unfair advantage of a partner, vendor, consumer or other third party or misrepresent the Company or its products or services.
- You may not destroy, alter or falsify any document that may be relevant to a threatened or pending lawsuit or governmental investigation.
- You may not falsify records or reports, including signing another person's name or any unauthorized alteration of a Company document.
- You may not engage in any of the following trade practices:
 - Price fixing;
 - Allocation of customers, licensees, territories, markets or products; or
 - Refusals to buy or sell to particular suppliers or customers.
- You must comply with all antitrust laws and regulations when communicating with competitors, partners, vendors and other third parties.
- You may not engage in any other behavior in your relations with competitors, partners, customers or vendors that unlawfully restrains competition.

Please read and understand the Company's Antitrust Compliance Guide. A copy of this policy can be obtained from the Company.

INSIDER TRADING

STATEMENT OF PRINCIPLE

Employees, officers and directors are expected to comply fully with the U.S. securities laws. Accordingly, employees, officers and directors are prohibited from purchasing, selling or otherwise trading securities of the Company or any other public Company while they have material confidential information.

GUIDELINES FOR CONDUCT

- You must comply with the insider trading and other securities laws of the United States and Company policies regarding securities transactions.
- The rules outlined here apply to transactions in the Company's common stock, stock options or other securities. The rules also apply to purchases, sales or trades of securities of other public companies, including those of partners or vendors.
- The rules also apply to you and certain members of your family.
- You may not buy, sell or otherwise trade the Company's securities when you possess material confidential information about the Company, including, for example, information about the Company's operations, activities, plans or financial results. This prohibition does not apply in the limited circumstances in which an employee, officer or director has implemented a plan permitted under the U.S. securities laws and the Company's Insider Trading and Disclosure Policy and such plan was approved in advance by the General Counsel.
- Unless otherwise permitted by the Securities and Exchange Commission rules, you may not trade securities of other companies when you possess material confidential information about those companies.
- Information is material when it could affect someone's decision to buy, hold or sell a Company's securities. Material information includes, for example, the Company's anticipated earnings, expansion into a new line of business, acquisition of another business, addition of a new significant partner or loss of a significant partner.
- All confidential information about the Company and its partners should be considered confidential information. You are not permitted to use or share confidential information for stock trading purposes or for any other purpose except as permitted under the Company's Confidentiality Policy.
- Directors, officers and certain employees who regularly have access to material confidential information or who hold certain positions with the Company must obtain clearance from the General Counsel before buying or selling any AcuNetx securities.
- You may not buy or sell put or call options on the Company's securities, sell the Company's securities short or participate in equity swap transactions involving the Company's securities.

Please read and understand the Company's Insider Trading and Disclosure Policy. A copy of this policy can be obtained from the Legal Department's section of the Company's intranet or from Human Resources or the Legal Department.

CONFIDENTIALITY

STATEMENT OF PRINCIPLE

It is the obligation of all employees, officers and directors to safeguard the Company's confidential information. Employees, officers and directors must hold this information in the strictest confidence.

GUIDELINES FOR CONDUCT

Confidential Information

- Confidential information is any information that has not been disclosed or made available to the general public. Confidential information includes information such as financial or technical data,

- plans for acquisitions or divestitures, new partners or technology, personal information of customers, e-commerce and other agreements, financing transactions, major management changes and other corporate developments.
- Confidential information also includes information about our partners and vendors and our and our partners' customers.

Permitted Uses

- You may use confidential information to perform your duties for the Company, and you may disclose confidential information to other employees who need to know such information to perform their duties for the Company or to help you perform your duties.
- You must not disclose confidential information to anyone outside the Company, unless approved in advance by an executive officer of the Company.
- Disclosing confidential information to others, including family and friends, is a violation of this Code and Company policy and may violate the law.
- The obligations to safeguard confidential information continues even after termination of your employment or affiliation with the Company.

Please read and understand the Company's Confidentiality Policy. A copy of this policy can be obtained from the Legal Department's section of the Company's intranet or from Human Resources or the Legal Department.

DISCLOSURE, FINANCIAL REPORTING AND ACCOUNTING

STATEMENT OF PRINCIPLE

The Company requires full, fair, accurate, timely and understandable disclosure in its public reports and communications. The Company's books, records, accounts and financial statements must be accurate and fairly reflect the Company's transactions. The Company's property and resources should be used solely for Company purposes.

GUIDELINES FOR CONDUCT

Disclosure and Financial Reporting

- The Company requires full, fair, accurate, timely and understandable disclosure in reports and documents filed with, or submitted to, the Securities and Exchange Commission and other regulators and in other public communications made by the Company.

Accounting Controls

- All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must accurately and fairly reflect the Company's transactions and must conform to applicable legal requirements and to the Company's system of internal controls.
- Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.
- In addition to this Code, the CEO, the CFO and employees in the Finance Department of the Company are expected to comply with the Finance Code of Professional Conduct. These officers and employees should read and understand the Company's Finance Code of Professional Conduct. A copy of this policy can be obtained from the Legal Department's section of the Company's intranet or from Human Resources or the Legal Department.

Use of Company Property or Resources

- Employees and officers should use company property and resources, including information systems, solely for company purposes, unless you obtain prior approval from an officer of the company.
- You may never use company property or resources for improper personal gain.
- You are prohibited from taking or keeping company property or resources upon termination of your employment or affiliation with the company, unless approved in advance by an executive officer of the company.
- You are prohibited from making or authorizing bribes, payments for illegal acts or any other use of company property or resources in a manner that violates applicable law.

INTERACTING WITH THE MEDIA AND OTHER OUTSIDE PARTIES

STATEMENT OF PRINCIPLE

Communications made by employees and officers on behalf of the Company must be approved by an executive officer. The personal views of employees and officers must be kept separate from company views, unless the employee or officer has been specifically authorized to speak on behalf of the company.

GUIDELINES FOR CONDUCT

Company Communications

- Employees and officers may not speak publicly for the company, unless specifically authorized by the CEO or the head of Investor Relations. Additionally, external communications to investors such as speeches or presentations must be reviewed and approved by Investor Relations, in consultation with the Legal Department, as appropriate.
- All inquiries from the media, financial analysts or stockholders regarding the company must be referred to Investor Relations.

Personal Communications

- You should not use company stationary or titles in communications involving non-company business. You may, however, occasionally use company stationary occasionally for routine correspondence in connection with appropriate outside civic, public service or charitable activities when approved by an officer of the Company.
- You should not associate the company with or imply a company endorsement of your personal opinions when speaking, writing or otherwise engaging in personal affairs, unless authorized to do so by Investor Relations.

Government Communications

- All matters involving a state or federal governmental body or agency must be coordinated with the Legal Department. Notify the Legal Department immediately if contacted by a governmental body or agency.

Political Activity and Contributions

- You should not associate the company with or imply a company endorsement of personal political activity and any political candidate or issue.
- You should not make any contribution of company funds in connection with any candidate, ballot initiative, referendum or other question without prior approval from the Legal Department.

Please read and understand the Company's Regulation FD (Fair Disclosure) Policy. A copy of this policy can be obtained from the Legal Department's section of the Company's intranet or from Human Resources or the Legal Department.

WORK ENVIRONMENT

STATEMENT OF PRINCIPLE

All employees are entitled to be treated with respect and dignity in a reasonably safe and healthy work environment.

GUIDELINES FOR CONDUCT

Equal Opportunity

- Employment decisions must be based only on an employee's or applicant's qualifications, demonstrated skills and achievements without regard to race, color, sex, national origin, religion, age, disability, veteran status, citizenship, sexual orientation, gender identity or marital status.

Harassment

- Employees and officers must not engage in conduct that could be construed as harassment of any kind.
- Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances.

Health and Safety

- The Company strives to provide each employee with a safe and healthy work environment.
- Each employee and officer has a responsibility to maintain a safe and healthy workplace by following safety and health rules and policies and exercise good judgment and common sense.
- You should report injuries and unsafe equipment, practices or conditions in a timely manner to their manager.

ADMINISTRATION OF THE CODE

Seek Help from Company Resources

The most fundamental method for implementing this Code is to provide a mechanism to help employees, officers and director handle difficult judgment decisions—those "gray areas" where it can be hard to distinguish right from wrong. None of us should avoid tackling ethical questions, but none of us should feel isolated in doing so. When the answer is not clear, seek advice. The Company's method is simple: ask your supervisor, ask the Senior Vice President of Human Resources or ask the General Counsel.

All managers and officers must maintain an "open door" policy with regard to questions of ethics. They

should make themselves readily available to all of the Company's employees for this purpose. Employees are reminded that the best time to raise a question of ethical behavior is before the fact, not after the fact. Never hesitate to talk to managers about a question as to proper business conduct, even if it does not appear to be important at the time.

Reporting Concerns

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations, it is difficult to know if a violation has occurred. As we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts.
- Ask yourself what specifically am I being asked to do? Does it seem unethical or improper?
- Discuss the problem with your supervisor.
- Seek help from other company resources.
- Report ethical violations in confidence and without fear of retaliation.

You have several options for seeking guidance. You may discuss concerns with your supervisor and higher levels of management. You may also discuss your concerns with the General Counsel or the Chairperson of the Audit Committee of the Board of Directors via email (directors@acunetx.com) or regular mail (1000 S. McCaslin Blvd., Suite 300, Superior, CO. 80027, Attn: Corporate Secretary).

Protection for Reporting Violations

No employee or officer may retaliate, directly or indirectly, against an employee for reporting a suspected violation of this Code or applicable laws and regulations or assisting an investigation of a suspected violation.

Waivers

Any waiver of this Code for executive officers or directors may be made only by the Board of Directors or its designated committee and will be promptly disclosed as required by law.

Investigating Reports of Violations

Supervisors and officers will call upon the General Counsel or the Chairperson of the Audit Committee for assistance in investigating any suspicion that unethical or illegal activities are taking place or have taken place. Each Company employee must fully cooperate to assure that violations or potential violations of this Code are called to the attention of those in the Company who should be informed and to assure that any necessary investigations are quickly and effectively carried out.

All reports and investigations will be handled confidentially to the extent possible. While most investigations will be conducted on an informal basis, those involved must be impartial and objective, and basic principles of "due process" must be observed. In conducting and monitoring investigations, the General Counsel and Audit Committee will consult and coordinate as appropriate with executive officers of the Company and Human Resources and will seek to ensure that the provisions of this Code are applied and enforced consistently.

Sanctions for Violations

Appropriate disciplinary action will be determined upon completion of an investigation that concludes that a violation of this Code has been committed and disciplinary action is warranted. Any violation of this Code by employees and officers can be expected to result in serious sanctions by the Company, which may include dismissal, suspension without pay, loss of pay or bonus, loss of benefits, demotion or other sanctions.

Annual review and distribution

Human Resources personnel will review this Code with employees and officers annually. This Code and all the policies referred to in this Code are available from the Legal Department's section of the Company's

intranet or in paper format through the Human Resources Department or the Legal Department.

This Code is a statement of certain fundamental principles, policies and procedures of AcuNetx. It does not create any rights in any employee, consumer, stockholder, partner, vendor or any other person or entity.

AcuNetx, Inc. reserves the rights to amend, alter or terminate this Code at any time and for any reason.

**Business Code of Conduct
Acknowledgement**

I hereby acknowledge that I have received and carefully read and understood the Business Code of Conduct of AcuNetx, Inc. which applies to all of its subsidiaries, and agree to abide by the standards set forth therein, as may be amended from time to time. I further confirm that I have no reason to believe that any person is committing a violation under the current Business Code of Conduct.

By _____
Signature

Name

Date _____