

**AKORN, INC.**  
**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

**I. PURPOSE**

The purpose of the Nominating and Corporate Governance Committee (the “Nominating and Corporate Governance Committee”) of Akorn, Inc. (the “Company”) is to ensure that the Board of Directors (the “Board”) is appropriately constituted to meet its fiduciary obligations to the shareholders and the Company. To accomplish this purpose, the Nominating and Corporate Governance Committee develops and implements policies and processes regarding corporate governance matters, assesses Board membership needs and makes recommendations regarding potential Director candidates to the Board.

**II. MEMBERSHIP**

The Nominating and Corporate Governance Committee shall be comprised of no fewer than three members. All members of the Nominating and Corporate Governance Committee shall be independent Directors as defined by the NASDAQ Marketplace Rules.

**III. RESPONSIBILITIES, DUTIES AND POWERS**

- Evaluate the current composition, organization and governance of the Board and its Committees, determine future requirements and make recommendations to the Board for approval.
- Assure compliance with the NASDAQ Marketplace Rules concerning independent Directors.
- Determine desired board skills and attributes and conduct searches for prospective Board members whose skills and attributes reflect those desired. Evaluate and propose nominees for election to the Board.
- Administer the Board performance evaluation process including conducting surveys of Director observations, suggestions and preferences.
- Oversee an orientation process for new Board members and assess the adequacy of and need for an on-going education program for existing Board members.
- Evaluate and make recommendations to the Board concerning the appointment of Directors to Board Committees, the selection of Board Committee Chairpersons, and proposal of the Board slate for election. Consider shareholder nominees for election to the Board.
- Recommend to the Board the designation of any Audit Committee members as an “audit committee financial expert”.

- Recommend to the Board ways and means for the Board and management of the Company to communicate with shareholders between the general meetings of the shareholders.
- Evaluate and recommend termination of membership of individual Directors in accordance with the Board's corporate governance principles, for cause or for other appropriate reasons.
- Oversee that the Company has an adequate system and procedures for the education, development and orderly succession of senior managers and, at least annually, review the Chief Executive Officer's succession plans and other senior management positions and report to the Board on succession planning.
- Consider and periodically review the Company's Nominating and Corporate Governance Committee Charter and the Company's Corporate Governance Guidelines.

#### **IV. MEETINGS**

The Nominating and Corporate Governance Committee shall meet in person or telephonically at least twice a year, in conjunction with meetings of the Board. However, at least one such meeting shall take place in person.

**AKORN, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

The following Corporate Governance Guidelines (the "Guidelines") have been adopted by the Board of Directors (the "Board") of Akorn, Inc. (the "Company") to assist the Board in the exercise of its responsibilities. These Guidelines reflect the Board's commitment to monitor the effectiveness of policy and decision making both at the Board and management level, with a view to enhancing shareholder value over the long term. These Guidelines are in addition to and are not intended to change or interpret any Federal or state law or regulation, including the Louisiana General Corporation Law, or the Certificate of Incorporation or Bylaws of the Company. The Guidelines are subject to modification from time to time by the Board.

Directors of the Company shall be persons of integrity, with significant accomplishments and recognized business stature, who will bring a diversity of perspectives to the Board. The Board has responsibility for reviewing its membership on a regular basis to assure that it possesses appropriate skills and characteristics.

1. Selection of the Chair of the Board and the Chief Executive Officer

The Board shall be free to choose its Chair in any way that is deemed appropriate for the Company at any given point in time. Therefore, the Board does not have a policy whether the role of the Chief Executive Officer and Chair of the Board should be separate and, if they are to be separate, whether the Chair of the Board should be selected from the non-employee Directors or be an employee.

2. Criteria for Board Membership

Board members should possess such attributes and experience as are necessary to provide a broad range of personal characteristics including diversity, management skills, and pharmaceutical industry, financial, technological, business and international experience. Directors selected should be able to commit the requisite time for preparation and attendance at regularly scheduled Board and Board Committee meetings, as well as be able to participate in other matters necessary for good corporate governance. Board members should also be free of potential conflicts of interest with the Company. No person shall be nominated to become a member of the Board upon reaching the age of 75.

3. Independent Directors

A majority of the Board shall be composed of independent Directors as defined under the definition of "independent director" as set forth in the NASDAQ Marketplace Rules.

4. Former Senior Officers

If the Chief Executive Officer or other senior officer resigns or tenders a resignation to the Company, he or she shall be deemed to have simultaneously tendered a resignation from the Board. The full Board will consider and decide upon the resignation.

## 5. Outside Director Change in Job Responsibility

The Board does not believe that non-employee Directors who retire or change the position they held when they became a member of the Board should necessarily leave the Board. Upon such event, the Nominating and Corporate Governance Committee shall review the continued appropriateness of Board membership under such circumstances, and the affected Director shall be expected to act in accordance with the Nominating and Corporate Governance Committee's recommendation.

## 6. Employee Directors

Typically, only the Chief Executive Officer of the Company shall be a member of the Board. The Board may choose to elect another senior officer(s) to the Board in appropriate situations.

## 7. Director Term Limits

In connection with each Director nomination recommendation, the Nominating and Corporate Governance Committee shall consider the issue of continuing Director tenure and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo. An individual Director's re-nomination is dependent upon such Director's performance evaluation, as well as the suitability review conducted by the Nominating and Corporate Governance Committee, which shall be conducted near the conclusion of a Director's term.

## 8. Size of Board

The Board believes that it should generally have no fewer than 5 and no more than 9 Directors. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability.

## 9. Selection of Directors

All Directors shall be elected annually at the annual meeting of the shareholders with no staggered terms. The entire Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of shareholders. The Nominating and Corporate Governance Committee is responsible for identifying, screening and recommending candidates to the entire Board for Board membership. When formulating its Board membership recommendations, the Nominating and Corporate Governance Committee shall also consider any advice and recommendations offered by the Chief Executive Officer or the shareholders of the Company.

## 10. Evaluation of Board

The Board shall be responsible for annually conducting a self-evaluation. The Nominating and Corporate Governance Committee shall be responsible for establishing the evaluation criteria and implementing the process for such evaluation.

## 11. Board Meetings

There shall be at least four regularly scheduled meetings of the Board each year. Four meetings each year shall be held in conjunction with the release of the Company's quarterly earnings. The meetings may be held in person or telephonically, however, at least one such meeting must be held in person.

## 12. Executive Sessions of Independent Directors

Independent Directors (as determined in a manner consistent with the NASDAQ Marketplace Rules) will meet regularly in executive sessions, at least once per year, with no members of management present. Such meetings shall not be considered meetings of the Board or any Committee thereof, and no official business shall be conducted.

## 13. Standing Board Committees

The Company shall have three standing Committees: Audit, Compensation and Nominating and Corporate Governance. The duties for each of these Committees shall be outlined in the Committee charters. The Board may form a new Committee or disband a current Committee depending on circumstances.

## 14. Board Committee Independence

All standing Board Committees shall be chaired by independent Directors. The Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee shall comply with the independent Director requirements of the NASDAQ Marketplace Rules.