



La Jolla Pharmaceutical Company's Annual Declaration of Compliance with the California Comprehensive Compliance Law

Introduction

La Jolla Pharmaceutical Company along with its affiliated subsidiaries, including Tetrphase Pharmaceuticals, Inc. (collectively, "La Jolla" or the "Company") has adopted a comprehensive Compliance Program (the "Compliance Program"). La Jolla conducts its Compliance Program in accordance with the California Health and Safety Code §§119400-119402 (the "California Compliance Law"). The purpose of La Jolla's Compliance Program is to promote compliance with applicable laws, rules, and regulations and to promote ethical and responsible decision making relating to the sale and marketing of La Jolla's products. La Jolla's Compliance Program is based upon, and is in accordance with, applicable industry guidance, including the Pharmaceutical Research and Manufacturers of America ("PhRMA") *Code of Interactions with Healthcare Professionals* (the "PhRMA Code") and the Department of Health and Human Services Office of Inspector General's ("HHS-OIG") *Compliance Program Guidance for Pharmaceutical Manufacturers* (the "OIG Guidance"). Further, La Jolla will continue to amend its Documentation (as defined below) under the Compliance Program, as needed, to ensure that such Documentation comports with recent legal and industry guidance developments as well as continues to meet the requirements of the California Compliance Law. Finally, La Jolla has prepared this annual Declaration of Compliance with California's Compliance Law (the "Declaration of Compliance") as required.

Leadership and Structure

Currently, La Jolla's Compliance Program is led by the Director of Commercial Operations and the Executive Director of Legal Affairs, as a shared and joint effort. Pursuant to La Jolla's continued growth, the Company plans to appoint a Chief Compliance Officer ("CCO") to its legal department during the second half of 2022, who will assume the Compliance Program's leadership role and associated duties.

Written Policies and Procedures

La Jolla has implemented certain written standards in the form of policies and procedures (the "Documentation") to promote compliance in its interactions with California healthcare professionals. Such Documentation is designed to be consistent with the ethical standards set forth by the PhRMA Code. Certain members of La Jolla's management team are responsible for the maintenance of such Documentation and periodically review and revise the Documentation as necessary, or as otherwise dictated by recent changes to the PhRMA Code or the OIG Guidance.

Training

To ensure its full-time employees, temporary employees, and contractors (collectively, "Personnel") maintain an appropriate understanding of La Jolla's Documentation pursuant to the Compliance Program, La Jolla is committed to providing ongoing training and education for its Personnel. During such training, for example, La Jolla reviews the Company's Code of Business Conduct and Ethics and the Company's Compliance & Ethics Training Manual with its Personnel, specifically discussing potential risk areas that may relate to various legal, ethical and compliance responsibilities and concerns of its



Personnel. Training and education efforts under La Jolla's Compliance Program are subject to ongoing review and modification, as deemed appropriate by the Company or as otherwise required pursuant to recent changes to any applicable laws, rules, and regulations.

Annual Dollar Limit on Gifts or Other Free Items Provided to California Medical or Health Care Professionals

As required by the California Compliance Law, La Jolla has established an annual dollar limit of \$3,000 for gifts, including meals, or other free items of value that can be provided to an individual California healthcare professional. This annual limit excludes: (i) financial support for independent continuing medical education forums; (ii) financial support for independent health educational scholarships; (iii) fair market value payments to healthcare professionals that are made for legitimate professional services provided by a healthcare professional as well as any meals or expenses associated with the healthcare professional's provision of such services. This annual dollar limit represents a spending cap, not an average nor a target. Generally, the amount spent on a given healthcare professional is substantially less than the established annual limit.

Monitoring of Sales and Marketing Programs

Periodically, La Jolla may select certain sales and marketing activities to review and/or monitor under its Compliance Program to ensure that such activities are being carried out in accordance with La Jolla's Documentation and the requirements of the California Compliance Law.

Procedures for Reporting Violations

La Jolla encourages its Personnel to openly communicate regarding the Company's ongoing business activities, including any potential instances of non-compliance with the Company's Documentation and Compliance Program. Further, all Personnel are provided means to report any such potential violations as well as any other potential legal and/or general compliance violations. Specifically, Personnel are instructed to report such potential violations to any of the following: (i) a direct manager; (ii) the Company's Compliance Department; (iii) the Company's Human Resources Department; (iv) the Company's Legal Department; or (v) the Company's Chief Executive Officer. Further, La Jolla maintains an established telephone "hotline" for Personnel to report, anonymously if so desired, potential legal and compliance violations and/or suspected violations of the Company's Documentation. La Jolla's Compliance Hotline may be reached using a toll-free number (1-844-680-3975) or via a website (<http://www.lajollapharmaceutical.ethicspoint.com/>).

Corrective Actions

La Jolla does not tolerate retaliation against Personnel who may submit a good-faith report regarding any potential improper, unethical, or illegal conduct. La Jolla has developed a disciplinary process for employees who violate the law, regulations, the Documentation under La Jolla's Compliance Program, or any corporate policy, which includes conducting an investigation of all reported matters and, in accordance with the nature of the violation, will consider the appropriate actions necessary to address and correct such violations and prevent future instances of such violations.



Declaration of Compliance with the California Compliance Law

To the best of its knowledge and based on a good faith understanding of the statutory requirements, La Jolla hereby declares that, in all material aspects, the Company is in compliance with the California Compliance Law.

This Declaration of Compliance is effective as of July 1, 2022.

Copies of La Jolla's Code of Business Conduct and Ethics and this Declaration are available under "Corporate Resources" on La Jolla's website (<https://www.lajollapharmaceutical.com/>) or by calling toll free at 1-844-680-3975.