



LUPIN PHARMACEUTICALS

Compliance Program

Lupin Pharmaceuticals, Inc. ("LUPIN") is dedicated to conducting its business in a manner consistent with all applicable laws. To that end, LUPIN is committed to establishing and maintaining a compliance program consistent with the "Compliance Program Guidance for Pharmaceutical Manufacturers", published by the Office of Inspector General, US Department of Health and Human Services (hereinafter, "OIG Guidance"); and the Code on Interactions with Healthcare Professionals, published by the Pharmaceutical Research and Manufacturers of America in 2008 (hereinafter, "PHRMA Code").

The LUPIN Compliance Program is designed to meet the requirements set forth in applicable laws and to prevent and detect violations of such laws and company policy. While LUPIN makes efforts to create policies that require proper conduct of all its employees and contractors, LUPIN cannot guarantee that all of its employees and agents will always adhere to same. Therefore, in the event LUPIN becomes aware of any violations of law or policy, it is committed to investigating the matter to determine whether disciplinary action or other corrective action is appropriate in order to prevent such occurrence from happening again in the future. While this Compliance Program is designed to meet the spirit and requirements identified in the OIG Guidance and PHRMA Code of 2008, LUPIN reserves the right to continually assess its program objectives and to continually modify its program without notice.

1. Compliance Leadership

LUPIN has identified a person within its organization who is responsible for the overall commercial compliance of the organization, including but not limited to adherence to this Compliance Program. This person has the ability to make decisions for the company with regard to its compliance and is responsible for developing, monitoring and implementing the Compliance Program. This person also reports up to the President/CEO of LUPIN and has direct access to the Board of Directors, with regard to all compliance concerns.

2. Documented Policies and Procedures

LUPIN has documented policies and procedures that address the company's expectations and management of its employees with regard to adherence to all applicable laws in the Lupin Code of Conduct. The information contained in the Code of Conduct addresses the specific risk areas identified in the OIG Guidance as well as other practice areas specific to LUPIN's business practices.

The OIG Guidance risk areas include (a) data integrity, (b) kickbacks, (c) compliance with drug sampling laws. The PHRMA Code addresses the inappropriate uses of meals, entertainment, and recreation when interacting with healthcare professionals; as well as the appropriate use of speaker programs, educational programs, consulting arrangements, training, and other issues related to interactions with healthcare personnel. In addition, there are various state laws that maintain their own restrictions, disclosures and other requirements with regard to compliance and codes of conduct. LUPIN has adopted policies and procedures designed to meet these requirements and laws.

Pursuant to California Business and Professional Code, section 119402(d)(1), LUPIN has established an annual limit on the amount it may spend on promotional activities directed at healthcare professionals. This limit is not a stated goal, but a maximum that the company sets for itself as a limitation. In most cases, the amounts actually spent are significantly less than the maximum amount set by this limitation. This limitation is also subject to ongoing review and may be changed from time to time at the discretion of the company.

3. Training

LUPIN is dedicated to an ongoing training and education program for its employees with regard to their legal and ethical obligations. LUPIN has specific documented training programs for identified areas of education and employees are required to complete certain programs in accordance with their expected job obligations. These training programs are subject to review, modification and addition from time to time, as deemed appropriate by the company. It is the policy of LUPIN to train all of its employees on the Compliance Program and Code of Conduct.

4. Communication

LUPIN encourages free flow of information, ideas and concerns with regard to its business activities. To that end, all employees should have a communication channel to express concerns or other information about the company and its practices, especially concerns regarding compliance with the company Compliance Program or Code of Conduct. Retaliation against an employee for expressing a concern or other good faith report of a potential violation of any law or company policy is prohibited. LUPIN also has established a toll free hotline, where employees may express their concerns in an anonymous manner. LUPIN employees are also encouraged to report their concerns to their direct supervisors, Human Resources or the Compliance Department.

5. Auditing & Monitoring

LUPIN has established an audit and monitoring program with regard to its internal review of business activity of LUPIN relating to the Code of Conduct and the Compliance Program. This program includes a random and for-cause element; and is subject to change from time to time.

LUPIN is always assessing its risk of non-compliance and will focus its audits and monitoring in those areas consistent with OIG Guidance, the PHRMA Code and its own internal assessments.

6. Corrective Action

LUPIN has established disciplinary policies for those employees who violate the law or company policy. Based upon the nature of each violation, the company will investigate the matter and consider disciplinary action in accordance with company policy.

In addition, based upon the nature of any transgression or violation, and after proper investigation, the company would consider implementation of corrective action where necessary.

7. CA Spend Limit

LUPIN has established an annual spend limit of \$2,000 per healthcare professional. This limitation is set for all activities for the calendar year of 2012, and is subject to change from time to time. LUPIN excludes from its spending limit calculations all items specifically excluded or allowed in the CA law cited herein.