

AMENDED AND RESTATED CHARTER OF THE
AUDIT COMMITTEE OF THE
BOARD OF DIRECTORS OF
LA JOLLA PHARMACEUTICAL COMPANY

The Board of Directors (the “Board”) of La Jolla Pharmaceutical Company (the “Company”) hereby sets forth the authority and responsibilities of the Audit Committee (the “Committee”) as described below, subject to amendment by the Board from time to time:

Section 1. Statement of Purpose

1.1 The Committee is established for the primary purpose of:

- a. appointing, overseeing and replacing, if necessary, the Company’s independent registered public accounting firm (the “independent auditor”);
- b. assisting the Board in overseeing:
 - i. the integrity of the Company’s financial statements;
 - ii. the integrity of the accounting and financial reporting processes of the Company;
 - iii. the Company’s compliance with legal and regulatory requirements;
 - iv. the independent auditor’s qualifications and independence; and
 - v. the performance of the Company’s independent auditor and internal audit function (if any).
- c. preparing the report of the Committee that the Securities and Exchange Commission (the “SEC”) requires to be included in the Company’s annual proxy statement.

1.2 Company management is responsible for preparing the Company’s financial statements, and the independent auditor is responsible for auditing those financial statements. It is not the duty of the Committee to plan or conduct the audit or to determine that the Company’s statements are complete and accurate or are in accordance with generally accepted accounting principles in the United States (“GAAP”). Nothing in this Audit Committee Charter (this “Charter”) changes, or is intended to change, the responsibilities of management or the independent auditor. Moreover, nothing in this Charter is intended to increase the liability of the

members of the Committee beyond that which would exist were this Charter not adopted and approved by the Board.

1.3 The Committee has the direct and sole responsibility for the appointment, compensation, oversight and replacement, if necessary, of the independent auditor, including the resolution of disagreements between management and the independent auditor regarding financial reporting.

1.4 The Committee will encourage improvement of, and foster adherence to, the Company's policies and procedures.

1.5 The Committee will also foster open communication among the independent auditor, financial and senior management, the internal audit function (if any), and the Board.

Section 2. Organization

2.1 Independence. The Committee will be comprised of three or more directors, as determined by the Board, and each such Committee member will satisfy the listing requirements of The NASDAQ Stock Market ("NASDAQ"). The Committee will have all independent members.

2.2 Qualifications. Each member of the Committee shall be familiar with finance and accounting practice and principles and shall be financially literate at the time of his or her appointment, as determined by the Board in its business judgment. Furthermore, at least one member of the Committee will be an "audit committee financial expert," as such a term is defined by the SEC, as determined by the Board in its business judgment or, if not, the Company shall disclose its lack of an "audit committee financial expert" and the reasons why it does not have one in its required filings with the SEC. Committee members will be encouraged to enhance their familiarity with finance and accounting.

2.3 Election and Removal. The members of the Committee shall be elected by the Board, on the recommendation of the Nominating and Corporate Governance Committee, to serve until

their successors are elected. The Board shall designate one member as chairperson of the Committee (the “Chairperson”) or delegate the authority to designate the Chairperson to the Committee, in which case the members of the Committee may designate the Chairperson by majority vote. The Board may remove members of the Committee from such Committee at any time, with or without cause. In the event that the removal or resignation of a Committee member, or any other occurrence which renders a member unable to discharge his or her duties with the respect to the Committee, causes the number of members then serving on the Committee to be fewer than three, the Board shall promptly designate a successor.

2.4 Service on Multiple Audit Committees. A Committee member shall disclose to the Board any position he or she holds on the audit committee of another public company, including any invitations he or she receives to sit on another public company’s audit committee. The Board shall determine whether or not the Committee member’s service on another company’s audit committee impairs such member’s ability to serve on the Company’s Committee. Committee members should be a member of no more than five public company audit committees; however, the Board may waive this limit in its discretion.

2.5 Subcommittees. The Committee may form and delegate authority to subcommittees, each consisting of one or more of its members, with such powers as the Committee shall from time to time confer. Each subcommittee shall keep minutes of its meetings and report them to the Committee.

Section 3. Duties and Responsibilities

The following are the duties and responsibilities of the Committee (in addition to any others that the Board may from time to time delegate to the Committee):

3.1 Accounting Reviews and Reports.

- a. Review and discuss with management and the independent auditor the Company’s annual financial statements, quarterly financial statements and “Management’s Discussion and

Analysis of Financial Conditions and Results of Operations” (the “MD&A”) of the Company prior to the filing of the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Review and discuss with management the quarterly and year end press releases disclosing financial results and financial forecasts. Discuss results of the annual audit and quarterly review and any other matters required to be communicated to the Committee by the independent auditor under GAAP standards. Review other relevant reports or financial information submitted by the Company to any governmental body or the public and relevant reports rendered by the independent auditor (or summaries thereof).

- b. Discuss with management its process for performing its required quarterly certifications under Section 302 of the Sarbanes-Oxley Act of 2002, including the evaluation of the effectiveness of disclosure controls by the Chief Executive Officer and Chief Financial Officer.
- c. Discuss with management and the independent auditor their judgment about the quality of accounting principles, the reasonableness of significant judgments, including a description of any transactions as to which management obtained a Statement of Auditing Standards No. 50 letter, and the clarity of the disclosures in the financial statements, including the Company’s disclosures of critical accounting policies and other disclosures under the MD&A.
- d. Recommend to the Board whether the financial statements should be included in the Company’s annual report.
- e. Prepare the audit committee report for inclusion in the Company’s annual proxy statement, as required by the rules of the SEC.

3.2 Independent Auditor Oversight.

- a. Annually appoint and determine the compensation of the independent auditor and oversee the work performed by the independent auditor through periodic reports from the independent auditor.

- b. Annually review the performance of the independent auditor and remove the independent auditor if circumstances warrant. The independent auditor will report directly to the Committee and the Committee will oversee the resolution of disagreements between management and the independent auditor if they arise. Discuss with the independent auditor the matters required to be discussed under Statement on Auditing Standards (SAS) No. 61, as amended by SAS No. 84 and SAS No. 90, and any subsequent amendments thereto.
- c. Review with the independent auditor the overall scope and plans for audits, including authority and organizational reporting lines, and adequacy of staffing and compensation. Review with the independent auditors any difficulties with management's responses.
- d. Review with the independent auditor and management any problems or difficulties in conducting the audit and hold timely discussions with the independent auditor regarding the following:
 - i. all critical accounting policies and practices used in preparation of the Company's financial statements;
 - ii. any alternative treatments of GAAP that have been discussed with management, the ramifications of the use of such alternative (including disclosures) and the treatment preferred by the independent auditor; and
 - iii. other material written communications between the independent auditor and management, including, but not limited to, the management letter and schedule of unadjusted differences.
- e. At least annually, obtain and review formal written documentation from the independent auditor describing:
 - i. any material issues raised by the independent audit firm's most recent internal quality-control review or peer review, or by any inquiry or investigation conducted by governmental or professional authorities during the preceding five years with respect to independent audits carried out by the firm, and any steps taken to deal with any such issues; and

- ii. the auditor's independence and all relationships between the independent auditor and the Company, addressing the matters set forth in Independence Standards Board Standard No. 1 and any amendments thereto. The formal reports from the independent auditor to the Committee should be used to evaluate the independent auditor's qualifications, performance and independence.
- f. Actively engage in dialogue with the independent auditor with respect to any disclosed relationships or services that may affect the independence and objectivity of the auditor and take appropriate actions to oversee the independence of the outside auditor.
- g. Annually review the experience and qualifications of the lead partner and other senior members of the independent audit team, including compliance with applicable rotation requirements. The Committee will also consider whether there should be rotation of the firm itself.
- h. Review and pre-approve (which may be pursuant to pre-approval policies and procedures) both audit and non-audit services to be provided by the independent auditor. The Committee shall consider whether the independent auditor's performance of permissible non-audit services is compatible with such auditor's independence. The authority to grant pre-approvals may be delegated to one or more designated members of the Committee whose decisions will be presented to the full Committee at its next regularly scheduled meeting.
- i. Review and approve the hiring of any employees or former employees of the independent auditor.

3.3 Review of Internal Controls.

1. Discuss and review the effect of regulatory and accounting initiatives, alternative GAAP methods and off-balance sheet structures on the financial statements of the Company.
2. Review significant changes in accounting or auditing practices, principles or policies.
3. Periodically review with the Chief Financial Officer any significant difficulties, deficiencies and material weaknesses in the design or operation of internal controls, any

fraud that involves management or other employees who play a significant role in the Company's internal controls, disagreements with management or scope restrictions encountered in the course of the internal audit function's work (if any).

3.4 Risk Assessment and Risk Management.

1. Review the policies with respect to risk assessment and risk management, including appropriate guidelines and policies to govern the process, as well as the Company's major financial risk exposures and the steps management has undertaken to control them.
2. Review the terms and scope of liability insurance coverage, including directors' and officers' insurance and the annual renewal thereof.
3. Review with the Company's counsel any legal matter that could have a significant impact on the Company's financial statements.

3.5 Complaints. Establish procedures for the confidential, anonymous submission by Company employees of information regarding questionable accounting or auditing matters, including procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters. Oversee, review and assess the administration and operation of the Company's Sarbanes-Oxley Whistleblower Procedures.

3.6 Code of Ethics. Establish, maintain and oversee the Company's Code of Ethics for executive officers and directors and such other employees and agents of the Company as it determines, and periodically review and update such Code as needed. The Committee shall discuss with management and the independent and internal auditors (if any), the overall corporate "tone" for ethical financial and business behavior, including the need for integrity, transparency and compliance in all financial and business matters.

3.7 Related Party Transactions. Review and approve all related party transactions (defined as those transactions required to be disclosed under Item 404 of Regulation S-K).

3.8 Committee Self-Evaluation. The Committee shall conduct a periodic performance assessment relative to the Committee's purpose, duties and responsibilities outlined herein, report to the Board on the results of such evaluation and make any appropriate recommendations to further enhance the Committee's performance. The Committee's performance evaluation shall be conducted in such manner as the Committee deems appropriate.

3.9 Charter Review. The Committee shall review and assess the adequacy of this Charter periodically and recommend to the Board any necessary amendments. Any changes to this Charter must be approved by the Board and communicated in writing.

3.10 Reporting to the Board. The Chairperson shall regularly, and whenever so requested by the Board, report all material activities of the Committee to the Board, with recommendations to the Board as the Committee deems appropriate.

3.11 Generally. Perform such other duties as may be required by law or requested by the Board or deemed appropriate by the Committee. The Committee shall discharge its responsibilities, and shall assess the information provided to the Committee, in accordance with its business judgment.

Section 4. Procedures and Administration

4.1 Meetings. The Committee shall meet as frequently as considered necessary by the Committee or the Chairperson, and no less than quarterly. To the extent practicable, such meetings shall be held in conjunction with the regularly scheduled Board meetings. Committee meetings may be held in person or telephonically. The Committee shall fix its own rules of procedure.

4.2 Executive Sessions. The Committee shall meet periodically, and no less than annually, with management and the independent auditor in separate executive sessions to discuss the results of examinations or any matters that the Committee or any such party believes should be

discussed privately. In addition, the Committee shall meet with the independent auditor and management to discuss the annual audited financial statements.

4.3 Notice. Any member of the Committee may call a meeting of the Committee upon due notice to each other member at least twenty-four hours prior to the meeting (provided that participating in any meeting shall be deemed to constitute waiver of any deficiency in such notice).

4.4 Action. A majority of regular members then serving on the Committee shall constitute a quorum. Action may be taken by the Committee (or any subcommittee of the Committee) upon the affirmative vote of a majority of members of the Committee (or subcommittee). Action may be taken by the Committee (or any subcommittee of the Committee) without a meeting if all of the members of the Committee (or subcommittee) indicate their approval thereof in writing.

4.5 Agendas. The Committee meeting agendas shall be the responsibility of the Chairperson with input from the Committee members and other members of the Board, with additional input from members of senior management and outside advisors to the extent deemed appropriate by the Chairperson.

4.6 Recording Meetings. The Committee shall keep written minutes of its meetings and distribute such minutes to each Board member prior to the subsequent Board meeting.

4.7 Independent Advisors. The Committee has the authority to obtain advice and assistance from outside legal counsel, accounting or other outside advisors as deemed appropriate by the Committee in its sole discretion to perform its duties and responsibilities. The Committee shall be entitled to rely on: (i) the integrity of those persons and organizations within and outside the Company that provide information and advice to the Committee; and (ii) the accuracy of such information and advice, absent actual knowledge of any inaccuracy or unreliability (which shall be promptly reported to the Board).

4.8 Expenses. The Committee is empowered, without further action by the Board, to cause the Company to pay compensation to the independent auditor, to any advisors that the Committee chooses to engage and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

4.9 Access to Information. The Committee shall have full access to all books, records, facilities and personnel of the Company and shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company meet with the Committee or any advisors engaged by the Committee.