



Audit Committee Charter

Purpose

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") is to oversee the accounting and financial reporting processes of Catalyst Pharmaceutical Partners, Inc. (the "Company") and the audits of the financial statements of the Company on behalf of the Board and report the results of its activities to the Board.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company's by-laws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee's sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, and consistent with this Charter, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

Notwithstanding the foregoing, the Committee's responsibilities are limited to oversight. The Company's management is responsible for the preparation, presentation, and integrity of the Company's financial statements as well as the Company's financial reporting process, accounting policies, internal audit function (if any), internal accounting controls and disclosure controls and procedures. The independent auditor is responsible for performing an audit of the Company's annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles and reviewing the Company's quarterly financial statements. It is not the responsibility of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosure are complete and accurate and in accordance with generally accepted accounting principles and applicable laws, rules, and regulations. Each member of the Committee shall be entitled to rely upon the integrity of those persons within the Company and of the professionals and experts from which the Committee receives information and, absent actual knowledge to the contrary, the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts.

Membership

The Committee shall consist of at least three members of the Board; provided, however, that if at any time there is a vacancy on the Committee and the remaining members meet all membership requirements, then the Committee may consist of two members until the earlier of the Company's next annual stockholders meeting or one year from the occurrence of the vacancy. No Committee member shall have participated in the preparation of the Company's financial statement or those of any then subsidiary of the Company at any time during the past three years. Each Committee member must be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement. Members of the Committee are not required to be engaged in the accounting and auditing profession and, consequently, some members may not be expert in financial matters, or in matters involving auditing or accounting. However, at least one member of the Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. In addition, either at least one member of the Committee shall be an "audit committee financial expert" within the definition adopted by the Securities and Exchange Commission (the "SEC") or the Company shall disclose in its periodic reports required pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act") the reasons why at least one member of the Committee is not an "audit committee financial expert." Each Committee member shall satisfy the independence requirements of the Nasdaq Global Market and Rule 10A-3(b)(1) under the Exchange Act. However, if a member of the Committee ceases to be independent for reasons outside the member's reasonable control, then the member may remain on the Committee until the earlier of the Company's next annual stockholders meeting or one year from the occurrence of the event that caused the member to cease to be independent; provided that if the event that caused the member to cease being independent occurs within 180 days before the Company's next annual stockholders meeting, the member may remain on the Committee for 180 days.

The members of the Committee, including the chairman of the Committee (the "Chair"), shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. Committee members may be removed from the Committee, with or without cause, by the Board.

Responsibilities of the Audit Committee

Committee Management

1. Maintain the independence, education and experience requirements of the Exchange Act, the Sarbanes-Oxley Act and the Nasdaq Global Market.
2. Establish an agenda for the ensuing year. Hold such regular meetings as may be necessary and such special meetings as may be called by the Chair or at the request of the independent accountants.
3. Review the powers and duties of the Committee and report and make recommendations to the Board on these responsibilities.
4. Submit the minutes of all meetings of the Committee to, or discuss the matters discussed at each Committee meeting with, the Board.
5. Hire independent counsel and other advisors as the Committee may, in its discretion, determine to be necessary to carry out its duties. The Company shall provide for funding, as determined by the Committee, for the payment of compensation to such advisors.
6. Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
7. Consider such other matters in relation to the financial affairs of the Company and its accounts, and in relation to the external audit of the Company as the Committee may, in its discretion, determine to be advisable. the Company shall provide for funding, as determined by the Committee, for the payment of the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
8. Review and approve all related party transactions.

Oversight of Internal Audit Function

9. The Committee shall exercise an oversight role with respect to the internal audit function of the Company, if such function exists. The oversight activities include review of plans and budgets with respect to the internal audit function, review of summary information concerning the results of reviews of financial reporting by the internal audit function, requesting the internal audit function to perform special studies, investigations or other services in matters of interest of concern to the Audit Committee, and requesting reviews of the internal audit function on a periodic basis.

Management of Relationship with Independent Auditors

10. Directly appoint, compensate, retain and oversee the work of the independent auditors to audit the financial statements of the Company. The independent auditors shall report directly to the Committee, and the Committee shall resolve any disagreements between management and the independent auditors. The Committee shall meet with the independent auditors and financial management, and, if the Company has an internal audit function, the director of internal audit, to review the scope of the proposed audit for the current year and the audit procedures to be utilized, the adequacy of the program to integrate the independent and internal audit efforts, and, at the conclusion thereof, review such audit, including any comments or recommendations of the independent auditors.
11. Receive and review (i) the independent auditors formal written statement delineating all relationships between the independent auditors and the Company, consistent with Independence Standards Board Standard 1, Independence Discussions with Audit Committees, and (ii) any other certifications or documentation necessary to ensure that the independent auditors meet the independence standard required by law. Review all such documentation with the independent auditors, and, if so determined by the Committee, take or recommend that the Board take appropriate action to oversee the independence of the auditors.

12. Receive and review timely reports from the independent auditors regarding (i) all critical accounting policies and practices to be used; (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and (iii) other material written communications between the independent auditors and the management of the Company, such as any management letter or schedule of unadjusted differences.
13. Review the following with management and the independent auditors:
 - a. the Company's annual financial statements and related disclosures contained in the Company's annual report on Form 10-K (the "Form 10-K"), including the Company's disclosure under Management's Discussion and Analysis of Financial Condition and Results of Operations (including quality of financial reporting decisions and judgments);
 - b. the audit of the annual financial statements and the independent auditors' report thereon;
 - c. any significant changes required in the independent auditors' audit plan;
 - d. any significant difficulties encountered during the audit;
 - e. critical accounting policies' disclosure for inclusion in the Form 10-K; and
 - f. recommend to the Board that the audited financial statements be included in the Form 10-K.
14. Review with management and the independent auditor the Company's quarterly financial statements prior to the filing of any quarterly report on Form 10-Q.
15. Discuss with the independent auditors any other matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit.
16. Approve in advance all auditing services to be provided by the independent auditors. Determine the amount of compensation to be paid to the independent auditors for such services. The Company shall provide for funding, as determined by the Committee, for the payment of compensation to the independent auditors.
17. Approve, in advance, any audit-related, tax and other permitted non-audit services to be provided by the independent auditors. Determine the amount of compensation to be paid to the independent auditors for such non-audit services.

The Company shall provide for funding, as determined by the Committee, for the payment of compensation to the independent auditors for any such services.

Develop Controls to Insure the Integrity of the Financial Statements and Quality of Disclosure

18. Review with management, the director of internal audit (if any) and the independent auditors significant risks and exposures, and the steps management has taken to minimize the risks or exposures.
19. Review with management and the director of internal audit (if any) the Company's systems of internal control.
20. On a quarterly basis, discuss the following with management, the director of internal audit (if any) and the independent auditors:
 - a. all significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data and any material weaknesses in internal controls; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
21. Establish procedures for: (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and (iii) the receipt and treatment of any evidence of a violation of the securities laws or breach of fiduciary duty brought to the Committee's attention by the

Company's external counsel.

22. Prepare the Audit Committee Report for inclusion in any Proxy Statement issued by the Company.

Human Resources

23. Review accounting and financial human resources and succession planning within the Company, including, without limitation, concurring with management in the hiring or removal of a director of internal audit.
24. Review the Company's hiring policies with respect to employees or former employees of the Company's independent auditors.