

# **DAXOR CORPORATION**

## **CODE OF BUSINESS CONDUCT AND ETHICS**

### **Introduction**

Daxor Corporation (the “Company”) is committed to the highest ethical standards and to conducting its business with the utmost integrity. An unwavering adherence to high ethical standards provides a strong foundation on which the Company’s business and reputation can thrive and is integral to creating and sustaining a successful, high-caliber company. The Company’s reputation depends on the conduct of its directors and employees. Every employee and director must play a part in maintaining the Company’s reputation for the highest ethical standards.

### **Ethics**

The Company and each of its employees and directors must conduct their affairs with uncompromising honesty and integrity. Each Company employee and director is required to adhere to the highest ethical standards.

Employees and directors are expected to be honest and ethical in dealing with each other, with clients, customers, vendors and all other third parties.

All employees and directors must also respect the rights of fellow employees and third parties. Employee and director actions must be free from discrimination, libel, slander or harassment. Each person must be accorded equal opportunity, regardless of race, religion, sex, sexual orientation, age, national origin, disability or any other protected characteristic.

Misconduct cannot be excused because it was directed or requested by another. All employees and directors are expected to alert management whenever an illegal, dishonest or unethical act is discovered or suspected; employees and directors will never be penalized for reporting discoveries or suspicions.

The following statements concern frequently raised ethical concerns. A violation of the standards contained in this Code of Business Conduct and Ethics will result in corrective action, including possible dismissal.

### **Conflicts of Interest**

The Company expects its employees and directors to perform their duties using their best impartial judgment in all matters affecting the Company. All employees and directors must avoid any personal activity, investment or association that would interfere, or that

could appear to interfere, with good and objective judgment concerning the Company's best interests. Employees and directors may not exploit their position or relationship with the Company for personal gain, and should avoid even the appearance of such conflict.

For example, there is a likely conflict of interest if any employee or director:

- Causes the Company to engage in business transactions with relatives or friends;
- Uses non-public Company, client, customer or vendor information for the employee's personal gain or for the benefit of relatives or friends (including securities transactions based on such information);
- Has more than a modest financial interest in the Company's clients, customers, vendors or competitors;
- Receives a loan or guarantee of obligations from the Company or a third party as a result of his or her position at the Company;
- Competes or prepares to compete with the Company while still employed by the Company, or
- Takes for herself or himself personally opportunities that are discovered through the use of Company property, information or position.

There are other situations in which a conflict of interest may arise. If you know of a conflict of interest or have concerns about any situation affecting the Company, follow the steps outlined under "Reporting Ethical Violations" below.

### **Gifts, Bribes and Kickbacks**

Other than for modest gifts given or received in the normal course of business (including meals, travel or entertainment), neither employees, directors nor their relatives may give gifts to, or receive gifts from, the Company's clients, customers or vendors. Other gifts may be given or accepted only with the prior approval of the Chief Financial Officer. In no event should an employee or director put himself or herself or the Company in a position that would be embarrassing if the gift was made public.

Dealing with government employees is often different than dealing with private persons. Many governmental bodies strictly prohibit the receipt of any gratuities by their employees, including meals and entertainment. Employees and directors must be aware of and strictly follow these prohibitions.

Any employee or director who pays or receives a bribe or kickback, including any item intended to improperly obtain favorable treatment, will be immediately terminated and reported, as warranted, to the appropriate authorities.

### **Improper Use or Theft of Company Property**

Every employee and director must safeguard Company property from loss or theft and may not take Company property for personal use. Theft, carelessness and waste have a

direct impact on the Company's profitability. Company property includes confidential information (such as customer lists and internal financial reports), software, computers, office equipment and supplies. All employees and directors must appropriately secure all Company property within their control to prevent its unauthorized use. Using Company computers or communications systems to access or distribute personal or "non-business related" information, data or graphics is strictly prohibited.

### **Covering Up Mistakes; Falsifying Records**

Mistakes should never be covered up and should be immediately fully disclosed and corrected. Falsification of any Company, client, customer or third party record is prohibited.

### **Confidential Information**

Company, client, customer or vendor confidential or proprietary information property is to be used solely for the benefit of the Company and its clients, customers or vendors, respectively. Employees and directors may not use or reveal such information to others, nor use such information for their personal benefit. This includes business methods, pricing and marketing data, strategy, computer code, forms, information about the Company's current, former and prospective clients, customers and employees, and any other information that might be of use to competitors or harmful to the Company or its clients, customers or vendors if disclosed.

Employees and directors may not accept, use or disclose the confidential information of our competitors. When obtaining competitive information, employees and directors must not violate our competitors' rights. Particular care must be taken when dealing with competitors' current or former clients, customers and employees. Employees and directors must never ask for confidential or proprietary information and must never ask a person to violate a non-compete or non-disclosure agreement. If you are uncertain, the Chief Financial Officer can assist you.

### **Defamation and Misrepresentation**

Aggressive marketing should not include any misstatements, innuendo or rumors about the Company's competition or their properties, products or financial condition. Employees and directors must not make unsupportable promises concerning the Company's properties or products.

### **Use of the Company and Third Party Software**

Company and third-party software may be distributed and disclosed only to employees authorized to use it and to clients in accordance with terms of a Company agreement.

Company and third-party software may not be copied without specific authorization and may only be used to perform assigned responsibilities. All third-party software must be properly licensed. The license agreements for such third party software may place various restrictions on the disclosure, use and copying of software.

### **Security Trading**

It is generally illegal to buy or sell securities using material information not available to the public. Anyone who gives such undisclosed “inside” information to others may be as liable as those who trade securities while possessing such information. Securities laws may be violated if an employee or a director or any of an employee’s or director’s relatives or friends trade in securities of the Company or any of its clients, customers or vendors, while possessing “inside” information. If you are uncertain about a particular securities issue, the Chief Financial Officer can assist you.

### **Financial Reporting: Communications with the Public**

The Company has high standards for achieving its operating and financial goals. These results must be achieved with high ethical standards for accounting and financial reporting methods. Accounting and financial reporting practices must be fair and proper, in accordance with accounting principles generally accepted in the United States, and must involve management’s best judgments where necessary.

The Company does not condone practices that might lead to fraudulent financial reporting. While difficult to give an all-inclusive definition of fraudulent financial reporting, it is in general any intentional or reckless conduct, whether by act or omission, that results in materially misleading financial statements. The Company expects clear, open and frequent communication among all directors and employees on all significant financial and operating matters to help reduce the risk of problems in the accounting and financial reporting areas as well as to help achieve operating goals.

The disclosures the Company makes in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and the NYSE-Amex (or other self-regulatory exchange or market), as well as in other public communications made by the Company, must be full, fair, accurate, timely and (importantly) understandable to the public.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for authorizing the release of information to the public.

### **Political Contributions**

In the United States, corporate political contributions for federal and some state elections are illegal. Accordingly, no direct or indirect contributions can be made in association with a federal, state or local election, without the approval of the Chief Executive Officer or Chief Financial Officer. Employees and directors may not engage in political activity utilizing Company resources or during regular business hours. However, employees and directors may engage in political activity with their personal resources on personal time.

### **Legal Obligations**

Adherence to legal and regulatory matters must govern the business decisions and actions of every Company employee and director. All employees and directors should make every effort to ensure that they and the company are in compliance with all governmental laws, rules and regulations applicable to their area of employment. Any legal, regulatory or governmental inquiry or action should be directed to, and handled by the Chief Financial Officer.

### **Waivers**

This Code of Business Conduct and Ethics applies to all Company employees and its Board of Directors. There shall be no waiver of any part of this Code except by a vote of the Board of Directors or a committee designated by the Board. Prior to such a vote, the Board or Committee must ascertain whether a waiver is appropriate and ensure that any waiver is accompanied by appropriate controls designed to protect the Company.

In the event that any waiver is granted for an executive officer or director, the waiver will be posted on the Company website, thereby allowing Company's shareholders to evaluate the merits of the particular waiver.

### **Reporting Ethical Violations**

If you are unable to prevent suspected misconduct before or discover it after it has occurred, you should immediately report it to the Chief Executive Officer or Chief Financial Officer. If you are still concerned after speaking with the Chief Executive Officer or Chief Financial Officer, or feel uncomfortable speaking with them for any reason, you may anonymously send a letter with relevant documents detailing the alleged ethical violation to the Company at the New York City office or the Company's outside corporate counsel, Strook, Strook & Lavan LLP, 180 Maiden Lane, New York, New York 10038. Your letters will be dealt with anonymously and confidentially. In any event, you have the Company's commitment that you will be protected from retaliation.

### **Enforcement and Accountability**

Officers, employees and directors of the Company are responsible for the enforcement of the standards contained in this Code of Business Conduct and Ethics.

Officers, directors and appropriate employees of the Company will be required on an annual basis to certify their compliance with this Code.

Any employee or director who ignores or violates any of the Company's ethical standards as detailed in this Code of Business Conduct and Ethics, and any director, employee, manager or officer who penalizes a subordinate for trying to follow these ethical standards, will be subject to corrective action, including immediate dismissal.