

MOLECULAR INSIGHT PHARMACEUTICALS, INC.

Corporate Governance Guidelines

To ensure the highest possible standard of excellence, the Board of Directors (the “Board”) of Molecular Insight Pharmaceuticals, Inc. (together with its subsidiaries, the “Company”) has adopted the following principles of corporate governance.

1. Role of the Board

The Board is elected by the Company’s shareholders to oversee management and to ensure that the long-term interests of the shareholders are optimized. The Board will continuously strive to perform in accordance with the “best practices” in the industry, as defined by such organizations as the “National Directors Institute”. The Board has at least four scheduled meetings per year at which it reviews and discusses reports by the management on the performance of the Company, its plans and prospects, as well as immediate issues facing the Company. Directors are expected to attend all scheduled Board and committee meetings. In addition to this general oversight of management, the Board also performs a number of specific functions, including:

- Selecting, evaluating and compensating the CEO and ensuring that a CEO succession plan is in place
- Providing counsel and oversight on the compensation of senior management
- Periodically assessing the depth of senior management
- Reviewing and, where appropriate, approving fundamental financial and business strategies, annual operating plans and associated budgets
- Assessing major risks facing the Company – and reviewing options for their mitigation
- Reviewing and, where appropriate, approving the contents of the Company’s quarterly and annual reports to the Securities and Exchange Commission and the Company’s annual proxy statement
- Ensuring processes are in place for maintaining the integrity of the Company – the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with customers and suppliers, and the integrity of relationships with other shareholders
- Assisting in setting Board meeting agenda

- Maintaining and approving appropriate minutes of meetings of the Board and its committees.

Management supports the Board by providing detailed materials sufficiently in advance of Board meetings so that directors are able to prepare for meetings.

2. Committees of the Board of Directors

The Board has three standing committees: Audit, Compensation, and Governance & Nominating (each a “Committee”). Each of these Committees has a written charter that is published on the Company’s website. Each Committee consists entirely of independent directors as and to the extent required by applicable law or stock exchange rules. Committee membership is proposed by the Governance & Nominating Committee and approved by the Board.

3. Access to Senior Management

Board members have, and will have, complete access to the Company’s senior management. If contact with senior management is in written form, it will as a usual course (unless inappropriate) be copied to the Chairman of the Board (the “Chairman”) and the Company’s Chief Executive Officer (the “CEO”). The CEO, the Chairman or the Lead Independent Director (if one is appointed by the Board) may be designated as liaison between management and directors to ensure that the role between Board oversight and management operations is respected. Committee chairs have, and will have, full access to management representatives who support the Committees.

The Chairman will be responsible for setting Board meeting agendas, in coordination with the CEO, Lead Independent Director and Board members. The Board may combine the Chairman’s role with either the Lead Independent Director’s role or the CEO’s role.

4. Lead Independent Director; Chairman

One independent director may be selected by the Board’s independent directors as the lead independent director (the “Lead Independent Director”). The Lead Independent Director is responsible for coordinating the activities of the Chairman and the Board’s independent directors, including setting the Board meeting calendar, selection of members to committees, and Board meeting agendas. At least twice each year, the independent members of the Board of Directors will meet in a separate session chaired by the Lead Independent Director. A portion of one these sessions each year is devoted to review of the CEO succession plan; this discussion is led by the chairman of the Governance & Nominating Committee.

5. Director Qualifications

The Company endeavors to have a Board representing diverse experience at policy-making levels in business, government, education, technology and other areas that are relevant to the Company's activities. Directors are expected to:

- Possess the highest professional ethics, integrity and values;
- Represent the long-term interests of all shareholders;
- Possess inquisitive and objective perspective, practical wisdom and mature judgment;
- Possess deep, diverse and distinguished experience and accomplishments in business, government, education or technology, and an understanding of global activities;
- Possess judgment and experiences to avoid both the appearance of a conflict of interest or an actual conflict;
- Devote sufficient time to carrying out Board duties and responsibilities effectively; and
- Offer his or her resignation if these and other standards are not met.

Directors should be committed to serving on the Board for their full term of three years. Directors should offer their resignation in the event of any significant change in their personal circumstances, including a change in their principal job responsibilities from the time when they were originally invited to join the Board, or any other change which adversely affects their ability to serve the best interests of the Company's shareholders.

Directors who also serve as CEOs or equivalent positions for other public companies should not serve on the boards of more than two other public companies in addition to the Company's Board, and other directors should not serve on boards of more than four other public companies in addition to the Company's Board. Exceptions to these conditions may be allowed upon recommendation by the Governance & Nominating Committee and Board approval.

6. Independence and Determination of Independence

A majority of the members of the Company's Board are and will not be current employees of the Company and will otherwise meet appropriate standards of independence. The Nomination & Governance Committee will annually review each director's status as an "independent director" in compliance with the applicable provisions of the Securities and Exchange Act of 1934 and the listing standards of the

Nasdaq Stock Exchange and will report its recommendations to the entire Board for the Board's review and final determination.

7. Ethics and Conflicts of Interest

The Board expects its directors, as well as the Company's officers and employees, to act ethically at all times and to acknowledge their adherence to the policies in the Company's Code of Business Conduct. If an actual or potential conflict of interest arises for a director, the director will promptly inform the lead independent director, the CEO and the Company's Compliance Officer. The Compliance Officer refers to the Company's general counsel or, if the Company does not have a general counsel at any given time, such other person as may be appointed by the Company's Board. If a significant conflict exists and cannot be resolved, the director should resign. All directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests that may conflict with the interests of the Company.

8. Director Responsibilities

Directors are expected to have at least a 75% attendance record at Board and Committee meetings, to read in advance the meeting materials, to be knowledgeable about the strategy and affairs of the Company and to approach their duties with an objective and independent frame of mind.

9. Director Terms

Each director is elected for a three-year term. The terms are staggered. There are no limits on the tenure of outside directors either through term limits or a mandatory retirement age. The Company does not believe that directors should expect to be re-nominated at the end of their term.

10. Director Evaluation and Orientation

The Compliance Officer and the Chief Financial Officer will be responsible for providing an orientation for new directors. Each new director will, within three months of election to the Board, spend a day at the Company's corporate headquarters for personal briefing by senior management. In addition, directors will be provided with continuing education if necessary or as required on subjects that would assist them in discharging their duties, including regular programs on the Company's financial planning and analysis, compliance and corporate governance developments; business-specific learning opportunities through site visits and Board meetings; and briefing sessions on topics that present special risks and opportunities to the Company. The Governance & Nominating Committee, with the support of the Compliance Officer and the Chief Financial Officer, will be responsible for director education on corporate governance and legal compliance matters.

11. Annual Board Performance Review

Consistent with best business practices, each year the Board will conduct a review of its own performance as well as the performance of its Committees.

12. Compensation of CEO, Senior Management, and Directors

The Compensation Committee annually approves the compensation structure for the Board's directors and the Company's CEO and its senior executive officers. The Compensation Committee evaluates the performance of the Company's senior executive officers before approving their salary, bonus and other incentive and equity compensation. Directors and officers should be fairly compensated for the time commitment and responsibility associated with their service. The Company's organization-wide compensation structure for its employees should be fair and competitive with market rates commensurate with the caliber of qualifications sought after by the Company. The Company's compensation policies should align management and shareholder interests and further the Company's long-term strategic plan and the overall goal of enhancing enduring shareholder value.

13. Stock Ownership Guidelines

In order to align the interests of shareholders and management, the Company has stock ownership guidelines for its officers. It is recommended that officers with more than one year of service whose compensation exceeds \$200,000 per year purchase at least \$20,000 of Company stock within two years of joining the Company. While not recommending a specific level of purchase, the Company encourages all Board members to take an appropriate equity position in the Company.

14. Loans to Directors and Senior Management

Company loans to officers and directors are prohibited.

15. Outside Advisors and Consultants to the Board of Directors

The Board or any Committee has the authority to directly retain independent advisors as they consider appropriate. In each such instance, a copy of a written proposal by the advisor(s) will be provided to the Company's Chief Financial Officer and the Compliance Officer prior to formal engagement of services.

16. Shareholder Rights Plan

The Board has adopted a shareholder rights plan. The Board believes that this can be used to protect shareholder interests and the Board does not intend to use it in a manner that entrenches management.

17. Relationship with Independent Registered Accounting Firm

The Audit Committee of the Board has the authority to retain and terminate the Company's independent auditing accounting firm.

18. Corporate Communications

The Board believes that executive management has the primary responsibility to communicate with investors, the press, employees and other constituencies that are involved with the Company, and to set policies for those communications. A Disclosure Committee consisting of the Company's executive management is in place to ensure that all disclosures made by the Company are accurate and complete and fairly present the Company's financial condition and results of operations in all material respects, and should be made on a timely basis as required by applicable laws and stock exchange requirements

Adopted on September 16, 2008