



**DESCRIPTION OF AMENDMENTS TO PRECIPPIO, INC. CODE OF BUSINESS
CONDUCT AND ETHICS
04.07.14**

On April 7, 2014, the Board of Directors of Precipio, Inc. (the "Company") approved a revised Code of Business Conduct and Ethics (as revised, the "Code") that amended, restated and replaced the Company's prior Business Ethics Policy (the "Prior Policy"). The Code supersedes the Prior Policy.

The general purposes of adopting the Code to supersede the Prior Policy were to: (1) conform the Company's code of business conduct and ethics to the requirements of The NASDAQ Stock Market LLC, (2) revise certain provisions to address updates, developments and changes in the Company's business and laws and regulations applicable to the Company, (3) provide for compliance standards and procedures for employees to report violations of the code of business conduct and ethics, and (4) provide greater detail about various governance matters, as well as improve the readability and clarity of the code of business conduct and ethics. None of the amendments reflected in the Code constituted or effected a waiver of any provision of the Prior Policy applicable to the Company's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

The following is a summary overview of the material amendments to the Prior Policy, as reflected in the Code:

Protection and Proper Use of Company Funds and Assets

The Prior Policy has been amended to provide that employees may not use the Company's corporate name or any brand name or trademark owned or associated with the Company for any personal purpose.

Confidential Information

The Prior Policy has been amended to explicitly require employees to treat third party confidential information in the same manner as they are required to treat the Company's confidential information. Employees must also use the Company's computer network in compliance with the Company's Internet Code of Conduct.

Conflicts of Interest (Personal Financial Interests and Outside Activities)

The Prior Policy has been amended to provide that loans to, or guarantees of obligations of, employees or their family members by the Company could constitute an improper personal benefit to the recipients of these loans and must therefore be pre-approved by the Board of Directors or the Audit Committee. The Code also includes a procedure for employees to seek approval of matters presenting potential conflicts of interest.

Corporate Opportunities



The Prior Policy has been amended to add a new section providing that an employee may not take personal advantage of the Company's opportunities unless authorized by such employee's supervisor, the Compliance Officer or the Audit Committee. The Code further requires that participation in an investment or outside business opportunity that is directly related to any of the Company's lines of business must also be pre-approved.

Government Inquiries and Investigations

The Prior Policy has been amended to add a new section clarifying that it is the Company's policy to cooperate with all reasonable requests concerning the Company's operations from federal, state, municipal and foreign government agencies, and that, before responding to such requests, employees should consult with their supervisors or the Compliance Officer.

Trading in Company Stock

The Prior Policy has been amended to clarify that when an employee is in possession of material non-public information about the Company, such employee is prohibited from "tipping" others who might make an investment decision on the basis of this information. The Code also refers employees to the Company's insider trading policy.

International Business Laws

The Prior Policy has been amended to add a new section providing that all employees are expected to comply with the applicable laws in all countries to which they travel, in which they operate and where the Company otherwise does business, including the Foreign Corrupt Practices Act of 1977, as amended, U.S. embargoes, U.S. export controls and anti-boycott regulations.

Antitrust

The Prior Policy has been amended to add a new section addressing activities that are prohibited under antitrust laws.

Gifts or Gratuities

The Prior Policy has been amended to provide that gifts from Company customers or suppliers having more than nominal value must be reported to the employee's supervisor or the Compliance Officer. In addition, gifts and payments to physicians and teaching hospitals must be reported in accordance with federal and state laws, including the Physician Payments Sunshine Act.

Disclosures in Reports and Documents

The Prior Policy has been amended to clarify that (i) no employee may take or authorize any action that would cause the Company's financial records or financial disclosure to fail to comply with generally accepted accounting principles, the rules and regulations of the Securities and Exchange Commission (the "SEC") or other applicable laws, rules or regulations; (ii) all employees must cooperate fully with the Company's Finance Department, independent public accountants and counsel; (iii) no employee should



knowingly make any false or misleading statement or omit any material information in any of the Company's reports filed with the SEC. If an employee is aware that any information in such reports or publicly communicated by the Company is materially false or misleading or omits material information, the employee must disclose that fact to a supervisor, a Compliance Officer or the Chairperson of the Audit Committee.

Fair Dealing

The Code includes a new section titled "Fair Dealing," which prohibits employees from acquiring proprietary information from others through improper means, possessing trade secret information that was improperly obtained, or inducing improper disclosure of confidential information from past or present employees of other companies. The Code also requires all employees to deal fairly with the Company's customers, suppliers, employees and anyone else with whom the employees have contact in the course of performing their job duties.

No Discrimination and No Harassment

The Prior Policy has been amended to require that employees report any alleged employment discrimination or harassment using any of the means as set forth under the "Compliance Standards and Procedures" section of the Code. Media/Public Disclosure The Code includes a new section stating the Company's policy to disclose material information concerning the Company to the public only through specific limited channels, with the Chief Executive Officer and Chief Financial Officer as the designated spokespersons for financial matters, marketing, technical and other related information, and for communication with the press on behalf of the Company.

Waivers of or Changes to the Code

The Code provides that any waivers of, or changes to, the Code that apply to the Company's executive officers or directors may be made only by the Audit Committee. In addition, the Code includes updated procedures for non-executive officer employees to seek waivers of the Code.

Compliance Standards and Procedures

The Code includes a new section that specifies the different methods by which employees may report existing or potential violations of the Code or of a law, rule or regulation, including methods for anonymous reporting. In addition, the Code provides that employees with unresolved concerns or complaints regarding questionable accounting, internal control or auditing matters concerning the Company should submit such concerns or complaints in accordance with the Company's Whistleblower Policy. Administration and Implementation The Prior Policy has been amended to clarify that the Audit Committee is responsible for the annual review of the compliance procedures and will recommend any clarifications or necessary changes to the Board of Directors for approval, and that the Company's Compliance Officer is responsible for implementing the Code.

Website Disclosure



The Prior Policy has been amended to provide that any amendments to the Code shall be posted on the Company's website.

The foregoing summary of the amendments to the Prior Policy, as set forth in the Code, does not purport to be complete and is qualified in its entirety by reference to the full text of the Code, as may be amended or restated from time to time, which is available on the Company's website.