

(As amended through May 19, 2008)

**CHARTER FOR THE AUDIT COMMITTEE OF THE
BOARD OF DIRECTORS
OF
SURMODICS, INC.**

I. PURPOSE

The Audit Committee (the “Committee”) of the Board of Directors of SurModics, Inc. (the “Company”), shall provide assistance to the Board in its oversight of (a) the quality and integrity of the Company’s financial reports; (b) the Company’s compliance with legal and regulatory requirements; (c) the independence, qualifications and performance of the Company’s independent auditor; and (d) the performance of the Company’s internal audit function, and accounting and reporting processes. In addition, the Committee shall cause the preparation of the report required by the Securities and Exchange Commission’s (the “SEC”) proxy rules to be included in the Company’s annual proxy statement and shall have the further duties and responsibilities as set forth in this Charter. In achieving these purposes, it is the Committee’s responsibility to foster free and open means of communication between the Company’s directors, independent public accountants, internal auditors (if any), outside legal counsel, and management.

II. MEMBERSHIP

The Committee shall consist of three or more directors elected by the Board, each of whom shall meet the independence requirements of the Nasdaq Stock Market, Inc. (“Nasdaq”) and federal securities laws. Committee members shall serve until their successors are duly elected and qualified, or until such member’s resignation or removal by the Board. The Chair of the Committee shall be elected by the Board, or if not elected by the Board, then by the majority of the members of the Committee. In addition, no member of the Committee shall receive any compensation whatsoever from the Company other than compensation paid to such member as a director of the Company and member of one or more committees of the Company’s Board of Directors.

All Committee members shall have a working familiarity with basic finance and accounting practices and shall be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement either at the time of their election to the Committee, or within a reasonable period of time after their election. At least one member of the Committee shall be an “audit committee financial expert”, as interpreted in the business judgment of the Board, in accordance with such regulations as may be applicable to the Company from time to time.

III. RESPONSIBILITIES

The Committee’s function is not to replace the Company’s management, internal auditors or independent auditors, but rather one of oversight, recognizing that the Company’s financial management, and the internal and independent auditors have more knowledge and information about the Company than do Committee members. Consequently, the Committee further

recognizes that (a) the Company's management is responsible for preparing the Company's financial statements, for developing and maintaining adequate systems of internal controls and for ensuring compliance with laws and regulations and the Company's Code of Business Conduct, and (b) the independent auditor is responsible for auditing or reviewing, as applicable, the financial statements, and for attesting to management's internal control reports. In carrying out its oversight responsibilities, the Committee shall undertake the following activities (in addition to any others that the Board may from time to time delegate to the Committee):

Independent Auditors

1. The Committee shall be directly responsible for the appointment, compensation, termination, oversight and evaluation of the work of the Company's independent auditors performed for the purpose of preparing or issuing an audit report or related work. The Company's independent auditors shall report directly to the Committee.
2. The Committee shall pre-approve all audit services and non-audit services rendered to the Company by its independent auditors in accordance with any pre-approval policies and procedures established by the Committee.
3. The Committee shall, at least annually,
 - (a) obtain and review a report by the independent auditors describing (i) the independent auditors' internal quality control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to any independent audit carried out by the independent auditors, and any steps taken to deal with any such issues; and (iii) all relationships between the independent auditor and the Company, including the matters covered by Independence Standards Board Standard No. 1; and
 - (b) review and discuss with the independent auditors their periodic disclosures regarding independence, and any relationships or services that may impact the objectivity and independence of the independent auditors.

After reviewing the foregoing reports/disclosures and the independent auditors' work throughout the year, the Committee shall evaluate the independent auditors' qualifications, performance and independence. In making its evaluation, the Committee should take into account the opinions of management, and shall present its conclusions with respect to the independent auditor to the Board.

4. The Committee shall periodically meet with, but no less than once a year, the internal auditors (if any), and the independent auditors without other representatives of the Company present to discuss internal controls and the accuracy and completeness of the Company's financial statements.

Financial Reporting

5. The Committee shall meet and review with the independent auditors and the Company's financial management the proposed scope, fees, and plan for the annual audit of the Company's financial statements.

6. The Committee shall review and discuss with management and the independent auditors prior to their respective release (a) the audited financial statements to be included in the Company's Annual Report on Form 10-K, and any other reports or other financial information submitted to any governmental body or the public, and (b) the quarterly financial statements to be included in the Company's Quarterly Reports on Form 10-Q. This review may be conducted through a designated representative member of the Committee.

7. The Committee shall review and discuss the type and presentation of information to be included in earnings press releases, as well as review any financial information and earnings guidance provided to analysts and rating agencies. This may be done generally and does not require the Committee to discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.

8. In connection with the annual audit and the reviews of quarterly financial information by the independent auditors, the Committee shall, prior to the filing of the Form 10-K or Form 10-Q, as applicable, discuss with the independent auditors, to the extent applicable, (a) the results of the annual audit examination or the independent auditors' review of the quarterly financial statements, (b) any audit or review problems or difficulties encountered in the course of the audit work or review, including any restrictions on the scope of the independent auditors' activities or on access to requested information and any significant disagreements with management, and management's response and (c) any other matters required to be discussed by Statement on Auditing Standards No. 61, as amended or supplemented. The Committee shall be responsible for the resolution of disagreements between the Company's management and the independent auditors regarding financial reporting.

9. With respect to any financial statements audited or reviewed by the Company's independent auditors, including the Company's annual reports on Form 10-K and quarterly reports on Form 10-Q, the Committee shall receive from the Company's independent auditors prior to the public release or filing with the SEC of such financial statements, a timely oral or written report with respect to (a) all critical accounting policies and practices; (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, the ramifications of the use of such alternative disclosures and treatments and the disclosure and treatment preferred by the independent auditors; and (c) other material written communications between the independent auditors and the management of the Company (such as any management or internal control letter or schedule of unadjusted differences).

10. The Committee shall review and discuss with the internal auditors (if any), the independent auditors and management, as appropriate, the reports of the independent auditors referred to in paragraph 9 above as well as (a) any significant judgments or estimates taken into account in the preparation of the Company's financial statements; (b) any significant accounting

accruals, reserves contingencies and estimates made by management that have a material impact on the financial statements; (c) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; and (d) any proposed accounting and financial reporting standards or rules promulgated by the Financial Accounting Standards Board, SEC, or other regulatory bodies, that may have a material impact on the Company's financial statements.

11. The Committee shall determine whether to recommend to the Board, based on the Committee's review and discussions with management and the independent auditors as required under this Charter, that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K.

12. The Committee shall approve the inclusion of the report of the audit committee required by the rules and regulations of the SEC to be included in the Company's annual proxy statement.

Other Committee Responsibilities

13. The Committee shall review and approve all related-party transactions to which the Company may be a party prior to their implementation for which Committee approval is required by applicable law, or required to be disclosed in the Company's financial statements or SEC filings.

14. The Committee shall review with the independent auditors, internal auditors (if any), and financial and accounting personnel, the adequacy and effectiveness of the accounting and financial controls of the Company. The Committee shall discuss with management any significant deficiencies in the design and operation of the Company's internal controls or material weaknesses in the Company's internal controls, as well as any fraud involving management or other employees who have a significant role in the Company's internal controls, including any recommendations for the improvement of such internal controls or particular areas where new or more detailed controls are desirable. The Committee shall monitor management's response to such reports.

15. The Committee shall discuss with the Company's legal counsel any legal matters that may have a material impact on the Company's financial statements.

16. The Committee shall review the adequacy of the Company's financial and accounting staff.

17. The Committee shall periodically review (a) the Company's risk management program; (b) the Company's investor relations program; (c) the status of the Company's information systems hardware, software, processing procedures, and controls regarding accounting, internal accounting controls and auditing; and (d) any other area seemed to be significant to the Company's financial statements (i.e., investments).

18. The Committee shall review periodically the Company's policies relating to business conduct and review management's monitoring and enforcement of the Company's Code of

Business Conduct as it relates to the Company's financial reporting process and internal control system.

19. The Committee shall review and reassess, on at least an annual basis, its own performance and the adequacy of this Charter, and recommend any proposed changes to the Board for approval.

20. The Committee shall establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, auditing or internal accounting control matters, and (b) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

IV. AUTHORITY

The Committee shall have the authority, as and when it shall determine to be necessary or appropriate to carry out its responsibilities to:

- (a) appoint, discharge and authorize compensation of the Company's independent auditors;
- (b) retain, at the expense of the Company, internal or external legal, accounting or other advisors to assist in carrying out its responsibilities; or
- (b) request from the Chief Executive Officer, the Chief Financial Officer, and such other members of the Company's management as the Committee shall deem appropriate, advice and information, orally or in writing, concerning the Company's business operations and financial condition relevant to the functions of the Committee.

V. MEETING/MINUTES

The Committee shall meet as often as may be deemed necessary or appropriate, but not less frequently than four times annually, either in person or telephonically, and at such times and places as they shall determine. A majority of the members will constitute a quorum and will be able to conduct the business of the Committee. The Committee should meet at least annually with management and the head of the internal audit department (if any) in separate executive sessions to discuss any matters that the Committee or each these groups believe should be discussed privately. The Committee should meet with the independent auditors and the Company's management quarterly to review the Company's financials consistent with this Charter. The Committee will maintain written minutes of its meetings and the Chair shall report to the Board after each meeting. Such minutes shall be promptly made available to the members of the Board of Directors, and filed with the minutes of the meetings of the Board of Directors.

VI. COOPERATION OF MANAGEMENT

All members of management of the Company are requested to cooperate with the Committee, and to render assistance to it as it shall request in carrying out its functions.