

**CYNAPSUS THERAPEUTICS INC.**  
**(the “Corporation”)**

**CORPORATE GOVERNANCE, NOMINATING AND COMPENSATION COMMITTEE**  
**CHARTER**

**ARTICLE 1 - ROLE AND OBJECTIVES**

**1.1 Role**

The Corporate Governance, Nominating and Compensation Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of the Corporation established for the purpose of overseeing the corporate governance, Director nomination, management and Director compensation and succession planning responsibilities of the Corporation.

**1.2 Objectives**

The Committee will assist the Board in fulfilling its corporate governance, Director nomination, management and Board compensation and succession planning responsibilities by, among other things:

(a) developing and recommending to the Board corporate governance principles applicable to the Corporation;

(b) identifying individuals qualified to become members of the Board consistent with criteria approved by the Board;

(c) recommending to the Board nominees for each annual meeting of shareholders and nominees for election to fill vacancies on the Board and to address related matters;

(d) recommending to the Board individual Directors to serve on the various committees of the Board;

(e) leading the annual review of the Board’s performance;

(f) developing and implementing the Corporation’s philosophy and programs with respect to executive compensation;

(g) establishing and reviewing the Corporation’s plan for management development and succession planning;

(h) periodically reviewing and recommending to the Board, compensation for the members of the Board and the committees of the Board; and

(i) reviewing the design and make-up of broadly applicable compensation and benefit programs.

## **ARTICLE 2 - DUTIES, POWERS, AND RESPONSIBILITIES**

The Committee is responsible for all matters relating to the governance of the Corporation as well as for Director recruitment, Director orientation and continuing education, and for the regular evaluation of the executive management and the Board and for reporting and making recommendations to the Board regarding such matters. Without limiting the generality of the foregoing, the Committee shall have the following duties:

(a) Corporate Governance

- (i) Develop and recommend to the Board corporate governance principles.
- (ii) Annually review the corporate governance principles and policies of the Corporation and, as appropriate, recommend changes to such principles and policies to the Board or management.
- (iii) Annually review compliance by the Corporation with all applicable regulatory requirements relating to corporate governance.
- (iv) Review, as appropriate, corporate governance issues, trends and proposed, new or amended regulatory requirements.
- (v) At least annually, review the committee structure of the Board and the operations of such committees and, as appropriate, recommend to the Board changes to their structure and operations.
- (vi) Advise the Board with respect to the charters, structure and operations of the various committees of the Board and qualifications for membership thereon, including policies for removal of members. In consultation with the Chair of the Board and the Chief Executive Officer ("CEO"), the Committee shall also make recommendations to the Board regarding which Directors should serve on the various committees of the Board.
- (vii) Review proposed annual corporate governance disclosure before submission to the Board for approval.

(b) Director Selection and Oversight

- (i) With respect to Director recruitment the Committee shall:
  - (A) in consultation with the Board and CEO and, on an ongoing basis, identify the mix of competencies and skills the Board as a whole should possess;

- (B) assess the competencies and skills of each existing Director and the attributes new Directors should have for the appropriate mix to be maintained;
  - (C) consider the appropriate size of the Board with a view to facilitating effective decision-making;
  - (D) recommend to the Board the tenure and classification of Directors (if applicable);
  - (E) in consultation with the Board and CEO and, on an ongoing basis, maintain a database of potential candidates;
  - (F) implement a procedure to identify, with as much advance notice as practicable, impending Board vacancies, so as to allow sufficient time for recruitment and for introduction of proposed nominees to the existing Board;
  - (G) develop a list of qualified candidates and arrange for each candidate to meet with the Chair and the CEO;
  - (H) recommend to the Board proposed nominee(s) for the next annual meeting of the shareholders and arrange for their introduction to as many Directors as practicable; and
  - (I) ensure that prospective candidates are informed of the degree of time and commitment the Corporation expects of its Directors and that each new nominee can devote sufficient time and resources to his or her duties as a Director; and encourage diversity in the composition of the Board.
- (ii) Exercise oversight of the policies and processes adopted by the Committee or the Board relating to Director orientation and continuing education.
  - (iii) Exercise oversight of the processes adopted by the Board for evaluating (A) the overall performance and workings of the Board as a whole, and (B) the performances of individual Directors.
  - (iv) Ensure the Board is composed of a sufficient number of independent Directors to satisfy all applicable rules of the NASDAQ Stock Market LLC (“NASDAQ”), including assuring that at least three of the independent members of the Board satisfy the NASDAQ financial and accounting experience requirements and the heightened independence standards of the United States Securities and Exchange Commission (“SEC”) and that at least one of such three members qualifies as an “audit committee financial expert” (as defined by the rules and regulations of the SEC).

(c) Executive Compensation

- (i) Review and approve on an annual basis the corporate goals and objectives relevant to the CEO's compensation. The Committee shall evaluate at least once a year the CEO's performance in light of established goals and objectives and, based on such evaluation, shall, together with all other independent members of the Board, determine and approve the CEO's annual compensation, including, as appropriate, salary, bonus, incentive and equity compensation. The CEO shall not be present during any Committee deliberations or voting with respect to his or her compensation.
- (ii) Review and approve on an annual basis the evaluation process and compensation structure for the Corporation's executive officers, including any annual executive salary administration program under which the parameters for salary adjustments (at the discretion of the CEO) for officers are established.
- (iii) Review and make recommendations to the Board with respect to the adoption, amendment and termination of any executive management incentive-compensation and equity-compensation plans, oversee their administration and discharge any duties imposed on the Committee by any of those plans.
- (iv) Assess the competitiveness and appropriateness of the Corporation's policies relating to the compensation of the executive officers.
- (v) Oversee the Corporation's compliance with applicable SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including, but not limited to, advisory votes on executive compensation ("say-on-pay") and the frequency of such votes, and the requirement under the NASDAQ rules that, with limited exceptions, shareholders approve equity compensation plans.
- (vi) Monitor the Corporation's compliance with the requirements of the United States Sarbanes-Oxley Act of 2002, as amended, relating to loans to Directors and officers, and with all other applicable laws affecting employee compensation and benefits.
- (vii) Review and discuss with management any compensation disclosure to be or required to be contained in the Corporation's public filings and, based on such review and discussion, determine whether or not to recommend to the Board that such disclosure be included.

(d) Management Development and Succession Planning

- (i) Review management's long-range planning for executive development and succession.

- (ii) Develop a CEO succession plan.
- (e) Board Compensation
  - (i) Annually review and recommend to the Board a compensation package for members of the Board. In considering the Director compensation package, the Committee may take into consideration the relative responsibilities of Directors in serving on the Board and its various committees. The Committee may request that management report to the Committee periodically on the status of the Board's compensation package in relation to other similarly situated companies.
  - (ii) Directors who are employees of the Corporation shall not be compensated for their services as Directors.
  - (iii) The Committee shall review annually any stock ownership guidelines applicable to Directors and shall recommend to the Board revisions to any such guidelines as appropriate.
- (f) Broadly Applicable Compensation and Benefit Programs
  - (i) Review the general design and make-up of the Corporation's broadly-applicable benefit programs as to their general adequacy, competitiveness, internal equity, and cost effectiveness.
  - (ii) Annually review the performance of the Corporation's pension plans, if any.
  - (iii) Perform other review functions relating to management compensation and human resources policies as the Committee deems appropriate.
- (g) Other Responsibilities and Matters
  - (i) Report through its Chair to the Board following meetings of the Committee.
  - (ii) Review annually the adequacy of this Charter and confirm that all responsibilities have been carried out.
  - (iii) Evaluate the Committee's and individual member's performance on a regular basis and report annually to the Board the result of its annual self-assessment.
  - (iv) Review material employee complaints with management related to employment matters that could lead to litigation.

- (v) The Committee may form and delegate authority to subcommittees as it deems appropriate.
- (vi) The Committee will perform such other functions as necessary or appropriate in its or the Board's opinion under applicable law.

## **2.2 Authority**

The Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors employed by the Committee at the cost of the Corporation without obtaining Board approval, based on its sole judgment and discretion. The Committee shall take into consideration factors relevant to the advisor's independence from management and suitability as specified in NASDAQ rule 5605(d)(3).

# **ARTICLE 3 - COMPOSITION**

## **3.1 Composition**

The Committee shall be comprised of at least three Directors. Except as otherwise permitted by the applicable rules of NASDAQ, each Committee member shall satisfy the independence requirements of applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines, including the rules of NASDAQ, and any other applicable regulatory rules. In particular, each member of the Committee shall have no direct or indirect material relationship with the Corporation or any affiliate thereof, which could reasonably interfere with the exercise of the member's independent judgment. At least two members of the Committee also shall qualify as "outside" Directors within the meaning of Internal Revenue Code Section 162(m) and as non-employee Directors within the meaning of Rule 16b-3 under the United States Securities Exchange Act of 1934, as amended. Determinations as to whether a particular Director satisfies the requirements for membership on the Committee shall be made by the full Board.

## **3.2 Appointment**

Members of the Committee shall be appointed by the Board. Each member shall serve until his/her successor is appointed, unless he/she shall resign or be removed by the Board or he/she shall otherwise cease to be a Director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than two Directors.

## **3.3 Chair**

The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a Chair by vote of a majority of the full Committee membership.

### **3.4 Access**

The Committee shall have access to such officers and employees of the Corporation and all subsidiaries and to such information respecting the Corporation and the subsidiaries, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

## **ARTICLE 4 - MEETINGS**

### **4.1 Time and Location**

The Committee shall meet as often as necessary to carry out its responsibilities and at least once annually at such times and at such locations as the Chair of the Committee shall determine; provided that, one of the meetings shall be scheduled following preparation of the annual financial statements for the purpose of determining bonuses in respect of the immediately preceding financial year. Any member of the Committee may also request a meeting of the Committee.

### **4.2 Quorum**

The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other.

### **4.3 Agenda**

The Chair shall, in consultation with management, establish the agenda for the meetings and instruct management to ensure that properly prepared agenda materials are circulated to the Committee at least 1 week in advance of the scheduled meeting.

### **4.4 Majority Vote**

At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In case of an equality of votes, the matter will be referred to the Board for decision.

### **4.5 Management**

Each of the Chief Executive Officer and Chief Financial Officer of the Corporation shall be available to advise the Committee, shall receive notice of all meetings of the Committee and may attend meetings at the invitation of the Chair of the Committee. The Chair of the Committee shall hold in camera sessions of the Committee, without management present, at every meeting.

### **4.6 Minutes**

A member of the Committee or the Secretary of the Corporation shall be appointed at each meeting to act as secretary for the purpose of recording the minutes of each meeting.

#### **4.7 Summary of Meetings**

The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be retained and made available for examination by the Board upon request of the Chair.

### **ARTICLE 5 – CERTIFICATION**

**5.1** This Charter was duly approved on May 13, 2015 by the Board of Directors of the Corporation, and made effective on June 18, 2015.