

VIRTUAL RADIOLOGIC CORPORATION
CODE OF BUSINESS CONDUCT AND ETHICS

Adopted May 9, 2007

I. Introduction

The policy of Virtual Radiologic Corporation (the “Company”) is to comply strictly with all applicable laws, rules and regulations governing its operations and to conduct its affairs in keeping with the highest moral, legal and ethical standards. All employees, officer and members of our Board of Directors are expected to adhere to those principles and procedures set forth in this Code that apply to them.

II. Policy

This Code governs the actions, interactions and working relationships of all employees, officers and directors of the Company. This Code provides guidance in recognizing and dealing with certain legal and ethical issues. It also provides mechanisms to report unethical conduct. In the event that a law conflicts with a policy in this Code, you must comply with the law. If you have questions about this Code, you should ask the Company’s General Counsel.

Employees and directors should strive to identify and raise potential issues before they lead to problems, and should ask about the application of this Code whenever in doubt. Any employee or director who becomes aware of any existing or potential violation of this Code should promptly notify the Company’s General Counsel. The Company will take such disciplinary or preventive action as it deems appropriate to address any existing or potential violation of this Code brought to its attention.

Any questions relating to how these policies should be interpreted or applied should be addressed to the General Counsel.

III. Conflicts of Interest

Employees, officers and directors must avoid engaging in any activity that creates a conflict of interest. A conflict of interest occurs when an employee, officer or director is, for any reason, in a position that his or her conduct could be or appear to be influenced by some factor other than concern solely for the best interests of the Company. Such factors include receiving gifts from someone working for a supplier, customer or competitor, or having a significant financial or other interest in any such business by either the employee, an officer or a director, or a member of his or her family. Conflicts of interest are prohibited as a matter of Company policy, unless they have been approved by the Company. In particular, an employee or director must never use or attempt to use his or her position at the Company to obtain any improper personal benefit for himself or herself, for his or her family members, or for any other person, including loans or guarantees of obligations, from any person or entity.

Any employee or director who is aware of a material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should discuss the matter promptly with the General Counsel.

IV. Protection and Proper Use the Company's Assets

Employees, officers and directors should protect the Company's assets and ensure their efficient use. Unless specifically authorized, all assets of the Company should be used for legitimate Company business purposes only.

V. Corporate Opportunities

Employees and directors owe a duty to the Company to advance the Company's legitimate business interests when the opportunity to do so arises. Employees and directors are prohibited from taking for themselves (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down. More generally, employees and directors are prohibited from using corporate property, information or position for personal gain or competing with the Company.

Sometimes the line between personal and Company benefits is difficult to draw, and sometimes both personal and Company benefits may be derived from certain activities. The only prudent course of conduct for our employees, officers and directors is to make sure that any use of the Company's property or services that is not solely for the benefit of the Company is approved beforehand by the General Counsel.

VI. Compliance with All Applicable Laws, Rules and Regulations

It is the Company's policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each employee, officer and director to adhere to the standards and restrictions imposed by those laws, rules and regulations. Certain laws demand special attention of all employees, officers and directors, including the following:

- *Employment Laws.* The Company is committed to equal employment opportunity and fair treatment for employees commencing with hiring and continuing through all aspects of the employment relationship.
- *Insider Trading Policy.* Our employees, officers and directors who have access to confidential information are not permitted to use or "tip" information for stock trading purposes or for any other purpose except relating to the conduct of the Company's business. Our employees, officers and directors are not permitted to purchase or sell the Company's stock based on material, non-public information. In order to assist with compliance with laws against insider trading, the Company has adopted a specific policy governing trading in the Company's securities.
- *Health Care Regulations.* As a health care provider, the Company is heavily regulated under federal and state laws. The Company is committed to full

compliance with federal and state laws, including laws prohibiting fraud and abuse such as the Federal Anti-Kickback Statute, the Stark Law, and the applicable anti-kickback laws and false claims laws of the states in which the Company does business. As the application of federal and state anti-kickback and false claims laws is complicated, it is imperative that you direct any questions about the application of these laws to the General Counsel or a member of the Board of Directors in advance of taking any action.

VII. Fair Dealing

Each employee, officer and director is expected to deal fairly with the Company's customers, suppliers, competitors and employees. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

VIII. Confidentiality

Employees, officers and directors must maintain the confidentiality of proprietary or confidential information, including trade secrets, entrusted to them by the Company or its suppliers or customers, except when disclosure is authorized by the Company's Chief Executive Officer or General Counsel, or as required by law. Confidential information includes, among other things, any non-public information concerning the Company, including its businesses, financial performance, results or prospects, and any non-public information provided by a third party with the expectation that the information will be kept confidential and used solely for the business purpose for which it was conveyed.

IX. Public Disclosure

It is the Company's policy that the information in its public communications, including filings with the Securities and Exchange Commission, be full, fair, accurate, timely and understandable. All employees, officers and directors who are involved in the Company's disclosure process are responsible for acting in furtherance of this policy. In particular, these individuals are required to maintain familiarity with the disclosure requirements applicable to the Company and are prohibited from knowingly misrepresenting, omitting, or causing others to misrepresent or omit, material facts about the Company to others, whether within or outside the Company, including the Company's independent auditors. In addition, any employee, officer or director who has a supervisory role in the Company's disclosure process has an obligation to discharge his or her responsibilities diligently.

X. Reporting of Any Illegal or Unethical Behavior

If you become aware of any proposed or actual transaction or situation that you believe may be in conflict with this Code, tell the General Counsel immediately. There will be no retaliation against anyone who complains or provides information in good faith. If you need additional help in resolving a conflict, please contact the Company's Chief Executive Officer.

If you have concerns or complaints regarding questionable accounting or auditing matters of the Company, you are encouraged to speak with the General Counsel or the Company's Chief Financial Officer. Subject to duties arising under applicable law, regulations and legal proceedings, all such submissions will be treated as confidential.

Any question you may have regarding this Code should be brought to the attention of the Company's General Counsel.

XI. Waivers

This Code of Ethics shall be reviewed periodically by the Board and will be made available on the Company's website at www.virtualrad.com. The failure to adhere to the Code will result in the disciplinary action deemed appropriate by supervisory personnel or by the Board, which may include termination of employment. Any waiver of this Code may be authorized only by the Board or, to the extent permitted by the rules of the Nasdaq or such other national securities exchange or stock market on which the Company's securities may be listed, a committee appointed by the Board, and will be disclosed to the Company's shareholders to the extent required by applicable laws, rules and regulations.
