

CODE OF ETHICS AND BUSINESS CONDUCT

1.0 PURPOSE

The purpose of this policy is to describe the Code of Ethics and Business Conduct (Code) that Cardiovascular Systems, Inc. (CSI or Company) expects of its employees, officers, and directors (Representatives).

Ethical business practices provide a critical foundation for success and protect CSI's reputation in the industry and community. Integrity in the manner in which CSI manages and operates is a key element in CSI corporate culture. Honesty, fair dealing and ethical business practice is the foundation of CSI's business.

2.0 SCOPE

Compliance with the Code is a condition of employment for all Representatives. This Code supplements and does not replace or modify other CSI policies or procedures.

Ethical behavior is everyone's responsibility. Representatives must show that responsibility by:

- Knowing and complying with the requirements and expectations that apply to your job, which includes following this Code.
- Promptly reporting suspected violations of the law or the Code.
- Cooperating with any investigation of a potential ethics or business conduct violation.
- Seeking assistance when you have questions about CSI's Code or when faced with a challenging ethical situation.
- Never acting unethically or dishonestly even if directed by another person to do so.
- Never retaliate against an individual because that individual has reported a suspected violation of the Code.

3.0 POLICY

3.1 Compliance with Laws and CSI Code of Conduct

All CSI Representatives are expected and directed to comply with all laws and CSI's Code of Ethics and Business Conduct.

Each Representative has an obligation to behave according to ethical standards that comply with CSI's policy, and the letter and spirit of applicable laws, rules and regulations. It is everyone's responsibility to know and understand legal and policy requirements as they apply to his or her Company responsibilities.

Representatives should promptly report all known or suspected violations of applicable law or CSI's Code to his or her supervisor or Alexander Rosenstein, the CSI Compliance Officer. Or, as an alternative, he or she may contact Brent Blackey, the Chairman of the Audit Committee, by email at brent.blackey@holidaycompanies.com, in order to report suspected violations or incidents that he or she believes do not meet CSI standards. In addition, he or she may use the Compliance Hotline as outlined in Section 3.14.

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3.2 Accuracy of Company Records

Each officer and employee must help maintain the integrity of CSI's financial and other records.

Management, directors, audit committee members, shareholders, creditors, governmental entities and others depend on CSI's business records for reliable and accurate information. CSI's books, records, accounts and financial statements must appropriately and accurately reflect CSI's transactions and conform to applicable legal requirements and CSI's system of internal controls. CSI is committed to full, fair, accurate, timely and understandable disclosure in all reports filed with the SEC and in other public communications, and each person subject to this Code is required to provide truthful, complete and timely information in support of this commitment.

There is no excuse for participating in the creation of or not reporting a deliberately false or misleading CSI record. In addition, an employee, officer or director must not destroy, alter, falsify or cover up documents with the intent to impede or obstruct any investigation of suspected wrongdoing.

Representatives must not participate in any misstatement of CSI's accounts, and they must avoid improper influence on the conduct of an audit. No circumstances justify the maintenance of "off-the-books" accounts. All arrangements or requisition contracts under which funds are disbursed shall accurately state the purposes for which these funds are paid and shall not be misleading.

Business records and communications often become public and Representatives are expected to avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of individuals or companies that could be misunderstood. This obligation applies in any communication, including, but not limited to e-mail, internal memoranda and formal reports. Records are expected to be retained or destroyed according to CSI's record retention policies. In the event of litigation or governmental investigation, Representatives are expected to consult CSI's legal counsel concerning the records in their possession.

3.3 Security Trading Policies

Never trade securities on the basis of confidential information acquired in the course of your CSI duties or while you are at the workplace.

Representatives who have material information about the Company that has not been released to the public may not disclose the information to others or use that information for securities trading purposes or any other purpose except to conduct Company business. Such insider information may relate to, among other things, strategies, plans of CSI, new products or processes, mergers, acquisitions or dispositions of businesses or securities, problems facing the Company, sales, profitability, negotiations relating to significant contracts or business relationships, significant litigation or financial information.

If any information is of the type that a reasonable investor would consider important in reaching an investment decision, the Company Representative who possesses such information must not buy or sell Company securities, nor provide the information to others, until such information becomes public. Use of material, non-public information in the above manner is not only illegal, but also unethical. Representatives who directly or indirectly involve themselves in illegal insider trading will be subject to immediate termination by the Company. In order to assist the Company in its efforts to ensure compliance with laws against insider trading, the Company has adopted a separate policy "CONFIDENTIAL INFORMATION AND SECURITIES TRADING BY CARDIOVASCULAR SYSTEMS, INC. PERSONNEL" (Securities Trading) that goes into more detail regarding this matter and also includes a requirement that all Representatives certify that they have read and understand this separate Securities Trading policy.

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Any Representative that has questions regarding this policy should contact CSI's Chief Financial Officer:

Larry Betterley
651.259.2080
lbetterley@csi360.com

3.4 Contact with Government Officials

CSI complies with all applicable laws, rules and regulations relating to lobbying or attempting to influence government officials.

Bribery, kickbacks or other improper or illegal payments have no place in CSI's business. In addition, information provided to governments must be accurate and interactions with government officials must be honest and ethical. All activities that might constitute lobbying or attempts to influence government officials must first be reviewed with and approved by legal counsel.

Before doing business with foreign, national, state or local government, a Representative must know the applicable rules. The Company strictly prohibits making illegal payments to government officials of any country. The U.S. Foreign Corrupt Practices Act ("FCPA") prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. Additionally, a number of U.S. laws and regulations address when U.S. government personnel may or may not accept business gratuities. In addition to violating Company policies, the promise, offer, or delivery of a gift, favor or other gratuity to a government official or employee in violation of these rules could constitute a criminal offense. A Representative, who is in doubt, must not make the mistake of interpreting the rules by him or herself. Such a Representative must discuss the matter with his or her supervisor, Compliance Officer or other management of the Company.

3.5 Conflicts of Interest

Each Representative must avoid any situation in which his or her personal interests conflict with or interfere with CSI's interests.

Each Representative owes CSI a duty of loyalty. Representatives must make business decisions solely in the best interests of CSI. Conflicts may arise when a Representative receives improper personal benefits as a result of the person's position with the Company or gains personal enrichment through access to confidential information. A conflict situation can also arise when a Representative takes actions or has interests that may make it difficult to perform his or her CSI work objectively and effectively. For that reason, all Representatives must exercise great care not to allow their personal interests to potentially conflict with CSI's interests. Each Representative shall act with honesty and integrity, avoiding actual or apparent conflicts of interest between personal and professional relationships.

CSI Representatives are generally free to engage in outside activities of their choice. It is important, however, that such activities do not adversely affect CSI's business, involve misuse of CSI position or resources, divert for personal gain any business opportunity from which CSI may profit, or constitute a potential source of discredit to the CSI name. The following is a non-exhaustive list of examples of prohibited conflicts of interest for Representatives of CSI:

- Consulting with or employment in any capacity with a competitor, supplier or customer of CSI.
- Having a substantial equity, debt, or other financial interest in any competitor, supplier or customer. For competitors, substantial interest is considered to be 5% or more of that entity's net worth.

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- Having a financial interest in any transaction involving the purchase or sale by CSI of any product, material, equipment, services or property.
- Misusing CSI's confidential or proprietary information, including the unauthorized disclosure or use of such information.
- Where an employee receives gifts or other benefits from a supplier.
- Using materials, equipment or other assets of CSI for any unauthorized or undisclosed purpose.
- Receiving loans or guarantees of obligations from the Company without Board of Director authorization.

Whenever a Representative believes a situation involves, or may reasonably be expected to involve, a conflict of interest with the Company, he or she should promptly advise the Compliance Officer, a Corporate Officer, or a member of the Board.

Representatives also owe CSI a duty of loyalty. The duty of loyalty mandates that the best interests of the Company and its shareholders takes precedence over any interest possessed by a Representative not shared by the shareholders generally. In the event that a conflict (or the appearance of a conflict) arises or is anticipated, Representatives must bring the matter to the attention of the Chairman of the Audit Committee.

3.6 Political Contributions and Related Policies

Generally CSI's funds or resources may not be used to make a political contribution to any political candidate or political party.

Exceptions to this basic policy are allowed only where such contributions are permitted by law and permission is granted in advance by the Company's Board of Directors. Company policy does not permit the use of any Company facilities or resources by Representatives for political campaigning, political fundraising or partisan political purposes. A decision by a Representative to contribute any personal time, money or other resources to a political campaign or political activity must be totally voluntary.

3.7 Business Courtesies and Gratuities

CSI's policy is not to offer or accept kickbacks or bribes.

CSI Representatives will accept only approved and widely available discounts and will not encourage, accept or exchange gratuities or payments for providing services to others.

Business courtesies such as meals and transportation provided to a customer or other Healthcare Professional must be modest in amount and related to a legitimate business purpose (e.g., explanation or demonstration of CSI products, application of products, service capabilities, or training). Such courtesies must not violate the law, regulations, or reasonable customs of the market-place. If a Representative has any question about whether any business courtesies, gratuities or gifts are appropriate, his or her supervisor or other CSI management should be contacted. **CSI's policy on Interactions with Healthcare Professionals prohibits most gifts to Healthcare Professionals and/or customers.**

CSI Representatives having relationships with Customers and Healthcare Professionals should consult CSI's policy for Interactions with Healthcare Professionals for guidance as these relationships are highly regulated.

Representatives must deal fairly and honestly with the CSI's customers (including potential customers and Healthcare Professionals or entities in a position to recommend or influence the purchase or use of CSI products) and not take actions that are prohibited by applicable law or

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ethical standards. The Company intends to follow its own company-established policy, "Interactions with Healthcare Professionals" which are based upon the standards set forth by AdvaMed in its Code of Ethics on Interactions with Health Care Professionals - Revised and Restated Code of Ethics effective July 1, 2009 which is found at <http://www.advamed.org>. All Representatives who may interact with customers and Healthcare Professionals are separately required to read and understand the policy and sign an acknowledgement related thereto.

The policy is intended to provide Representatives guidance about appropriate interactions with customers and Healthcare Professionals when conducting business within the United States to enable the Company to remain in compliance with the Federal Anti-kickback Statute, Stark Law, the Sunshine Act, as well as the various state laws that regulate payments to Healthcare Professionals. Representatives conducting business on behalf of CSI must also comply with policies related to any expenditure by CSI Representatives, regardless of whether the expenditure is reimbursed by the Company. In other words, any "personal" money given to or spent for the benefit of a CSI customer is considered money given or spent by the Company.

As used in this Code, and the Guidelines, the term "customer" means any individual or organization that purchases, recommends, uses, or prescribes products manufactured or distributed by CSI or an individual who is in a position to determine whether a CSI product is purchased, recommended, used, or prescribed. This can include physicians, nurses, office administrators, purchasing agents, within hospitals, clinical practices, HMOs, GPOs, etc. The following general standards and principles should at all times guide our interactions with customers and Healthcare Professionals:

- CSI will encourage ethical business practices and socially responsible industry conduct, and will not use any unlawful inducement in order to sell, recommend or arrange the sale, or prescription of its products.
- CSI believes that enduring customer relationships are based on integrity and trust. CSI seeks to gain advantage over competitors through superior products, research, engineering, manufacturing, marketing and service, never through improper business practices.
- CSI's relationships with customers are intended to benefit patient care and enhance the practice of medicine. Interactions should be focused on informing customers and prospective customers about products, providing scientific and educational information, and supporting medical research and education and should not, at any time, entice representatives of customers to place their own personal interests above those of the organizations they represent or the patients who will use or need the Company's products.
- CSI will not, directly or indirectly, offer or solicit any kind of payments or contributions for the purpose of obtaining, giving, keeping or rewarding business.

No Payments in exchange for business

Representatives may not make payments to customers or provide meals, travel expenses, entertainment, gifts, or other benefits to customers or Healthcare Professionals in exchange for the customer's agreement to purchase products or services from the Company, or as a reward for the purchase of products or services, nor may Representatives provide benefits to a customer's friends, relatives, or organizations closely affiliated with the customer in exchange for or as a reward for such business. Refer to **CSI's policy, "Interactions with Healthcare Professionals" for guidance when having interactions with Healthcare Professionals or customers because any and all entertainment and recreation with Healthcare Professionals or customers is prohibited and there is a general prohibition on most gifts.**

Business courtesies such as meals, transportation, and entertainment provided to a vendor, supplier, other business association (Non-Medical Professionals) must be modest in amount and related to a legitimate business purpose (e.g., application of products, service capabilities, or

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training). Such courtesies must not violate the law, regulations, or reasonable customs of the market-place.

3.8 Company Opportunities

Do not use a Company opportunity for personal gain.

Representatives owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. Representatives are prohibited (without the specific consent of the Board of Directors or an appropriate committee thereof) from (1) taking for themselves personally opportunities that are discovered through the use of company property, information or their position, (2) using company property, information or their position for personal gain, or (3) competing with the Company directly or indirectly.

3.9 Intellectual Property and Confidential Information

CSI invests substantial resources in developing proprietary intellectual property and confidential information which need to be protected.

Confidential information is information that is not generally known or readily available to others. It includes non-public information that might be of value to competitors if it were disclosed. It must not be shared with others outside CSI except pursuant to approved business relationships or when required by law. Confidential information includes, but is not limited to, intellectual property and trade secrets, technical know-how, business plans and information, marketing and sales programs and information, customer and prospective customer information and lists, pricing information and policies, financial information, personnel information such as salaries, benefits and performance information and any other information which the Company deems confidential.

Every CSI Representative is obligated to protect the Company's confidential information as well as that of its customers, suppliers and third parties who disclose information to CSI in confidence. CSI Representatives must not accept confidential information from a third party, including competitors, unless specifically authorized to do so by an authorized supervisor or officer of the Company and following an appropriate grant of rights from such third party.

Every CSI Representative must also protect the confidentiality of any patient information or records they may learn of or have access to in the course of Company business ("Patient Information"). Patient information is protected not only by the policies of the Company, but also by federal and state laws. Any patient information must be secured and protected as required by such federal and state law.

Every CSI Representative must actively protect Confidential Information and Patient Information, including by refraining from discussing sensitive matters in non-private places, limiting access to work areas, disposing of documentation in accordance with Company policies and directions, and not removing such information from the Company's premises except as expressly authorized by the Company. Any request for Confidential Information or Patient Information, including a subpoena or any legal process, should be immediately referred to Compliance Officer or a Corporate Officer.

3.10 Protection and Proper use of Company Assets

Our shareholders trust us to manage Company assets appropriately.

Collectively, Representatives have a responsibility for safeguarding and making proper and efficient use of the Company's assets. Each Representative has an obligation to prevent the Company's property from loss, damage, misuse, theft, embezzlement or destruction. CSI seeks

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to ensure that the Company equipment, supplies and other assets are used for legitimate business purposes unless otherwise specifically authorized, and to protect all tangible and intangible Company property.

3.11 Fair Dealing with Competitors, Customers, and Suppliers

Respect the rights of competitors, customers and suppliers.

CSI's success depends on building productive relationships with our customers and suppliers based on integrity, ethical behavior and mutual trust. In addition, customers have individual needs and expectations representing unique opportunities for mutual success.

The Company bases its supplier relationships on fundamental concepts of integrity, fairness, and mutual respect.

CSI strives to outperform its competition fairly and honestly. CSI seeks and develops competitive advantages through superior performance, not through unethical or illegal business practice. Each Company Representative should endeavor to deal fairly with the Company's customers, suppliers and competitors. No one should take unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other intentional unfair dealing.

3.12 Personal Behavior in the Workplace

CSI is committed to providing equal opportunity in employment and will not tolerate illegal discrimination or harassment.

CSI strives to enhance and support the diversity of its employee group. All are expected to deal with each other in an atmosphere of trust and respect in a manner consistent with CSI's core values.

3.13 Accountability for Adherence to the Code

Each Representative must accept responsibility for adherence to this Code. Violations of this Code may lead to serious sanctions including, for an employee, discipline up to and including immediate termination, at the sole discretion of the Company. The Company may, in addition, seek civil recourse against Representative and/or refer alleged criminal misconduct to law enforcement agencies.

3.14 Reporting any Suspected Illegal or Unethical Behavior

CSI maintains an open door policy and an anonymous telephone hotline for Representatives to raise concerns and to encourage the reporting of suspected violations of law or the Code of Ethics and Business Conduct without fear of retribution or retaliation.

If questions arise about an ethical situation, Representatives are encouraged to talk with management or with a Corporate Officer such as the Compliance Officer about any behavior you believe may be illegal or unethical. Representatives are assured confidentiality, to the limit of the law. If Representatives do not feel it is appropriate to discuss the issue with these persons, CSI has established a hotline to report concerns or potential violations anonymously. Anonymous callers should supply detailed information to address the concern.

It is against the Company's policy to retaliate against any Representative for good faith reporting of violation of this Code. If Representatives feel they have been retaliated against for raising your

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good faith reporting, immediately contact management, our Compliance Officer or the Compliance Hotline.

CONTACTS AND COMPLIANCE HOTLINE

Contacts for Reporting Violations

Representatives that believe someone may be unintentionally or intentionally violating the law or the principles or standards included in the Code of Conduct document should report the known or suspected violations by contacting:

Alexander Rosenstein

Compliance Officer
651.202.4945
arosenstein@csi360.com

To notify the board of directors of a suspected violation, contact the Chairman of the Audit Committee:

Brent G. Blackey

Chairman of the Audit Committee
952.832.8635
brent.blackey@holidaycompanies.com

Each report of a known or suspected violation will be promptly and thoroughly investigated. If a violation has occurred, CSI will take appropriate actions to prevent similar violations. The Company strictly prohibits retaliation against Representatives for reports made in good faith. Anyone who retaliates against an employee(s) for reporting actual or suspected violations will be subject to appropriate disciplinary action up to, and including, termination.

Compliance Hotline

As an alternative to the contacts described above, the Company's Compliance Hotline may be used. The Company's hotline is designed to encourage reporting any concerns about the way CSI is conducting business or to identify any workplace behavior that you believe violates laws or our Company's Code of Ethics. This line may also be used to submit ideas and suggestions to Company management and/or report any other information.

The hotline is available 24 hours a day and is completely confidential and anonymous. This confidentiality is ensured because an independent company, In Touch, operates the program and, if a caller does not identify him/herself, there's no way for anyone at the Company to identify who might have called and left a message.

To reach the hotline, dial **1-877-344-2714**. Record the five-digit case number assigned by the automated system. This number is the only way that the Company will be able to request additional information and provide status updates on the progress of its investigation.

After the case number has been assigned, record a message of any length. When finished, press # or simply hang-up. Within one business day, the message will be transcribed by In Touch and then deleted from the system. Only the written transcript of the call will be sent to representatives of the Company's management and Board of Directors. Therefore, unless your name or other identifying information is included in the message, anything recorded will remain confidential and anonymous. Representatives can call back in five business days with the five-digit case number to receive a status update of the investigation.

Representatives can also report concerns via email by sending a message to CSI@GetInTouch.com. In Touch will remove all identifying information (i.e. name and email address) before forwarding the message to representatives of the Company's management and

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Board of Directors. Responses from the Company to the emailed message will come from In Touch directly.

Although CSI prefers that Representatives first try to resolve any questions or concerns with management or a Human Resources representative, there may be circumstances when a Representative is not comfortable or satisfied with the outcome. The compliance hotline or e-mail may be used in these situations.

Management is committed to providing a safe, respectful and ethical working environment. If at any time you don't feel that's the case, we encourage you to use the hotline and let us know. In addition, CSI wants to assure you that there will never be any retaliation against any individual for responsibly reporting a workplace related concern.

3.15 Public Disclosure of Code and Waivers

The existence and content of this Code of Ethics and Business Conduct is disclosed to shareholders and made available as part of the Company's filings with the SEC and is also on the Company's website. It is expected that waivers of this Code rarely, if ever, would be acceptable. Any waiver of a provision of the Code for an executive officers or directors may granted only by the Board of Directors, with only the independent members voting, or an appropriate Board Committee consisting of independent directors, and such waiver must be promptly disclosed to shareholders.

3.16 Coordination with other CSI Policies

The provisions of this Code of Conduct are in addition to, and do not modify, replace or supersede CSI's other policies or procedures, whether written or oral.

Additionally, this Code of Conduct is not intended to be and does not constitute a contract of employment between CSI and its Representatives. If you are an employee and do not have an Employment Agreement with CSI, you are an employee at-will. This means that you have the option of resigning from your employment at any time, for any reason or no reason, with or without prior notice. Conversely, CSI has same option to terminate your employment at any time, for any reason or no reason, with or without prior notice.

3.17 Monitoring

CSI will periodically reaffirm its commitment to compliance with the Code of Ethics and Business Conduct.

CSI intends to conduct periodic training sessions regarding the Code to demonstrate its commitment to compliance of the Code.