

CONATUS PHARMACEUTICALS INC.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

I. Purpose

1. The purpose of the Nominating and Corporate Governance Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Conatus Pharmaceuticals Inc. (the “*Company*”) is to assist the Board in discharging the Board’s responsibilities regarding:

- (a) the identification of qualified candidates to become Board members;
- (b) the selection of nominees for election as directors at the next annual meeting of stockholders (or special meeting of stockholders at which directors are to be elected);
- (c) the selection of candidates to fill any vacancies on the Board and any committees thereof;
- (d) the development and recommendation to the Board of corporate governance guidelines and principles applicable to the Company (the “*Corporate Governance Guidelines*”); and
- (e) oversight of the evaluation of the Board.

2. 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 bylaws. 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, but not limited to, 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.

II. Membership

1. The Committee shall consist of such number of directors as the Board shall from time to time determine. Except as otherwise permitted by the applicable rules of The NASDAQ Stock Market (“*Nasdaq*”), each member of the Committee shall be an “independent director” as defined by Rule 5605(a)(2) of the Nasdaq rules.

2. The members of the Committee, including, but not limited to, the Chairperson of the Committee (the “*Chair*”), shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause, by the Board. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

III. Meetings and Procedures

1. The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

2. The Committee shall meet as often as the Committee deems necessary or desirable in order to perform its responsibilities.

3. The Committee may retain any independent counsel, experts or advisors that the Committee believes to be desirable and appropriate. The Committee also may use the services of the Company's regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons employed by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates, including, but not limited to, sole authority to approve such search firm's fees and other retention terms.

4. The Committee, through its Chair, shall report regularly to (or at appropriate times and as otherwise requested by the Chairman of the Board), and review with, the Board the activities of the Committee or any issues that the Committee determines are necessary or advisable to report. The reports shall include any recommendations the Committee deems appropriate and any other matters that are relevant to the fulfillment of the Committee's responsibilities.

IV. Duties and Responsibilities

1. (a) At an appropriate time prior to each annual meeting of stockholders at which directors are to be elected or reelected, the Committee shall recommend to the Board for nomination by the Board such candidates as the Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve.

(b) At an appropriate time after a vacancy arises on the Board or any committee thereof or a director advises the Board of his or her intention to resign, the Committee shall recommend to the Board for appointment by the Board to fill such vacancy, such prospective member of the Board as the Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve.

(c) For purposes of (a) and (b) above, the Committee may consider the following criteria, among others the Committee shall deem appropriate, in recommending candidates for election to the Board:

- (i) personal and professional integrity, ethics and values;
- (ii) experience in corporate management, such as serving as an officer or former officer of a publicly held company;
- (iii) strong finance experience;
- (iv) experience relevant to the Company's industry and with relevant social policy concerns;

(v) experience as a board member or executive officer of another publicly held company;

(vi) relevant academic expertise or other proficiency in an area of the Company's operations;

(vii) diversity of expertise and experience in substantive matters pertaining to the Company's business relative to other board members;

(viii) diversity of background and perspective, including, but not limited to, with respect to age, gender, race, place of residence and specialized experience;

(ix) practical and mature business judgment, including, but not limited to, the ability to make independent analytical inquiries; and

(x) any other relevant qualifications, attributes or skills.

2. The Committee shall, at least annually, review the performance of the Board and shall consider the results of such evaluation when determining whether or not to recommend to the Board the nomination of directors for an additional term.

3. In appropriate circumstances, the Committee, in its discretion, shall consider and may recommend to the Board the removal of a director for cause, in accordance with the applicable provisions of the Company's certificate of incorporation, bylaws and the Corporate Governance Guidelines.

4. The Committee shall guide the Board in the Board's annual review of its performance (including, but not limited to, its composition and organization) and may make recommendations to improve performance.

5. The Committee may investigate any matter brought to its attention.

6. The Committee shall develop and recommend to the Board the Corporate Governance Guidelines. The Corporate Governance Guidelines shall address (i) director qualification standards, (ii) director responsibilities, (iii) director access to management and, as necessary and appropriate, independent advisors, (iv) director compensation, (v) director orientation and continuing education, and (vi) annual performance evaluations of the Board.

7. The Committee shall periodically review the Corporate Governance Guidelines and recommend to the Board changes as necessary.

8. The Committee may review the certificate of incorporation, bylaws and any committee charters of the Company and may recommend to the Board they be amended.

9. The Committee shall periodically review the Company's practices and policies with respect to directors, the size of the Board, the leadership structure of the Board (including, but not limited to, whether the roles of Chairman of the Board and Chief Executive Officer should be separate), the ratio of management directors to non-management directors, the meeting frequency of the Board and the structure of Board meetings and make recommendations to the Board with respect thereto.

10. The Committee shall develop and recommend to the Board a policy regarding the consideration of director candidates recommended by the Company's stockholders and procedures for submission by stockholders of director nominee recommendations.

11. The Committee shall recommend to the Board or the appropriate committee thereof, processes for annual evaluations of the performance of the Board, the Chairman of the Board and the Chief Executive Officer.

12. The Committee shall consider, develop and recommend to the Board such policies and procedures with respect to the nomination of directors or other corporate governance matters as may be required or required to be disclosed pursuant to any rules promulgated by the Securities and Exchange Commission or otherwise considered to be desirable and appropriate in the discretion of the Committee.

13. The Committee shall provide for new director orientation and continuing education for existing directors as the Committee deems necessary.

14. The Committee shall, at least annually, evaluate its own performance, including, but not limited to, its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, as appropriate, with any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

15. The Committee shall periodically report to the Board on its findings and actions.

16. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, to the extent consistent with the Company's certificate of incorporation, bylaws, Corporate Governance Guidelines and applicable Nasdaq rules.

VI. Limitations on Scope

The Committee members shall serve on the Committee subject to the understanding on their part and the part of the Company's management that:

1. The Committee members are not employees or officers of the Company and are not directly involved in the Company's daily operations, and they will not serve as members of the Committee on a full-time basis.

2. The Committee members expect the Company's management to provide the Committee with prompt and accurate information, so that the Committee can discharge its duties properly.

3. To the extent permitted by law, the Committee shall be entitled to rely on the information and opinions of the persons and entities noted above in carrying out its responsibilities.

4. The Committee members, in agreeing to serve on the Committee pursuant to this Charter, do so in reliance on, among other things, the indemnification agreements between the Company

and each member and the provisions of the Company's certificate of incorporation which (a) together with the bylaws, provide indemnification for their benefit, and (b) to the fullest extent provided by law, provide that no director shall be liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as director.

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