

Policy Section: **Business Operations**

Title of Policy: **Code of Ethics**

Policy Statement

EntreMed is dedicated to maintaining the highest standards of integrity and honest and ethical conduct. Through policies and actions, including this Code of Ethics, EntreMed seeks performance and reputation that reflect the Company's mission and values. EntreMed employees, members of EntreMed's Board of Directors ("Directors") and, to the extent consistent with their service to EntreMed, consultants (where applicable, references to "employees" shall include consultants), are expected to conduct Company business honestly, ethically and with integrity at all times. This includes, among other things, being truthful in communications with stockholders, government agencies and those with which we do business, treating others fairly and complying with all applicable laws and regulations applicable to our business in a manner that excludes considerations of personal advantage or gain.

The intent of this Code of Ethics is to guide employees and Directors with respect to standards of conduct expected in areas where improper activities could damage EntreMed's reputation and otherwise result in serious adverse consequences to the Company and to the employees and/or Directors involved. The Code is not intended to address every conceivable type of business practice and behavior and, of necessity, cannot address every law or other rule and regulation applicable to EntreMed. However, it is intended to cover those that are most likely to apply to Company employees or Directors, and to summarize our standards and expectations of all of our employees and Directors.

Nothing in the Code should be construed as changing the at will employment relationship between EntreMed and its employees.

1. Conflicts of Interest

Each employee has the responsibility at all times to be loyal to the Company, to promote the Company's best interests, and to avoid activities that present conflict of interests. A conflict of interest exists when a person's private interest interferes in any way with the interests of EntreMed. A conflict situation can arise when an employee or Director takes actions or has interests that conflict with or otherwise may make it difficult to perform his or her Company duties objectively and effectively, such as when an employee permits the possibility of direct or indirect

personal gain to influence his/her judgment in acting on behalf of the Company. Employees and Directors should strive to avoid even the appearance of a conflict of interest. Each employee shall make a prompt and full disclosure in writing to his or her supervisor of any potential conflict of interest situation. Directors should make such disclosures to the Compliance Program Coordinator, as identified below.

Examples of conflicts of interest include, but are not limited to:

- a) Benefiting personally or allowing family members to benefit from any purchases or sales by the Company or from any partnerships or other business arrangements into which the Company enters.
- b) Serving as a Director, officer, partner, consultant, or in a managerial or technical capacity with an outside enterprise that does or seeks to do business with the Company or is a competitor of the Company. Exceptions to this can be approved by the Chief Executive Officer, President or Chief Financial Officer of the Company.
- c) Acting as a broker, finder, go-between, or otherwise for the benefit of a third party in transactions involving or potentially involving the Company or its interests.
- d) Rendering services or advice to competitors.
- e) Taking personal advantage of opportunities that are discovered through the use of Company property, information or position in the Company or using Company information, property or position for personal gain.
- f) Soliciting or demanding anything of value from anyone in return for any business, service or confidential information of the Company.
- g) Any other arrangements or circumstances which might dissuade the employee or Director from acting in the best interest of the Company.

Please refer to policy number 320 (Conflicts of Interest).

Gifts, favors, entertainment, and payments received by Company employees and Directors

Employees and Directors may not seek or accept for themselves or others any gifts, favors, entertainment, or payments from any persons or business organizations that do or seek to do business with or is a competitor of the Company, with the following exceptions usually associated with customary business practices:

- a) Meals with vendors may sometimes include spouses as long as the invitation is extended by the vendor.
- b) Gifts valued under \$100 such as calendars, pens, pads, etc.
- c) Tickets to events (i.e. sporting events, concerts) or participation in events (i.e. golf outings) are acceptable if offered by the vendor,

- accepting the tickets is consistent with accepted business ethics and practice and the value of the tickets is not excessive.
- d) Gifts of perishable items usually given during the holidays such as cookies, nuts, etc.

It is never permissible to accept a gift in cash. Acceptance of cash equivalents such as gift certificates may not be accepted if such gifts are, or could be construed as, influencing any decision making by or on behalf of the Company (for example, if such gifts are or could be construed as an inducement to have the Company or Company personnel provide services, products, or information, retain a certain person or organization to provide products or services to EntreMed, or take any other action that could be considered not in the Company's best interests or otherwise improper). Acceptance of gifts in the form of options, stocks or other forms of marketable securities are generally prohibited, but may be permitted under certain circumstances with the written approval of the Compliance Program Coordinator. The Compliance Program Coordinator may consult with other members of management in making such determinations.

Gifts, favors, and payments by the Company

Gifts, favors, and payments may be given to others at the Company's expense provided they meet all of the following criteria:

- a) They are consistent with accepted business practices;
- b) They are of sufficiently limited value and in a form that will not be construed as a bribe or payoff;
- c) They are not in violation of applicable laws and generally accepted ethical standards; and
- d) Public disclosure of the facts surrounding the gift, favor, or payment would not embarrass the Company.

2. Accurate Business Communications and Records

Accurate and reliable business records are of critical importance in meeting our financial, legal, and business obligations. It is EntreMed's policy that all business communications and records be clear, truthful, accurate, and complete. Each employee must, within the scope of his or her employment, report all information related to the Company in an accurate, honest, and timely manner. Employees responsible for creating and maintaining Company financial and other business records must do so in accordance with applicable legal requirements, and ensure that such records accurately reflect and are a fair presentation of the activity they record; financial records must additionally be maintained in accordance with generally accepted accounting principles. If you become aware of any omission, inaccuracy, or falsification regarding the Company's financial or other business records or the information supporting such records, bring the situation to the attention of

your supervisor, an appropriate member of management, or the Compliance Program Coordinator.

3. Corporate Communications and SEC Filings

It is EntreMed's policy to make full, fair, accurate, timely, and understandable public disclosure of all information relating to the Company as required by law and SEC, Nasdaq, other regulatory authorities or other rules and regulations, and/or business policy. In addition, it is EntreMed's policy to comply with all securities and other laws prohibiting "selective disclosures," including SEC Regulation Fair Disclosure ("Regulation FD"). In order to ensure that all disclosures of Company information, including but not limited to information relating to the Company's financial performance, material contracts and other information important to investors, regulators and the general public, are accurate and in full compliance with applicable laws and regulations, it is EntreMed's policy that all such disclosures will be made only through specifically established channels. Unless you have been specifically authorized to do so, you are prohibited from discussing Company affairs with securities analysts, media representatives, government officials, pension plan or similar fund administrators, and other outside persons. If you are contacted by any such persons requesting any information about EntreMed, even if such information is not proprietary or confidential, you should refer them to the Associate Director, Corporate Communications & Investor Relations or his or her designee. Please refer to policy number 315 (Fair Disclosure).

All employees are expected to comply with EntreMed's disclosure controls and procedures to ensure that material information relating to the Company is timely recorded, processed, summarized, and reported in accordance with all applicable SEC and other rules and regulations. If the scope of your employment involves the reporting of material information, you will be trained in these controls and procedures. All employees are expected to report to their supervisor information they believe might be material about the Company, but which they believe may not be known at higher levels of the Company.

4. Misconduct in Science

EntreMed is committed to conducting our research with the highest level of integrity. To underscore our commitment regarding scientific integrity, we have developed policies to prevent research misconduct by our employees, contractors and collaborators. Company employees are responsible for maintaining the highest level of scientific integrity while performing research activities. In this regard, the following apply:

- a) The fabrication, falsification, plagiarism, or other practices that seriously deviate from those that are commonly accepted within

the scientific community for proposing, conducting, or reporting research is strictly prohibited.

- b) Cover-ups of misconduct in science, reprisals against those who report misconduct in science, malicious allegations of misconduct in science, and violations of due process protections in handling allegations of misconduct in science are also strictly prohibited.
- c) Misconduct in science does not include honest error or honest differences in interpretation or judgments of data.

5. Compliance with Applicable Laws, Rules and Regulations

It is EntreMed's policy to comply with **all** laws and other governmental rules and regulations that are applicable to the Company and its business. Some of the most material of these laws are discussed below. You should remember, however, that you are expected to comply with all applicable laws in the conduct of your employment or service to the Company, including ones that may not be discussed in the Code. If you have any questions about particular laws, rules and regulations, how they affect your employment or about compliance with such laws, please contact the Compliance Program Coordinator.

Securities Trading

It is EntreMed's policy that all employees and Directors are prohibited from purchasing or selling securities of any company when they know material information that has not been made public. This prohibition includes Company securities as well as securities of other companies. The policy also prohibits employees and Directors from passing proprietary information about the Company or information that could have an impact on the Company's stock price to other persons. In addition, all Directors and certain employees are required to comply with certain procedures when buying or selling Company stock. Please refer to policy number 310 (Insider Trading Policy and Agreement) for a full description of Company policies and procedures regarding trading by employees and Directors.

Competition and Antitrust Laws

Antitrust and competition laws protect free enterprise by prohibiting agreements and practices that reduce competition. Many of these prohibited practices are not applicable to the Company at this stage of our business. However, we are still subject to these laws and you are expected to comply with them, as applicable. Examples of unlawful behavior can include anti-competitive agreements or understandings among competitors to:

- fix or control prices or other terms and conditions of sale;
- allocate products, sales, territories, markets or customers;
- refuse to deal with specified suppliers or customers; or

- limit the production or sale of products or product lines.

An example that could apply to our business would be if a representative of one of our competitors approached you to discuss the idea of limiting the development of one of our product candidates that treats the same disease as a product our competitor is developing. They broach with you the possibility of us limiting our development of this particular product candidate. In exchange, the competitor would consider delaying its development of another of its products which competes with a different product candidate of ours. Such an agreement would be illegal under antitrust laws.

You must never discuss these issues with Company competitors. If representatives of other companies initiate discussions of these matters with you, you should ask him or her to stop and if he or she does not, you should leave and report the incident to the Compliance Program Coordinator.

In addition, to avoid even the appearance of an improper agreement or understanding, communications with competitors should be kept to a minimum. There should be a legitimate business reason for any such communication.

Food/Drugs/Medical Devices

The Federal Food, Drug and Cosmetic Act (the "Act"), which is administered by the Food and Drug Administration (the "FDA"), aims to protect the public from harmful foods, drugs, and medical devices as well as deceptive practices by manufacturers. It is EntreMed's policy to comply with the Act and all applicable FDA rules and regulations in the manufacture, testing and distribution of our product candidates, including Current Good Manufacturing Practice ("CGMP"), Good Laboratory Practice ("GLP"), and Good Clinical Practice ("GCP").

In addition, the Company will communicate complete, honest, and accurate information regarding the results of any studies or testing or any other information about our product candidates or data we gather or become aware of.

Finally, the Company will report any adverse drug events immediately to the appropriate regulatory authorities.

Occupational Safety and Health

It is EntreMed's policy to provide a workplace that is free from recognized hazards that could cause death or serious injury to our employees. To this end, we comply with all occupational safety and health standards, including the Occupational Safety and Health Act ("OSHA"). Among other things, these standards require workers to wear appropriate protection and adhere

to all Company safety and hazardous material policies and practices, and requires the Company to provide you with proper training and supervision, and inform you of any toxic or hazardous substances in the workplace.

You must comply with all applicable laws, rules, and regulations regarding employee safety, including any Company-specific rules and regulations. If your position necessitates compliance with any workplace safety and health requirements, we will provide you with appropriate training. If you have any questions about these requirements, contact the Compliance Program Coordinator. Please refer to policy number 515 (Emergency Procedures) and policy number 545 (Workplace Violence).

Environmental Laws

It is EntreMed's policy to comply with all applicable environmental laws and regulations. As a Company employee, you are expected to comply with all applicable laws, rules, regulations, permits, etc. relating to maintaining a clean and healthy environment, including laws related to conservation, pollution and waste disposal. You will receive training on all applicable environmental laws to the extent applicable to the scope of your duties as a Company employee.

Intellectual Property

It is EntreMed's policy to comply with all laws relating to copyright and trademark protection, patents, and trade secrets. Pursuant to this policy, we will use copyrighted materials, including computer programs, only as allowed by law or agreement with the holder of the copyright. We will also comply with applicable laws and regulations relating to issued patents and strive to avoid infringing on patents held by others.

As a Company employee or Director, you should avoid making unauthorized copies of copyrighted material, including books, magazines, drawings, photographs, etc. You should note that just because a work does not contain the © symbol does not necessarily mean that the work is not copyrighted. Similarly, you should not make or distribute copies of any software that we make available to you within the scope of your employment, or remove such software from our equipment or use our computers or other equipment to download, upload, reproduce, or distribute copies of software or other copyrighted material without express authorization from management.

Copyright law allows for limited reproduction of copyrighted materials under limited circumstances. You will be instructed as to compliance with applicable intellectual property laws as necessary within the scope of your employment.

Please refer to policy number 305 (Proprietary Information and Patents).

Equal Employment Opportunity/Discrimination

It is EntreMed's policy, in compliance with applicable federal, state and local laws, to recruit, hire, promote, transfer, compensate, assign job responsibilities, discipline, and terminate employees without regard to race, color, religion, national origin, gender, pregnancy, childbirth, and other related medical conditions, age, disability or handicap, citizenship status, veteran status, ancestry, marital status, genetics, sexual orientation, and any other category protected by federal, state or local law. Employment-related discrimination on any of these protected bases is prohibited. Please refer to policy number 100 (Equal Employment Opportunity).

Harassment

It is EntreMed's policy to comply with the federal, state and local laws regarding harassment of employees in the workplace. EntreMed will not tolerate harassment in any form, including sexual harassment. Please refer to policy number 100 (Equal Employment Opportunity) and policy number 400 (No Harassment Policy; Respect and Dignity in the Workplace).

Substance Use/Abuse

It is EntreMed's policy to prohibit the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the workplace or on Company premises. EntreMed is obligated to and will comply with and enforce any applicable regulations issued by government agencies with respect to drug abuse. Employees and Directors are expected to perform their Company duties free from the influence of illegal drugs or alcohol. Note, however, that consumption of alcohol on Company premises is permitted in conjunction with Company-sponsored events. Please refer to policy number 425 (Drug Free Workplace) and policy number 420 (Alcohol Abuse).

Political Contributions

Federal and state law prohibits companies from making political contributions in connection with elections. It is EntreMed's policy to comply with any laws regarding political contributions. Employees and Directors must not make any such political contribution in EntreMed's name or on our behalf without prior approval from the Compliance Program Coordinator. This can include not only direct contributions to candidates, but other activities such as buying tickets to a political event, providing goods or services, or paying for advertisements and other campaign expenses.

Personal political activities are of course permitted. However, you must never use Company time, property or equipment for your personal political activities.

6. Confidential Information

Employees and Directors must maintain the confidentiality of any proprietary or confidential information regarding the Company. Please refer to policy number 300 (Confidentiality), policy number 305 (Proprietary Information and Patents), and policy number 310 (Insider Trading Policy and Agreement).

7. Care of Assets/Use of Company Resources

Employees and Directors are expected to exercise care in their use of Company property. Furthermore, using or permitting others to use Company documents, equipment, or trade secrets, or using Company time, equipment, or supplies to conduct non-related business is prohibited, although reasonable and limited personal use of Company assets such as your telephone and computer, other than in connection with personal political activities, is permitted. Please refer to policy number 325 (Company Property).

8. Implementation of the Code

Distribution/Confirmation of Compliance

Employees and Directors are responsible for becoming generally familiar with, and following, the Code of Ethics and all the laws, rules, regulations, and policies that apply to their position with EntreMed and their level of responsibility. All employees and Directors will receive a copy of the Code and will be required to confirm in writing that they have (i) received a copy of the Code and (ii) read and understand the Code, including their duty to report violations or other questionable conduct. Consultants may also be required to sign this confirmation. The required confirmation form is attached to this copy of the Code. Please sign it and return it to Human Resources.

New employees and Directors will be provided a copy of the Code and required to execute the required confirmation at the commencement of their employment.

We may make periodic updates or other changes to the Code. When there are material changes, you will be provided with an updated copy of the Code. You also may be required to execute a new confirmation.

Compliance Program Coordinator

We have appointed a Compliance Program Coordinator. The Compliance Program Coordinator is responsible for administering the implementation and execution of the Code, including:

- overseeing the implementation of the Code and related policies, practices and procedures;
- overseeing administration of and compliance with the Code, including enforcement and ensuring that appropriate disciplinary measures are consistently applied, as necessary;
- conducting investigations into reported violations of the Code;
- coordinating appropriate responses to misconduct and taking action to prevent a recurrence of any misconduct;
- coordinating any necessary training programs on topics covered by the Code; and
- answering questions and providing guidance to employees and Directors regarding the Code.

Investigations of Code Violations

Once a report of a violation or suspected or potential violation of the Code has been received, the Compliance Program Coordinator will conduct an investigation. Such an investigation may be conducted by the Compliance Program Coordinator or other Company personnel, or the Compliance Program Coordinator may retain outside advisors or other personnel to conduct the investigation, or assist in conducting the investigation. All employees and Directors are expected to be truthful with those conducting such an investigation and to otherwise assist in such investigation within the appropriate scope of their employment.

Questions and Other Concerns

Any questions about this Code or its application, including whether an outside activity conflicts with the Company's interests or otherwise violates the Code, should be directed to your supervisor, Human Resources, the Compliance Program Coordinator or IP/General Counsel.

Waivers of the Code

Any waivers of the Code for employees must be made in writing by the Compliance Program Coordinator. Any waivers of the Code for executive officers and Directors may be made only by the Board of Directors, and must

be promptly disclosed to stockholders in accordance with applicable SEC and Nasdaq rules and regulations.

9. Reporting Violations

Employees and Directors must promptly report any violations or potential or suspected violations of the Code of Ethics of which they have knowledge. Employees should make such reports to their immediate supervisor. Employees who are not comfortable making reports to their immediate supervisor or are not satisfied with their supervisor's response should make a report to the next level up of supervision. Directors, and employees who are not comfortable with reporting to their immediate or next-up supervisor or who do not receive an appropriate response, may make such reports directly to the Compliance Program Coordinator. In addition, employees making reports of harassment may use the procedures outlined in policy number 400 (No Harassment Policy; Respect and Dignity in the Workplace). Please refer to policy number 415 (Employee Concerns).

No disciplinary or other retaliatory action will be taken against any person as a result of reporting any violation or suspected violation in good faith, even if the report turns out to be in error. Any such retaliatory conduct is a violation of the Code. Failure to report a known violation of the Code, however, is itself a violation, and may result in disciplinary measures as further discussed below.

To the extent possible, the reporting of any violations or suspected violations will be kept confidential.

In addition, the Company has established procedures for employees to submit confidential, anonymous concerns regarding questionable accounting or auditing matters. You may also use this method to anonymously report violations or potential violations of the Code, other applicable Company policies, or applicable laws, rules and regulations. If you would like to report such concerns on a confidential and anonymous basis, you may do so by calling 866-384-4277 or visiting www.ethicspoint.com

10. Disciplinary Measures for Violations of the Code

Violations of this Code of Ethics may result in disciplinary measures, up to and including immediate termination of employment, depending on the individual circumstances including the level of the person's involvement and knowledge and the severity of the violation. In addition, violations of legal and regulatory requirements covered by the Code may be grounds for legal action against any and all persons involved in such activity and can result in civil and criminal penalties, including fines and imprisonment.

Disciplinary measures may be taken against:

- a) Employees who authorize or participate directly in a violation of the Code;
- b) Employees who may have deliberately failed to report a violation of the Code;
- c) Employees who may have deliberately withheld relevant and material information concerning a violation of this policy;
- d) Employees who knowingly falsely accuse another person of a violation of the Code, another internal Company policy or of an applicable law, rule or regulation; and
- e) Employees who retaliate against a person who reports a violation or suspected or potential violation of the Code, or who encourages others to do so.

Company response involving a Director's violation of the Code, if any, will be dealt with on a case-by-case basis.

Forms Index

Employee Confidentiality Agreement

Employee Proprietary Information and Patent Agreement

Code of Ethics Acknowledgement Form

ACKNOWLEDGMENT

I acknowledge that I have received a copy of the EntreMed, Inc. Code of Ethics. Further, I have read and I understand the Code, including my duty to report violations or other questionable conduct. I understand that if I have questions regarding the Code or other similar concerns, I may contact internal EntreMed personnel for clarification.

I understand that I am subject to the Code and am required to comply with the Code, including any amendments thereto. I understand that if I violate the Code, including failure to report violations or suspected or potential violations, I am subject to disciplinary action up to and including termination of my employment.

Name: _____

Signature: _____

Date: _____