

**TACTILE SYSTEMS TECHNOLOGY, INC.
CODE OF BUSINESS CONDUCT AND ETHICS**

Effective: June 21, 2016

INTRODUCTION

This Code of Business Conduct and Ethics (this “Code”) of Tactile Systems Technology, Inc. (the “Company”) applies to all directors, officers and employees of the Company. The Company’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions are subject to additional requirements set forth in the Addendum to this Code. This Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide business conduct related to the Company. All of our directors, officers and employees must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. This Code should also be provided to and followed by the Company’s agents and representatives, including consultants.

If a law conflicts with a policy in this Code, you must comply with the law. If you have any questions about these conflicts, you should contact the appropriate person listed on Schedule A to this Code.

Those who violate the standards in this Code will be subject to disciplinary action, up to and including termination of employment. *If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described in Section 17 of this Code.*

1. COMPLIANCE WITH 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 director, officer, employee and representative of the Company to adhere to the standards and restrictions imposed by those laws, rules and regulations. It would be impossible to summarize here all the laws, rules and regulations with which the Company, our directors, officers, employees and representatives must comply; this Code refers to only a few of them.

2. PUBLIC DISCLOSURE

It is the Company’s policy that the information in our public communications, including filings and submissions with the Securities and Exchange Commission, be full, fair, honest, accurate, timely and understandable. All directors, officers, employees and representatives of the Company who are involved in our disclosure process (including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) 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 director, officers, employee or representative of the Company who has a supervisory role in the Company’s disclosure process has an obligation to discharge his or her responsibilities diligently.

3. CONFLICTS OF INTEREST

A “conflict of interest” occurs when an individual’s private interest interferes in any way, or even appears to interfere, with the interests of the Company as a whole. A conflict situation can arise when a director, officer, employee or representative of the Company takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively.

Personal conflicts of interest are prohibited as a matter of Company policy, unless they have been waived in writing by the Company. In particular, no director, officer, employee or representative of the Company may 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. Service to the Company should never be subordinated to personal gain or advantage. Conflicts of interest should, to the extent possible, be avoided. The term “family member” means a person’s spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person’s home.

Any director, officer, employee or representative of the Company 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 an appropriate contact person listed in Schedule A to this Code.

4. INSIDER TRADING

The Company has a long-standing commitment to comply with all securities laws and regulations. U.S. securities laws prohibit persons from trading in the securities of a company on the basis of material non-public information. Material non-public information includes any information concerning a company’s business, prospects, securities or market that an investor might consider important in deciding whether to buy or sell the securities of the company or that could affect the market price of the securities. Examples of material information include: possible mergers; acquisitions or divestitures; actual or estimated financial results; purchases and sales of investments in companies; obtaining or losing significant contracts; significant product developments; threatened major litigation or developments in such matters; and major changes in business strategies. If you have access to material information, whether it pertains to the Company or another company, do not buy or sell Company securities or those of the other company until an appropriate time has passed after the information has been disclosed to the public by press release or similar announcement.

Two simple rules can help protect you in this area: (1) do not use material non-public information for personal gain, and (2) do not pass along such information to someone else who does not have a reason to know.

You must also comply at all times with the Company’s separate, more detailed policy on insider trading.

5. CORPORATE OPPORTUNITIES

Directors, officers, employees and representatives of the Company owe a duty to the Company to advance the Company’s legitimate business interests when the opportunity to do so arises. Directors, officers, employees and representatives of the Company 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, directors, officers, employees and representatives of the Company are prohibited from using Company property, information or position for personal gain or competing, directly or indirectly, with the Company.

With prior approval, you may give lectures, conduct seminars, publish articles in books or engage in any other similar activity for which you may be paid a fee or honorarium. However, any fees, honorariums or reimbursements must be transferred to the Company unless written approval is given to retain them.

6. GIFTS AND OTHER BENEFITS; INTERACTIONS WITH HEALTH CARE PROFESSIONALS

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage. No gift or entertainment should ever be offered, given, provided or accepted by any director, officer, employee and representative of the Company unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any laws or

regulations. Please discuss with an appropriate person listed on Schedule A to this Code any gifts or proposed gifts which you are not certain are appropriate.

No bribes, kickbacks, or other similar remuneration or consideration shall be given to any person or organization in order to attract or influence business activity.

In no situation, should a health care professional (“HCP”) make a decision to use, purchase, recommend or prescribe a Company product on any basis other than the quality, safety, efficacy and cost of that product. Gifts, hospitalities, entertainment, or other benefits must not influence or appear to influence such decisions. Gifts and entertainment to HCPs are prohibited. Meals may be allowed if they are of reasonable value and part of the legitimate conduct of business. These guidelines apply equally to an employee’s personal funds and company funds.

The Company makes payments to HCPs only for legitimate, reasonable and necessary services, and in amounts that are no more than the fair market value for the services performed. In no situation should an employee or director ever make a direct (personal) payment (including reimbursement of legitimate expenses) to a HCP for any reason. Payments should be made through the company’s accounts payable process.

When documenting financial matters related to HCPs, be specific and thorough. Documentation tends to be best when you assume that the reader will be skeptical. In such a situation, the omission of important facts or circumstances adds to that skepticism.

All materials used by employees for educational and promotional purposes must be approved by the company through the appropriate process and may not be altered in any way.

7. COMPETITION AND FAIR DEALING

The Company has a history of succeeding through honest business competition. We do not seek competitive advantages through illegal or unethical business practices. Each director, officer, employee and representative of the Company should endeavor to deal fairly with the Company’s customers, service providers, suppliers, competitors and employees.

8. DISCRIMINATION AND HARASSMENT

The diversity of the Company’s employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances.

9. HEALTH AND SAFETY

It is the Company’s policy to establish and manage a safe and healthy work environment and to manage our business in ways that are sensitive to the environment and conserve natural resources. The Company will comply with all environmental, health and safety laws and will internally establish and comply with our own stricter standards where we believe the applicable laws do not adequately protect health, safety or the environment.

The Company strives to provide a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs or alcohol in the workplace will not be tolerated.

10. RECORD-KEEPING

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, contact the appropriate person listed on Schedule A to this Code.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos and formal reports.

11. SCIENTIFIC INFORMATION AND INTEGRITY

Directors, officers, employees and representatives of the Company promote and embrace a company culture that encourages honesty and integrity in recording, interpreting, and reporting clinical and scientific data and results. All such individuals are expected to report their findings truthfully and without fear of reprisal or retribution. Our customers' lives depend on this transparency. Individuals who are aware of violations of this policy must communicate these violations to individuals with management responsibility over the affected operations. The Company will protect the rights of individuals reporting good-faith concerns related to this policy.

The medical device industry is a heavily regulated industry. From time to time employees and directors may find themselves dealing with requests from the FDA or other regulatory agencies. Employees and directors should cooperate in good faith and in accordance with the law, answering regulatory inquiries in a fair and accurate manner.

12. CONFIDENTIALITY

In carrying out the Company's business, directors, officers, employees and representatives of the Company often learn confidential or proprietary information about the Company, our customers, prospective customers or other third parties. Directors, officers, employees and representatives of the Company must maintain the confidentiality of all information so entrusted to them, except when disclosure is authorized or legally mandated. Confidential or proprietary information includes, among other things, any non-public information concerning the Company, including all non-public information that might be of use to competitors or harmful to the Company or our customers if disclosed. The obligation to preserve confidential information continues even after a director, officer, employee or representative ceases to perform services for the Company.

13. PROTECTION AND PROPER USE OF COMPANY ASSETS

All directors, officers, employees and representatives of the Company should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Any suspected incident of fraud or theft should be reported immediately for investigation. The Company's assets should not be used for non-company business, though incidental personal use may be permitted. Any act that involves theft, fraud, embezzlement or misappropriation of any property is prohibited.

The obligation of directors, officer, employees and representatives of the Company to protect our assets includes our proprietary information, intellectual property and innovative ideas. These intangible

assets are very valuable to the Company and must be appropriately managed and protected. Information pertaining to acquisition and divestiture plans, technology, competitive position, directional strategy, customers, salaries, product costs, trade secrets and other proprietary information must be protected from misuse.

Intellectual property rights, including patents, trademarks, copyrights, trade secrets and know-how, are valuable assets and must be planned for and managed with the same degree of care as any other valuable asset. New concepts and ideas will be identified for purposes of evaluation and protection, as appropriate, to support the Company's long-term and short-term goals.

Employees and representatives of the Company also have an obligation to protect and manage any software that is proprietary to, or licensed by, the Company. "Software" includes programs, routines and procedures that cause a computer system to perform a predetermined function or functions, as well as the supporting documentation. This includes algorithms, flow charts, diagrams, specifications, diagnostic testing materials and operating or maintenance manuals. Employees and representatives of the Company developing, using or acquiring software must make sure that the appropriate intellectual property rights (copyrights, patents and trade secrets) in the software are obtained. All software must be developed and used in compliance with applicable laws and contractual obligations assumed by the Company, including copyright laws and necessary licensing. No employee or representative of the Company may use unlicensed software or create or use unauthorized copies of software.

14. PAYMENTS TO GOVERNMENT PERSONNEL

The U.S. Foreign Corrupt Practices Act and other laws applicable to the Company prohibit giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules.

15. WAIVERS OF THE CODE OF BUSINESS CONDUCT AND ETHICS

This Code may be amended or modified only by the Company's board of directors. Any waivers of the provisions in this Code for the Company's directors or executive officers may be granted only by the Company's board of directors. Any waivers of the provisions in this Code for any other employee of the Company may be granted only by the Company's Chief Executive Officer, or his or her designee. Any amendment to, or waiver of, a provision of this Code that applies to a director or other executive officer will be publicly disclosed as required by applicable law, regulation or requirement of the stock exchange or automated quotation system upon which the Company's common stock is listed, if any.

16. REPORTING VIOLATION AND ENFORCEMENT

All directors, officers, employees and representatives of the Company must understand and comply with this Code. Violation of this Code will not be tolerated and will result in discipline for employees and other appropriate consequences for non-employees.

Any person who knows or believes that any director, employee or representative of the Company has engaged or is engaging in Company-related conduct that violates this Code should report such information to an appropriate contact person listed in Schedule A to this Code.

You may report such conduct openly or anonymously without fear of retaliation. The Company will not discipline, discriminate against or retaliate against any person who reports such conduct in good faith, whether or not such information is ultimately proven to be correct, or who cooperates in any

investigation or inquiry regarding such conduct. Confidentiality regarding those who make compliance reports and those potentially involved is maintained to the extent possible during a compliance investigation.

Each report of a suspected violation of this Code will be treated seriously and investigated diligently by the Company. Depending on the nature of a suspected violation, and the parties involved, the investigation will be conducted by management, the Company's board of directors or outside professions hired specifically for the investigation. In order to facilitate a complete investigation of a suspected violation, a reporting person should be prepared to provide as many details as possible, including a description of the questionable practice or behavior, the names of any persons involved, the names of possible witnesses, dates, times, places and any other available details.

Based on its investigation, the Company will take prompt and appropriate corrective action in response to the concern, if necessary, to ensure compliance with legal and ethical requirements.

Violation of this Code may result in disciplinary action, up to and including termination of employment, removal from the board or other appropriate consequences for non-employees. Any supervisor who directs or approves of any conduct in violation of this Code, or who has knowledge of such conduct and does not immediately report it, also will be subject to disciplinary action, up to and including termination of employment.

The Company also may commence legal proceedings, if necessary, to recover the amount of any improper expenditures, any profits realized by the offending director, employee or representative of the Company and any financial detriment sustained by the Company. In appropriate circumstances, violations of this Code will be reported to the applicable authorities.

17. COMPLIANCE PROCEDURES

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know if a violation has occurred. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask Yourself Questions. If you are in doubt about a business conduct situation, ask yourself the following questions:
 - Is it legal?
 - Does it violate this Code?
 - Is it consistent with the Company's values?
 - Is it fair and just?
 - How would it look in a newspaper article?
 - Does it have the appearance of impropriety?
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.

- Seek help from Company resources. If you feel that it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, discuss it with the appropriate person listed on Schedule A to this Code.
- Always ask first, act later: If you are unsure of whether something that you plan to do, or have been asked to do, may violate this Code, seek guidance before you act.

SCHEDULE A
CONTACT LIST

Directors and Executive Officers

Contact:

- Chairman of the Board
- Chairman of the Audit Committee
- Chief Executive Officer
- Chief Financial Officer
- Chief Operating Officer

Other Employees

Contact:

- The employee's immediate supervisor
- Chief Financial Officer
- Chief Operating Officer
- Chairman of the Audit Committee

Representatives, Agents and Consultants

Contact:

- Chairman of the Board
- Chairman of the Audit Committee
- Chief Financial Officer

This contact list is subject to change from time to time. Any change to this contact list shall not be deemed an amendment to this Code.

RECEIPT AND ACKNOWLEDGMENT

I acknowledge that I have received and will comply with the Code of Business Conduct and Ethics of Tactile Systems Technology, Inc., including, if applicable, the Addendum for Senior Financial Management. I understand and agree that the Code of Business Conduct and Ethics is **not** an employment contract between Tactile Systems Technology, Inc. and me.

I understand that if I have questions related to the standards of conduct outlined in the Code of Business Conduct and Ethics, I am to discuss them promptly with an appropriate contact person listed in Schedule A attached to the Code of Business Conduct and Ethics.

Signature _____ Date _____

Print Name _____

Location _____

Return this page to: Tactile Systems Technology, Inc.
 1331 Tyler Street
 Suite 200
 Minneapolis, MN 55413 USA

ADDENDUM FOR SENIOR FINANCIAL MANAGEMENT

Applicability. This Addendum supplements the Tactile Systems Technology, Inc. Code of Business Conduct and Ethics (the “Code”) applicable to all employees and applies to the Company’s principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions (the “Senior Financial Management”).

Purpose. This Addendum is designed to deter wrongdoing and to promote:

- honest and ethical conduct;
- full, fair, accurate, timely and understandable disclosure by the Company;
- compliance with applicable laws, rules and regulations;
- prompt reporting of violations of the Code or this Addendum; and
- accountability for adherence to the Code and this Addendum.

Requirements. All members of the Senior Financial Management shall:

- Provide full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with or submits to the Securities and Exchange Commission, and in other public communications by the Company.
- Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing the individual’s independent judgment to be subordinated.
- Share knowledge and maintain skills relevant to carrying out the individual’s duties within the Company.
- Proactively promote ethical behavior among peers and employees under the individual’s supervision at the Company.
- Achieve responsible use of and control over all assets and resources of the Company entrusted to the individual.
- Promptly report to the Chairman of the Audit Committee any information concerning violations of the Code or this Addendum, significant deficiencies in the design or operation of the Company’s internal financial controls, or any fraud involving management or other employees who have a significant role in the Company’s financial reporting, disclosures or internal controls.

Reporting Violations. Any person who has information concerning any violation of the Code or this Addendum by any member of the Senior Financial Management shall promptly bring such information to the attention of the Chairman of the Audit Committee. Alternatively, any person may report any violation of the Code or this Addendum by calling the Company’s Compliance Hotline at (844) 417-8862, which provides a means for making anonymous, confidential reports. Reports received by the Compliance Hotline will be forwarded to the Chairman of the Audit Committee. The Audit Committee will oversee the handling of reports involving accounting, internal control or audit matters and any report or involving the Senior Financial Management, and will refer other reports to the Chief Executive Officer or Chief Financial Officer for appropriate handling and response.

Sanctions. Violations of the Code or this Addendum may subject the officer to appropriate sanctions, including censure, suspension or termination. These sanctions shall be reasonably designed to deter wrongdoing and promote accountability for adherence to the Code and this Addendum.

Waivers and Amendments. Waivers of or amendments to the provisions of the Code or this Addendum may be granted or approved only by the Board of Directors of the Company. Any such waivers or

amendments shall be promptly disclosed as required by law, regulation or requirement of the stock exchange or automated quotation system upon which the Company's common stock is listed, if any.

Acknowledgements. Each member of the Senior Financial Management shall acknowledge in writing his or her obligation to fully comply with the Code and this Addendum.

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