

**IMPAX LABORATORIES, INC.**  
**CODE OF BUSINESS CONDUCT AND ETHICS**

**1. Purpose**

The Impax Laboratories, Inc. (the "Company") Code of Business Conduct and Ethics (the "Code") is a guide to ethical decision-making. While the standards in the Code are mainly based on laws to which we are all subject, in some cases they go beyond legal obligations. In this respect, the Code reflects the values that define the Company and the principle that we must strive to avoid any circumstances that may give rise to even an appearance of impropriety. The standards in this Code may be further explained or implemented through corporate policies or other compliance manuals, including those relating to specific areas of our business: This Code is available on the Internet, and related memoranda and manuals are available from our Human Resources Department.

Each of us is personally responsible for making sure that our business decisions and actions comply at all times with the rules and regulations of federal, state and local governments and other appropriate private and public regulatory agencies, and this Code. However, no set of standards should be considered the final word in all circumstances. When you have doubts about the application of a standard or where we have not addressed a situation that presents an ethical issue, you should seek guidance from your immediate supervisor or from the Company's Ethics Officer. In addition, each of us has a duty to report behavior on the part of others that appears to violate this Code or any other compliance policy or procedure of the Company.

All supervisory and management personnel, including all officers and directors of the Company, have a special responsibility to lead according to the standards of this Code, in both words and action. Our supervisory and management personnel are also expected to adhere to and promote our "open door" policy. This means that they are available to anyone with ethical concerns, questions, or complaints. We also maintain a confidential "hot line" that you can call, the details of which are set out at the end of this Code. All concerns, questions, and complaints will be taken seriously and handled promptly, confidentially, and professionally. No retaliatory action will be taken against any employee for raising concerns, questions or complaints in good faith.

The Company's Ethics Officer has been designated with responsibility for overseeing and monitoring compliance with this Code. The Company's Ethics Officer will make periodic reports to the Company's Audit Committee regarding the implementation and effectiveness of this Code as well as the Company's policies and procedures to ensure compliance with this Code.

The following standards of conduct will be enforced at all organizational levels. Anyone who violates them will be subject to prompt disciplinary action, up to and including dismissal.

This Code supplements and is not intended to replace any other current policy of the Company relating to matters referred to herein or otherwise including, without limitation, the Company's employee handbook, Policy on Securities Trading, Policy and Procedure for Reporting Auditing and Accounting Matters, and policies against discrimination or sexual harassment.

## **2. Covered Persons**

This Code applies to all directors and employees, including officers, of the Company and its affiliates.

Wherever we do business, we are required to comply with all applicable laws, rules and regulations. We are also responsible for complying with requirements of contracts that we have entered into with other parties, such as distribution or supply agreements, service agreements, purchase and sale agreements, intellectual property licenses, confidentiality agreements, leases, and other agreements. The standards in this Code must, of course, be interpreted in light of the law and practices of the areas where we operate, as well as good common sense. Any questions as to the applicability of any law should be directed to the Company's Ethics Officer. Any suspected or actual violation of any applicable law, rule or regulation or our contractual undertakings should be reported immediately to your immediate supervisor or the Company's Ethics Officer. If you are not comfortable reporting to your immediate supervisor or the Company's Ethics Officer, you may report the situation to the confidential hotline, the details of which are set out at the end of the Code.

## **3. Conflicts of Interest**

A conflict of interest occurs whenever our private interests interfere - or appear to interfere - with the interests of the Company as a whole. In order for the Company to carry out its business effectively, it must be assured of the loyalty of each of its directors and employees, including officers. Directors of the Company are subject to the fiduciary duty of loyalty to the Company and its stockholders under the laws of the State of Delaware, its jurisdiction of incorporation. All directors and employees, including officers must refrain from entering into relationships that might impair our judgment as to what is best for the Company. Even relationships that give the appearance of a conflict of interest should be avoided. You cannot avoid these standards by acting through someone else, such as a friend or family member.

There are many different ways in which conflicts of interest arise. For example, personal financial interests, obligations to another company or governmental entity or the desire to help a relative or friend are all factors that might divide our loyalties.

If a director or an employee, including any officer, of the Company, believes it is not possible to avoid a conflict of interest, they must bring this to the attention of, and make full disclosure of the surrounding circumstances to their immediate supervisor, who should in appropriate circumstances bring it to the attention of the Company's Board of

Directors (the "Board"). If your immediate supervisor is unavailable you may bring the matter directly to the attention of the Company's Ethics Officer.

#### **4. Accurate Books and Records**

U.S. law requires the Company to make sure that its books and records accurately and fairly represent transactions and dispositions of our assets in reasonable detail. In all of our operations, it is a violation of Company policy, and possibly illegal, for any of us to cause the Company's books and records to be inaccurate in any way. You must never create or participate in the creation of records that are misleading or artificial. If you are asked to falsify the accounting records in any manner or are aware of falsification by anyone else in the Company, you should immediately report the event in accordance with the Company's Policy and Procedure for Reporting Auditing and Accounting Matters.

You are expected to cooperate fully with our internal and independent auditors.

#### **5. Complete, Accurate and Timely Disclosure**

The Company is owned by its public shareholders and its shares are listed for trading on the NASDAQ National Market. As a result, the Company is obligated to make various disclosures to the public. The Company is committed to full compliance with all requirements applicable to its public disclosures. The Company has implemented disclosure controls and procedures to assure that its public disclosures are compliant and otherwise full, fair, accurate, timely and understandable. All employees responsible for the preparation of the Company's public disclosures, or who provide information as part of that process, have a responsibility to assure that such disclosures and information are complete, accurate and in compliance with the Company's disclosure controls and procedures.

#### **6. Payments to Government Personnel or Agents**

Practices that are considered acceptable in the commercial business environment, such as providing meals, transportation, entertainment or other things of value, may violate certain local, state, federal or foreign laws when we are dealing with governmental personnel or agents. You must not give anything of value to governmental personnel or agents if this could be interpreted as an attempt to curry favor on behalf of the Company. Consult the Company's Ethics Officer if there is any uncertainty about permitted interactions with governmental personnel or agents.

The U.S. Foreign Corrupt Practices Act ("FCPA") generally prohibits giving money or anything of value to foreign government officials, foreign political parties or candidates for foreign political office for the purpose of influencing a foreign government in order to assist in obtaining or retaining business, or directing business to any person. This includes making any payments through intermediaries, such as sales representatives or consultants. Before making any payment or giving anything of value to a foreign official, employees

should consult with the Company's Ethics Officer. Violations of the FCPA can result in severe civil and criminal penalties for both the Company and the individuals involved.

Commercial bribery of any nature is a violation of Company policy and is illegal under U.S. law. You are strictly prohibited from offering any form of bribe, kickback or inducement to any person. Normal and reasonable entertainment of non-governmental customers and suppliers covered by standard expense account reporting is permissible when not contrary to applicable law or to the non-governmental customer's or supplier's own policy.

## **7. Waivers of the Code of Business Conduct and Ethics**

Any request for a waiver of any standard in this Code by any executive officer or director of the Company may be granted only by the Board or, in the case of employees (and not executive officers or directors) by the Company's Ethics Officer. Only the Board or a designated committee of the Board may grant waivers involving any of the Company's executive officers or directors, and all waivers granted to executive officers and directors must be promptly disclosed to the Company's shareholders. All personnel should be aware that the Company generally will not grant such waivers and will do so only when good cause is shown for doing so.

## **8. Audits; Investigations; Disciplinary Action**

The Company will conduct periodic audits of compliance with this Code. Allegations of potential wrongdoing will be investigated by the proper corporate or departmental personnel and, upon the advice of the Company's Ethics Officer, may be reported to the Board (or an appropriate committee thereof) and to the relevant authorities. Knowingly false accusations of misconduct will be subject to disciplinary action. You are required to cooperate fully with any internal or external investigation. You must also maintain the confidentiality of any investigation and related documentation, unless specifically authorized by the Company's Ethics Officer to disclose such information.

Appropriate disciplinary penalties for violations of this Code may include counseling, reprimands, warnings, and suspensions with or without pay, demotions, salary reductions, dismissals, and restitution. Disciplinary action may also extend to a violator's supervisor insofar as the Company determines that the violation involved the participation of the supervisor or reflected the supervisor's lack of diligence in causing compliance with the Code. Any person who takes any action whatsoever in retaliation against the employee who has in good faith raised any question or concern about compliance with this Code will be subject to serious sanctions, which may include dismissal for cause.

You are reminded that the Company's document retention policies strictly prohibit the destruction or alteration of documentation undertaken with the intent to obstruct any pending or threatened investigation or proceeding of any nature or in contemplation of a proceeding.

## **9. Where to Turn for Advice**

If you have questions about this Code, you should turn to your immediate supervisor or the Company's Ethics Officer in the first instance. The Company's "open door" policy gives you the freedom to approach any member of management or Human Resources with ethical questions or concerns without fear of retaliation, so that any allegations can be investigated and appropriate corrective action taken.

If, for any reason, you do not feel comfortable speaking with your supervisor or would prefer to remain anonymous, the Company has also established a confidential hotline to enhance our commitment to conducting business ethically and to give you a confidential option to report your concerns. All employee communications made in good faith will be treated promptly and professionally and without risk of retribution.

The toll-free number is:

**1-877-412-8817**

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