



POLICY REGARDING FINANCIAL AND SCIENTIFIC COMPLAINTS

October 12, 2005

OVERVIEW

Regulatory Securities Authorities in Canada have introduced new investor confidence rules aimed at avoiding accounting scandals such as those that shook the integrity of financial markets a few years ago. In this regard, all public companies, through their audit committees, must establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters as well as procedures for the confidential, anonymous submission by employees of the company of concerns regarding irregularities in accounting or auditing matters.

Theratechnologies Inc. (the “Company”) has established accounting policies and procedures and an internal control process to ensure the accuracy and integrity of its financial statements. The Company recognizes that there may be situations from time to time where an employee or another interested person believes that these policies and procedures have not been followed or that information has been misstated or omitted which may impair the integrity or accuracy of the Company’s financial statements.

The Company also believes that it may be negatively affected by improper scientific practices. The Audit Committee, therefore, wishes to extend the policy to any employee or interested person who wishes to denounce any impropriety of a scientific nature, including questions and/or complaints relating to scientific information which may be misleading by errors, omissions or misstatements.

This policy sets out the procedures addressing the receipt, retention and treatment of complaints received by the Company in respect of matters relating to its financial and scientific practices. This policy also establishes means to protect the confidentiality and anonymity of any complaint submitted.

DEFINITIONS

In this Policy, the following words and expressions shall have the following meanings:

“Complainant” shall mean any interested person making a Complaint.

“Complaint” shall mean any Financial Complaint or Scientific Complaint.

“Complaints Officer” shall mean the person responsible for receiving the Complaint, either the Financial Complaints Officer or the Scientific Complaints Officer.

“Financial Complaint” shall mean any question, concern and/or complaint relating to a Reportable Financial Activity.

“Financial Complaints Officer” shall mean Mr. Paul Pommier, Chairman of the Audit Committee of the Company, who is the person responsible to receive Financial Complaints.

“Reportable Activity” shall mean any Reportable Financial Activity or any Reportable Scientific Activity.

“Reportable Financial Activity” shall have the meaning given thereto in the Reportable Activities section contained hereafter.

“Reportable Scientific Activity” shall have the meaning given thereto in the Reportable Activities section contained hereafter.

“Scientific Complaint” shall mean any question, concern and/or complaint relating to a Reportable Scientific Activity.

“Scientific Complaints Officer” shall mean Dr. Gilles Cloutier, Director of the Company, who is the person responsible to receive Scientific Complaints.

PROCEDURE

REPORTABLE ACTIVITIES

The reportable activities under this policy are activities of the Company which have not or cannot be corrected or modified using the normal problem-solving process of the Company. For example, this process normally implies that if an employee is privy to an irregular activity, he must first report it to his or her supervisor and such supervisor will attempt to correct it. Only once this process proves inadequate that the employee may resort to file a Complaint hereunder.

Each of the following financial activities constitutes a “Reportable Financial Activity”:

- Any activity with respect to the Company’s accounting, internal accounting controls or auditing matters which may impair the integrity or accuracy of its financial statements, including but not limited to, the following:
 - Non-compliance with established Company procedures; or
 - Misstatement or omission.
- Any activity by an employee that may constitute:
 - Corporate fraud;
 - Violation of federal or provincial laws; or
 - Misappropriation of the Company’s property.

Each of the following scientific activities constitutes a “Reportable Scientific Activity”:

- Any activity with respect to the Company’s scientific matters which may impair the integrity or accuracy of the Company’s scientific results, including but not limited to, the following:
 - Non-compliance with established Company procedures; or
 - Misstatement or omission.
- Any activity by an employee that may constitute:
 - Corporate fraud; or
 - Violation of federal or provincial laws.

FILING A COMPLAINT

Any Reportable Financial Activity shall be reported promptly to the Financial Complaints Officer as a Financial Complaint in writing in an envelope marked “Private and Confidential” at the address below:

Mr. Paul Pommier
Chairman of the Audit Committee
Theratechnologies Inc.
2310 Alfred-Nobel Boulevard
Saint-Laurent (Québec) H4S 2A4

Any Reportable Scientific Activity shall be reported promptly to the Scientific Complaints Officer as a Scientific Complaint in writing in an envelope marked “Private and Confidential” at the address below:

Dr. Gilles Cloutier
Director
Theratechnologies Inc.
2310 Alfred-Nobel Boulevard
Saint-Laurent (Québec) H4S 2A4

All Complaints must contain a detailed description of the Reportable Activity, the steps taken up to the filing of the Complaint to correct it and the consequences, as the case may be, on the scientific or financial results published.

CONFIDENTIALITY

Any Complaint shall be treated on a confidential basis. The Complainant’s identity shall be treated confidentially, unless specifically permitted to be disclosed by the Complainant or unless required by law. The Complaints shall only be disclosed to those persons who have a need to know in order to properly carry out an investigation under this Policy.

It is preferable that the Complainant identify him/herself in order for the Company to properly carry out the investigation. However, the Complaint may be made anonymously. In such a case, there must be clear, accurate and sufficient details, as there will be no opportunity to have the information clarified.

COMPLAINTS PROCESSING

Upon receipt of a Complaint, the Complaints Officer will do the following:

- Record the Complaint;

- Review and assess the seriousness of the Reportable Activity and meet with the Complainant in person or through other appropriate means;
- Investigate the Reportable Activity either alone or with the help of others;
- Take corrective action, when appropriate; and
- Report back to the Complainant, whenever possible.

RETALIATION

The Company will not discharge, threaten, harass, discipline, withhold or suspend payment of salary and/or benefits, demote, transfer or otherwise take any disciplinary or retaliatory action against any employee of the Company who in good faith files a Complaint or provides information or assistance in connection with any internal investigation or governmental proceeding or inquiry.

RETENTION OF COMPLAINTS

The Complaints Officer will ask the Secretary to supervise the maintenance of a log of all Complaints received from Complainants.

Each Complaint will be separately documented by the Complaints Officer. Such documentation shall include a report that contains a complete description of the allegation(s), the action taken (including investigative and/or disciplinary action), the status of the file as pending or closed and, if closed, a statement describing the final disposition of the case. All documentation with respect to a Complaint shall be retained by the Corporate Secretary.

The Audit Committee and the Board of Directors will have full access to the Complaint logs and reports at all times, except for any information that may be used to identify a Complainant who has requested anonymity.

Adopted by the Audit Committee
On October 12, 2005

The Secretary,

Geneviève Dubuc