



CADENCE PHARMACEUTICALS, INC. COMPLIANCE PROGRAM

Scope

This Compliance Program (the “*Compliance Program*”) of Cadence Pharmaceuticals, Inc. (the “*Company*,” or “*Cadence*”) has been adopted by the Board of Directors of the Company, effective as of the date set forth below. The purpose of this Compliance Program is to promote compliance with applicable laws, rules and regulations and ethical and responsible decision-making when engaging in sales, marketing and distribution of the Company’s pharmaceutical products.

The Company shall review and update this Compliance Program from time to time as it reasonably deems appropriate. This Compliance Program is adopted in accordance with the Company’s Amended & Restated Code of Business Conduct and Ethics, which contains general guidelines for conducting the business of the Company consistent with applicable laws, rules and regulations and with the highest standards of business ethics.

Compliance Committee and Compliance Officer

Cadence has designated a compliance committee (the “*Compliance Committee*”) and Compliance Officer (the “*Compliance Officer*”) to oversee the implementation and operation of the Compliance Program. The Compliance Committee and Compliance Officer have the authority to report directly to the Board of Directors and/or the Company’s President and CEO.

The Compliance Committee consists of the Head of Human Resources, the Head of Regulatory and Quality Affairs, and the Compliance Officer, who will chair the committee.

Written Standards of Conduct, Policies and Procedures

Cadence has adopted policies and procedures addressing fraud and abuse issues in connection with interactions with medical or health care professionals, including a policy statement entitled, *Good Promotional Practices and Compliance Policies* to ensure compliance with the guidelines set forth in the Pharmaceutical Research and Manufacturers of America’s *Code on Interactions with Healthcare Professionals* (the “*PhRMA Code*”) related to, among other things:

- a. Advertising and promotional activities;
- b. Consulting and service arrangements with customers;
- c. Grants and charitable contributions; and
- d. Gifts, meals and entertainment for physicians and other healthcare professionals.

Annual Dollar Limit on Gifts or Incentives Provided to Medical or Healthcare Professionals in California

As required by, and in accordance with the definitions set forth in, California Health & Safety Code §119400-119402 (S.B. 1765), Cadence has established an annual dollar limit on gifts, promotional materials, or items or activities that the Company may give or otherwise provide to an individual medical or health care professional in California equal to \$1,500.00 per such individual.



Training

Cadence provides training for its commercial personnel at least annually in fraud and abuse laws and the Company's related policies and procedures applicable to commercial personnel.

Routine Monitoring of Commercial Programs

From time to time, Cadence shall select certain commercial programs to review and confirm whether the selected programs were carried out in accordance with the relevant Company policies and procedures and applicable laws, rules and regulations. Each such review shall be documented and reported to the Compliance Committee.

Procedures for Reporting Violations

Cadence' employees are encouraged to report any known or suspected violations of fraud and abuse laws or the relevant policies and procedures to their supervisor or to the Compliance Officer or the Legal Department. The Company has also established a Compliance and Ethics Hotline that is available 24 hours a day, 7 days a week at 1-877-756-4310, or via the web at www.reportlineweb.com/cadencepharmaceuticals, for making anonymous reports. All reports shall be documented and reported to the Compliance Officer or the Legal Department.

Investigations, Corrective Actions and Disciplinary Policies

In the event that the Company becomes aware of any known or suspected violations of fraud and abuse laws or the relevant policies and procedures, through either the routine monitoring of its commercial programs or a reported violation, the Compliance Officer shall investigate the circumstances surrounding the known or suspected violation and shall take appropriate corrective action, which may involve disciplinary actions up to and including termination.

Copies of Compliance Program and Annual Declarations

Copies of this Compliance Program and our Annual Declaration of Compliance can be obtained by contacting 1-877-617-5620 or on our Web site at www.cadencepharm.com.