



Code of Business Conduct and Ethics

INTRODUCTION

This Code of Business Conduct and Ethics covers a wide range of business practices and procedures for Uroplasty, Inc. This Code does not cover every issue that may arise, but it sets out basic principles to guide all of our employees, officers and directors.

We expect all of our employees, officers and directors to read and become familiar with the ethical standards described in this Code, to conduct themselves accordingly and to avoid whenever possible even the appearance of improper behavior.

Our employees should provide this Code to our agents and representatives, including consultants. We also expect these persons to follow our Code.

Our Board of Directors is responsible for setting the standards of business conduct contained in this Code and updating these standards as it deems appropriate to reflect changes in the legal and regulatory framework that applies to our business, the business practices within our industry and the prevailing ethical standards of the communities in which we operate. While our Chief Financial Officer (or other officer designated from time to time by the Board of Directors) will oversee the procedures designed to implement this Code to ensure that they are operating effectively, it is the individual responsibility of each of our directors, officers and employees to comply with this Code.

If a law conflicts with a policy in this Code, you must comply with the law. However, if a local custom or policy conflicts with this Code, you must comply with the Code. You should refer questions to your supervisor or to our Chief Financial Officer.

Those individuals who violate the standards in this Code, or who make false attestations as to their compliance with this Code, will be subject to appropriate disciplinary action, which may include demotion or termination of employment. If you are in a situation that you believe may violate or lead to a violation of this Code, follow the guidelines described in Sections 14 and 15 of this Code.

1. Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which our ethical standards are built. All employees, officers and directors must respect and obey the laws of the cities, states and countries in which we operate. Although we do not expect all employees, officers and directors to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

2. Conflicts of Interest

We prohibit conflicts of interest as a matter of Uroplasty policy, except under guidelines approved by our Board of Directors. A "conflict of interest" exists when a person's private interests interfere in any way with the interests of Uroplasty. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work for Uroplasty objectively and effectively.

Conflicts of interest may also arise when an employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position within Uroplasty. We expressly prohibit loans to, or guarantees of obligations of, employees and/or their family members, which may create conflicts of interest, with the exception of pre-approved loans from Uroplasty to employees for moving and relocation, or except as otherwise expressly approved, in writing, by the appropriate officers and/or directors of Uroplasty in accordance with our written policies.

The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on behalf of Uroplasty. In particular, without the specific permission of our Chief Financial Officer, no director, officer or employee shall:

- be a consultant to, or a director, officer or employee of, or otherwise operate or have a significant financial interest in an outside business that markets products or services in competition with our current or potential products and services or supplies or purchase products or services to or from us;
- seek or accept any personal loan or services from any entity with which we do business, except from financial institutions or service providers offering similar loans or services to third parties under similar terms in the ordinary course of their respective businesses; or
- be a consultant to, or a director, officer or employee of, or otherwise operate an outside business if the demands of the outside business would interfere with the director's, officer's or employee's responsibilities to us (if in doubt, consult your supervisor or our Chief Financial Officer).

Employees must notify and inform our Board of Directors prior to accepting an appointment to the board of directors or the advisory board of any public or privately held company. Our Board of Directors will analyze and discuss the disclosure requirements and other possible conflict of interest issues involved at the time of any such notification.

Conflicts of interest may not always be clear-cut, so if an employee has a question, he or she should consult with his or her supervisor or our Chief Financial Officer. Any employee, officer or director who becomes aware of an actual or apparent conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section 15 of this Code.

3. Insider Trading

Employees, officers and directors who have access to confidential information about Uroplasty, its business relationships and operations may not use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All non-public information about Uroplasty, its business relationships and operations is considered confidential information. Using nonpublic information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. In order to assist us in our efforts to ensure compliance with laws against insider trading, we have adopted a specific policy governing employee's trading in securities of Uroplasty. We will make this policy available to every employee and director. If you have any questions, please consult our Chief Financial Officer.

4. Corporate Opportunities

We prohibit our employees, officers and directors from personally taking advantage of opportunities that are discovered through the use of corporate property, information or position without the consent of our Board of Directors. No employee or director may use corporate property, information or position for improper personal gain, and no employee may compete with Uroplasty directly or indirectly. Employees, officers and directors owe a duty to Uroplasty to advance its legitimate interests when the opportunity to do so arises.

5. Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each of our employees should endeavor to respect the rights of and deal fairly with our customers, suppliers, competitors and employees. None of our employees should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

To build and maintain our valuable reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that we design and manufacture our products and services to meet our obligations to customers. We expect employees to handle all inspection and testing documents in accordance with all applicable regulations.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers. No employee, director or agent, or family members thereof, may offer, give, provide or accept a gift or entertainment unless it: (1) is not a cash gift; (2) is consistent with customary business practices; (3) cannot be construed as a bribe or payoff and (4) does not violate any laws or regulations. Business gifts given or received should be of nominal value. Employees should discuss with their supervisors or our Chief Financial Officer any gifts or proposed gifts that they are not certain are appropriate.

6. Discrimination and Harassment

The diversity of our employees, officers and directors is a tremendous asset and resource. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics, sexual preference, religious beliefs and unwelcome sexual advances.

7. Health and Safety

We strive to provide each of our employees with a safe and healthy work environment and to conduct our activities in full compliance with all applicable environmental laws. Each of our employees has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

We do not permit violence and threatening behavior. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. We will not tolerate the use of illegal drugs in the workplace.

8. Record-Keeping

We require honest and accurate recording and reporting of information in order to make responsible business decisions. For example, employees should report only the true and actual number of hours worked.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your supervisor or our Chief Financial Officer. We must maintain all of our books, records, accounts and financial statements in reasonable detail so that they appropriately reflect Uroplasty's transactions and conform both to applicable legal requirements and to our system of internal controls. We prohibit unrecorded or "off the books" funds, assets or obligations and you should not maintain them.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that other may misunderstand. This policy applies equally to e-mail, internal memos, and formal reports. You should retain or destroy records according to our record retention policies. In accordance with those policies, in the event of litigation or governmental investigation please consult our Chief Financial Officer.

9. Confidentiality

Employees, officers and directors must not disclose confidential information entrusted to them by us or our customers, except when disclosure is authorized by our legal counsel, or as may otherwise be required by applicable laws or regulations. Confidential information includes all non-public information that might be of use to competitors, or harmful to us or our customers, if disclosed. Confidential information also includes information that suppliers and customers have entrusted to us.

Maintaining confidentiality includes ensuring that access to work areas and computers is properly controlled, and refraining from discussions of sensitive matters in public places, such as elevators, hallways, restaurants and restrooms. Not disclosing confidential information means not communicating the information by any means including, without limitation, orally, in writing, or electronically (e.g., in person or via telephone, mail, fax, email, Internet "chat rooms," posting to community bulletin boards or otherwise). In addition to the foregoing, you are also prohibited from using any proprietary or confidential information for any unauthorized purpose, including for your own personal gain. The obligation to preserve confidential information continues even after employment or directorship terminates.

10. Protection and Proper Use of Uroplasty Assets

All employees, officers and directors should endeavor to protect our assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Uroplasty equipment should not be used for non-company business, though we may permit incidental personal use.

The obligation of our employees, officers and directors to protect our assets includes our proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Uroplasty policy, and it also could be illegal and result in civil or criminal penalties.

11. Payments to Government Personnel

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. Making illegal payments to government officials of any country is strictly prohibited. In addition, the U.S. government has a number of laws and regulations regarding business gratuities that may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Uroplasty policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules. Questions and/or requests for interpretations should be reviewed and all actions pre-approved by our legal counsel.

12. Anti-Boycott Laws

U.S. law prohibits U.S. persons from taking actions or entering into agreements that have the effect of furthering any unsanctioned boycott of a country that is friendly to the United States. This prohibition applies to persons located in the United States (including individuals and companies), U.S. citizens and permanent residents anywhere in the world and most activities of U.S. subsidiaries abroad. In general, these laws prohibit the following actions (and agreements to take such actions) that could further any boycott not approved by the United States: (1) refusing to do business with other persons or companies (because of their nationality, for example); (2) discriminating in employment practices; (3) furnishing information on the race, religion, gender, or national origin of any U.S. person; (4) furnishing information about any person's affiliations or business relationships with a boycotted country or with any person believed to be blacklisted by a boycotting country; or (5) utilizing letters of credit that contain prohibited boycott provisions.

We are required to report any request to take action, or any attempt to reach agreement on such action, that would violate these prohibitions. Each employee should understand the policies of their business unit that are designed to ensure compliance with these laws. All employees should also be alert to the fact that boycott-related requests can be subtle and indirect. Questions and/or requests for interpretations should be reviewed and all actions pre-approved by our outside legal counsel.

13. U.S. Embargoes and Sanctions

We engage in a significant amount of international trade. We comply fully with U.S. economic sanctions and embargoes restricting U.S. persons, corporations and, in some cases, foreign subsidiaries, from doing business with certain countries, groups and individuals, including organizations associated with terrorist activity and narcotics trafficking. Economic sanctions may prohibit doing business of any kind with targeted governments and organizations, as well as individuals and entities that act on their behalf. U.S. economic sanctions also may restrict investments in certain targeted countries, as well as trading in goods, technology and services with a targeted country. U.S. persons may not approve or facilitate transactions by a third party that the U.S. person could not do directly. Questions and/or requests for interpretations should be reviewed and all actions pre-approved by our outside legal counsel.

Uroplasty, Inc.
5420 Feltl Road
Minnetonka, MN 55343
TOLL-FREE 866 258 2182
FAX 866 255 4522
WWW uroplasty.com