

JAGUAR ANIMAL HEALTH, INC.

COMPENSATION COMMITTEE CHARTER

A. Purpose

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Jaguar Animal Health, Inc. (the “Company”) to discharge the Board’s responsibilities relating to compensation of the Company’s Chief Executive Officer (the “CEO”) and the Company’s other executive officers (collectively, including the CEO, the “Executive Officers”). The Committee has overall responsibility for approving and evaluating all compensation plans, policies and programs of the Company as they affect the Executive Officers.

B. Membership

The members of the Committee shall be appointed by the Board on the recommendation of the Nominating Committee. One member of the Committee shall be appointed as Committee Chairperson by the Board. Committee members may be replaced by the Board.

The Committee shall consist of no fewer than two members, each of whom shall meet NASDAQ Stock Market (“NASDAQ”) independence requirements. The members of the Committee shall meet all applicable eligibility requirements under NASDAQ rules. However, the Committee may rely upon any cure period or other exception available under NASDAQ rules.

At least two members of the Committee also shall qualify as “outside” directors within the meaning of Internal Revenue Code § 162(m) and as “non-employee” directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

C. Responsibilities and Authority

1. *Executive Officer Compensation.* The Committee shall determine, or recommend for approval by the Board, the following as they affect the Executive Officers: (a) annual base salaries; (b) all incentive awards and opportunities, including both cash-based and equity-based awards and opportunities; (c) any employment agreements and severance arrangements; (d) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; and (e) any special or supplemental compensation and benefits for the Executive Officers and individuals who formerly served as Executive Officers, including perquisites provided to them during and after employment. The CEO shall not be present during any Committee deliberations or voting with respect to his or her compensation.

2. *Evaluation of Management.* The Committee shall be responsible for overseeing the evaluation of the Company’s management, including the Executive Officers. In conjunction with the Audit Committee in the case of the evaluation of the Chief Financial Officer, the Committee shall determine the nature and frequency of the evaluation and the persons subject to

the evaluation, supervise the conduct of the evaluation and prepare, assessments of the performance of the Company's management to be discussed periodically with the Board.

3. *Administration of Equity-Based Plans.* The Committee shall discharge any responsibilities imposed on the Committee by and exercise all rights, authority and functions of the Board under all of the Company's stock option, stock incentive, employee stock purchase and other equity-based plans, including without limitation, the authority to interpret the terms thereof, to grant options thereunder and to make stock awards thereunder, except to the extent the terms of any such plan require administration by the full Board; provided, however, that, except as otherwise expressly authorized to do so by this charter, any such plan or a resolution of the Board, the Committee shall not be authorized to amend any such plan. To the extent permitted by and consistent with applicable law and the provisions of a given equity-based plan, the Committee may delegate to one or more executive officers of the Company the power to grant options or other stock awards pursuant to such equity-based plan to employees of the Company or any subsidiary of the Company who are not directors or executive officers of the Company.

4. *Plan Recommendations and Approvals.* The Committee shall periodically review and approve new compensation and employee benefit plans that are not subject to stockholder approval or approval by the Board, review and approve material changes to existing compensation and employee benefit plans to the extent stockholder or Board approval of such changes is not required, make recommendations to the Board with respect to the Company's incentive compensation plans and equity-based plans subject to stockholder or Board approval, oversee the activities of the individuals and committees responsible for overseeing the Company's compensation and employee benefit plans and discharge any responsibilities imposed on the Committee by any of these plans.

5. *Director Compensation.* The Committee periodically shall review director compensation and in its discretion make recommendations to the Board with respect to director compensation.

6. *Compensation Consultants, Counsel and Other Advisors.* The Committee shall have the authority, in its sole discretion, to retain and terminate (or obtain the advice of) any adviser to assist it in the performance of its duties, but only after taking into consideration factors relevant to the adviser's independence from management specified in NASDAQ Listing Rule 5605(d)(3)(D). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser retained by the Committee, and shall have sole authority to approve the adviser's fees and the other terms and conditions of the adviser's retention. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.

7. *Compensation Discussion and Analysis.* The Committee shall review and discuss with management the Compensation Discussion and Analysis (the "CD&A") if it is required to be included in the Company's Annual Report on Form 10-K or proxy statement by the rules of the Securities and Exchange Commission (the "SEC"), and, based on such review and discussion, determine whether or not to recommend to the Board that the CD&A be so included.

8. *Compensation Committee Report.* The Committee shall produce the annual Compensation Committee Report if it is required to be included in the Company's Annual Report on Form 10-K or proxy statement in compliance with SEC rules.

9. *Other SEC Compliance.* The Committee shall oversee the Company's compliance with SEC rules regarding stockholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under NASDAQ rules that, with limited exceptions, stockholders approve equity compensation plans.

10. *Risk Assessment.* The Committee shall periodically review the Company's compensation practices for employees to assess whether the risks arising from such policies are reasonably likely to have a material adverse effect on the Company.

11. *Additional Duties.* The Committee shall have such other duties as may be delegated from time to time by the Board.

D. Procedures and Administration

1. *Meetings.* The Committee shall meet as often as necessary to carry out its responsibilities. The Committee Chairperson shall preside at each meeting. In the event the Committee Chairperson is not present at a meeting, the Committee members present at that meeting shall designate one of its members as the acting Chairperson of such meeting.

2. *Subcommittees.* The Committee may form and delegate authority to one or more subcommittees as it deems appropriate.

3. *Reports to Board.* The Committee shall report regularly to the Board.

4. *Charter.* At least annually, the Committee shall review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

5. *Self-Evaluation.* The Committee shall periodically evaluate its own performance and report to the Board on that self-evaluation.

6. *Investigations.* The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it deems appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Committee or any advisors engaged by the Committee.