

## **ANI PHARMACEUTICALS, INC.**

### **AMENDED AND RESTATED CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS**

#### **Organization**

There shall be a standing committee of the board of directors (the “Board”) of ANI Pharmaceuticals, Inc. (“ANI”) known as the Compensation Committee (the “Committee”). This charter shall govern the operations of the Committee.

#### **Membership and Qualifications**

The membership of the Committee shall be appointed by the Board and shall consist of at least two directors. Each member of the Committee shall be an “independent director” within the meaning of the Listing Rules of the NASDAQ Stock Market, a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and an “outside director” as defined by Section 162(m) of the Internal Revenue Code of 1986, as amended. The Board shall be responsible for determining whether a Committee member is an “independent director” and meets the other qualifications. Notwithstanding the foregoing, the Board may decide at any time and in its sole discretion to waive one or more of the foregoing qualifications with respect to a new member of the Committee for a transitional time period if then permitted under applicable laws, rules and regulations.

The Board shall appoint one member of the Committee as chair. The chair shall be responsible for leadership of the Committee, including preparing the agenda, presiding over the meetings, making committee assignments, preparing minutes and reporting to the Board. The chair shall also maintain regular liaison with ANI’s Chief Executive Officer (the “CEO”).

#### **Purpose**

The primary purpose of the Committee is to provide assistance to the Board in fulfilling its responsibilities relating to compensation of the Company’s executive officers, administration of plans, policies and programs of the Company related to compensation and oversight of plans for executive officer development and succession. Specifically, the Committee shall:

- assist the Board with respect to the determination of compensation of the CEO and other executive officers;
- administer ANI’s equity compensation plans;
- review, assess and approve overall company strategies for attracting, developing, retaining and motivating management and employees; and

- annually prepare a report on executive compensation for inclusion in ANI's annual report on Form 10-K and annual meeting proxy statement pursuant to which the Committee states that it has reviewed and discussed with management the "Compensation Discussion and Analysis" section and based on such review and discussions makes a recommendation to the Board as to whether the "Compensation Discussion and Analysis" section should be included in the Company's annual report on Form 10-K and annual meeting proxy statement in accordance with applicable rules and regulations of the Securities and Exchange Commission (the "SEC") and any other applicable regulatory bodies.

### **Authority**

The Committee has the sole power and authority to engage, compensate and oversee any compensation for outside counsel or other experts or advisors as the Committee deems necessary or appropriate to carry out its duties and responsibilities. ANI shall provide appropriate funding, as determined by the Committee, for any advisors employed by the Committee as well as for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Before retaining any compensation advisor, the Committee considers factors affecting the advisor's independence, including the following:

- Other services provided to ANI by the compensation adviser's firm;
- The fees the compensation adviser's firm receives from ANI as a percentage of that firm's total revenue;
- The policies and procedures of the compensation adviser's firm that are designed to prevent conflicts of interest;
- Any business or personal relationship between the compensation adviser and a compensation committee member or an executive officer of ANI; and
- Whether the compensation adviser owns stock in ANI.

### **Duties and Responsibilities**

The Committee shall have the power and authority of the Board to perform the following duties and to fulfill the following responsibilities:

- review, revise and interpret the Company's compensation philosophy, policies, and objectives;
- recommend to the Board for its determination the annual salaries, incentive compensation, long term incentive compensation, special or supplemental benefits or perquisites and any and all other compensation applicable to the CEO and other executive officers of ANI;
- review and make recommendations to the Board regarding employment agreements, severance arrangements, deferred compensation arrangements, change in control agreements/provisions and any other similar compensation arrangements, in each case as, when and if appropriate, for the CEO and the other executive officers of ANI;

- review and make recommendations to the Board regarding any corporate goals and objectives with respect to compensation for the CEO and other executive officers of ANI and establish and lead a process for the full Board to evaluate the performance of the CEO and other executive officers in light of those goals and objectives;
- notwithstanding any of the foregoing, the CEO may not be present during the voting or deliberations of the CEO's compensation;
- establish and lead a process for the full Board to conduct an annual performance review of the CEO;
- review and discuss with the CEO and report periodically to the Board plans for executive officer development and corporate succession plans for the CEO and other key executive officers and employees;
- administer ANI's equity compensation plans and recommend to the Board specific grants of options and other awards for all executive officers and determine specific grants of options and other awards for all other employees, under ANI's equity compensation plans;
- make recommendations to the Board with respect to any new equity compensation plan or any material change to any existing plans;
- make recommendations to the Board regarding ANI's incentive compensation plans applicable to ANI's executive officers, including the annual establishment of (i) eligible employees, (ii) performance goals, and (iii) target incentive compensation levels;
- review ANI's policies with respect to employee benefit plans;
- review and make recommendations to the Board regarding any revisions to ANI's processes and procedures for the consideration and determination of executive compensation, including but not limited to the role of executive officers in determining or recommending the amount or form of executive compensation and any role of compensation consultants in determining or recommending the amount or form of executive compensation;
- annually review and discuss with management the "Compensation Discussion and Analysis" section and based on such review and discussions make a recommendation to the Board as to whether the "Compensation Discussion and Analysis" section should be included in ANI's annual report on Form 10-K and annual meeting proxy statement in accordance with applicable rules and regulations of the SEC and any other applicable regulatory bodies;
- provide recommendations to the Board on compensation-related proposals to be considered at the Company's annual meeting of stockholders, including the frequency with which the Company should submit to stockholders an advisory vote on executive compensation, or say-on-pay; and
- review and assess the adequacy of this charter annually and recommend any proposed changes to the Board for its approval.

### **Delegation of Authority**

The Committee shall have the power and authority to delegate any of its duties and responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee also may delegate to ANI's President and Chief Executive Officer the authority to grant stock options under the Company's equity compensation plans to new non-officer employees of ANI whose position and title with ANI is below "Vice President" to the extent permitted by the applicable plan, Section 157(c) of the Delaware General Corporation Law and any other applicable laws, rules and regulations.

### **Meetings**

The Committee will meet as often as may be deemed necessary or appropriate, in its judgment, either in person or telephonically, and at such times and places as the Committee determines. A majority of the Committee constitutes a quorum. The Committee will report regularly to the Board with respect to its activities.

Approved by the ANI Pharmaceuticals, Inc.  
Board of Directors  
June 4, 2014