

## **Sepracor Inc. Comprehensive Compliance Program**

Sepracor Inc. (“Sepracor”) has adopted this Comprehensive Compliance Program in accordance with the April 2003 “Compliance Program Guidance for Pharmaceutical Manufacturers” from the United States Department of Health and Human Services Office of Inspector General (“OIG Guidance”) as well as all other applicable federal and state laws and regulations.

- **Written Standards**

Sepracor has a publicly available Code of Conduct and Ethics setting forth the company’s commitment to compliance by its management, employees and agents. The Code requires that “[e]mployees, officers and directors should endeavor to deal honestly, ethically and fairly with Sepracor’s suppliers, customers, competitors and employees.” The Code is incorporated fully into this Comprehensive Compliance Program and is available at [www.sepracor.com](http://www.sepracor.com).

Sepracor has internal policies in place requiring all employees to comply with the provisions of the “Pharmaceutical Research and Manufactures of America (“PhRMA”) Code on Interactions with Health Care Professionals” dated July 1, 2002 (“PhRMA Code”) as well as the OIG Guidance. In addition, the company issues policies and guidance on a variety of other matters, including samples, anti-kickback laws, rebates, price reporting and interaction with government officials. All such policies and guidance require strict adherence to applicable laws and regulations. These policies are updated as needed.

- **Gifts to Medical Professionals**

Sepracor currently has a gift moratorium in place which prohibits employees from giving gifts of value to health professionals but for items of minimal value that can be provided by Sepracor’s fulfillment center. In general, Sepracor has established a limit of \$100 per qualifying gift (i.e., a gift that is in compliance with the internal policy referred to above) that may be provided to a health care professional during a given calendar year. Where states like California have required it, Sepracor has implemented a \$1500.00 per health care professional per year limit on gifts, meals, promotional materials or other items they might receive from Sepracor. These limits do not include the value of samples; grants for medical education; medical scholarships; professional services or other permitted items under the OIG Guidance or relevant state or federal law.

- **Compliance Oversight Responsibility**

The Compliance Department has responsibility for oversight of the Comprehensive Compliance Program. The Senior Vice-President and Chief Compliance and Ethics Officer has effective lines of communication with other departments of the company and

access to the President and Chief Executive Officer and/or the Board of Directors, as necessary. The Chief Compliance and Ethics Officer is also responsible for overseeing compliance implementation, responding promptly to problems and engaging qualified executives as necessary to oversee corrective action.

The company has a toll-free hotline any employee can use to make a report or suspicious activity, anonymously if desired. Any such report relating to this Comprehensive Compliance Program may be directed to the Compliance Department in any of the following means:

Compliance Hotline: 1-866-886-1348

Compliance Email: [sepr@openboard.info](mailto:sepr@openboard.info)

Compliance Web Site: <http://www.openboard.info/sepr/>

- Training

All new Sepracor employees are trained on issues contained in the Comprehensive Compliance Program, including compliance with the PhRMA Code and their options for reporting concerns. Additional refresher and update training is given to employees covering not only the PhRMA Code but other issues relevant to Sepracor's industry and workplace.

- Auditing, Monitoring and Discipline

The Compliance Department oversees the auditing of Sepracor's Comprehensive Compliance Program. Additionally, each operating function within Sepracor also monitors the activities of its employees and agents for compliance. The Compliance Department as well as each function has the authority and resources available to them to audit matters they deem necessary. Should wrongdoing on the part of an employee be found, disciplinary action up to, and including, termination of employment may be taken.

- Responding and Reporting

Employees must promptly report any violation of the Comprehensive Compliance Program or any policies of the company using any of the available company resources, including the toll-free hotline. Employees making good-faith reports are protected from retaliation. Employees are permitted to cooperate with law enforcement and are required to refrain from taking any action to interfere with any ongoing investigation.

- Updates

This Comprehensive Compliance Program may be amended, altered or revised from time-to-time as needed and without prior notice.