



## **Corporate Compliance**

### **OUR COMMITMENT**

Neuronetics is a privately held medical device company that focuses on developing and commercializing non-invasive therapies to treat chronic psychiatric and neurological disorders. We actively collaborate with the clinical community and regulatory agencies to improve care for the many patients suffering from these disorders. Beyond pioneering and developing state-of-the-art technologies, we take an active approach to understanding the patients and physicians we serve.

### **CORPORATE COMPLIANCE**

Neuronetics is a member of the Medical Device Manufacturers Association (“MDMA”) and complies with the MDMA Code of Conduct for Interactions with Healthcare Providers. The MDMA Code of Conduct is fundamentally equivalent to the AdvaMed Code of Conduct.

Neuronetics created a compliance program to implement its Code of Conduct for Interactions with Healthcare Providers based on guidance published by the Office of the Inspector General of the U.S. Department of Health and Human Services (OIG) that describes seven elements of an effective compliance program. Neuronetics has policies and processes in place to address each of the seven elements.

Neuronetics’ compliance program was created to promote honest, ethical and lawful conduct by all Neuronetics employees in their interactions with Healthcare Providers and in the provision of healthcare items and services. It is intended to raise the awareness of Neuronetics’ employees to the ethical and legal issues that may be encountered in interacting with Healthcare Providers, and to define Neuronetics processes that employees should follow to address these issues.

### **COMPREHENSIVE COMPLIANCE PROGRAM SUMMARY**

**1. Written Policies and Procedures:** Neuronetics Code of Conduct for Interactions with Healthcare Professionals is based on the MDMA Code of Conduct and is the Company’s primary statement of policies for assuring compliance with applicable laws, regulations and standards governing the commercialization of Neuronetics’ products and in all interactions with healthcare providers.

**2. Compliance Leadership:** Neuronetics Corporate Compliance Officer and Corporate Compliance Committee, consisting of senior executives, with input from human resources and legal counsel, as necessary, lead the company and guide employees in all activities related to Neuronetics Code of Conduct.

**3. Education and Training:** Neuronetics has policies and procedures in place to ensure that all personnel possess the required knowledge and skills for adequately performing their jobs, and that they are familiar with the requirements of Neuronetics' Code of Conduct and associated policies and procedures.

**4. Communication:** Developing effective lines of communication is essential and Neuronetics has several options for employees to report possible acts of noncompliance. Employees may seek the advice of their supervisors, the Corporate Compliance Officer or they may report non-compliance by calling Neuronetics' anonymous reporting hot-line.

**5. Auditing and Monitoring:** Auditing and monitoring of activities applicable to this Policy are conducted annually.

**6. Enforcement and Appropriate Disciplinary Action:** If an employee fails to comply with Neuronetics Code of Conduct, or associated policies and procedures, the Corporate Compliance Committee determines the appropriate type of sanction required and works with the relevant supervisor for implementation.

**7. Corrective Action Procedures:** Neuronetics has corrective action procedures in place to address deficiencies in its compliance program. Human Resources, in conjunction with the Corporate Compliance Committee monitors corrective actions taken related to Neuronetics Code of Conduct and associated policies and procedures, including any sanctions taken in response to instances of non-compliance.

#### **ANNUAL LIMIT ON GIFTS, PROMOTIONAL MATERIALS, OR ITEMS OR ACTIVITIES**

Neuronetics has established a \$3500 limit on items provided to HCPs on an annual basis. This limit includes items and activities such as samples for demonstration purposes, journal article reprints, reasonable meals associated with healthcare provider business interactions and promotional materials. These items are intended for educational and training purposes and are provided according to Neuronetics Code of Conduct for Interactions with Healthcare Providers. They are never provided as incentives.

#### **DECLARATION OF COMPLIANCE WITH CALIFORNIA LAW**

Neuronetics declares that it is in compliance with California Health & Safety Code § 119400-194002. Neuronetics' Code of Conduct and compliance program meets the requirements of the MDMA Code of Conduct. The MDMA Code of Conduct requirements are substantially similar to (1) the OIG's Compliance Program Guidance for Pharmaceutical Manufacturers and (2) the PhRMA Code on Interactions with Health Care Professionals, that are specified in § 119400-194002 and (3) the AdvaMed Code of Ethics on Interactions with Health Care Professionals. Contact Neuronetics' Customer Service at 877-600-7555 to obtain a copy of Neuronetics' Declaration of Compliance or Compliance Program Summary.

Date: November 2017