

**ANIMAS CORPORATION
BOARD OF DIRECTORS**

COMPENSATION COMMITTEE CHARTER

I. ORGANIZATION

A. *Membership*

The Compensation Committee (the "Committee") of the Board of Directors ("Board") of Animas Corporation (the "Company") shall consist of three "independent directors", as such term is defined in the rules and regulations adopted by the Securities and Exchange Commission ("SEC") and the Nasdaq Stock Market ("Nasdaq").

Membership on the Committee shall be determined annually by the Board upon the recommendation of the Committee. Unless a Chairman of the Committee is elected by the full Board, the members of the Committee may designate a Chairman of the Committee by majority vote of the full Committee membership. A Secretary of the Committee shall be selected by the Chairman of the Committee. Should any member of the Committee cease to be independent, such member shall immediately resign his or her membership on the Committee. The Board of Directors may remove a member of the Committee. In case of a vacancy on the Committee, the Board may appoint an independent director to fill the vacancy for the remainder of the term.

B. *Meetings*

The Committee shall meet at least once each year. Additional meetings may be scheduled as needed and may be called by the Chairman of the Committee. A majority of the members of the Compensation Committee shall constitute a quorum for the transaction of business. Minutes are recorded by the Secretary to the Compensation Committee. Approval by a majority of the members present at a meeting at which a quorum is present shall constitute approval by the Compensation Committee. The Compensation Committee may also act by unanimous written consent without a meeting.

II. COMPENSATION PHILOSOPHY¹

The Compensation Committee's compensation policies with respect to the Company's executive officers are based on the principles that compensation should, to a significant extent, be reflective of the financial performance of the Company, and that a significant portion of executive officers' compensation should provide long-term incentives. The Compensation Committee seeks to have executive compensation set at levels that are sufficiently competitive so that the Company may attract, retain and motivate high quality executives to contribute to the Company's success. In assessing overall compensation for executive officers, the Compensation Committee considers the Company's performance and industry position and reviews compensation levels at comparable publicly held companies.

¹ To be refined after deliberation by the Compensation Committee.

III. RESPONSIBILITIES

The Compensation Committee shall:

1. Review and approve compensation policies and practices for the Company's executives.
2. Coordinate the Board's role in establishing performance criteria for executive officers and evaluate their performance annually.
3. Review and recommend to the Board the annual salary, bonus, stock options and other benefits, direct and indirect, of the Company's executive officers, including the Chief Executive Officer.
4. Review and recommend to the Board new executive compensation programs; review annually the operation of the Company's executive compensation programs to determine whether they are properly coordinated and achieving their intended purpose(s); establish and periodically review policies for the administration of executive compensation programs; and take steps to ensure that the Company's executive compensation programs comport with the Compensation Committee's compensation philosophy stated above.
5. Establish and periodically review policies in the area of senior management perquisites.
6. Review significant organizational changes and assess succession planning for management and leadership of the Company;
7. Review and recommend to the Board the terms of any employment agreement executed by the Company with an executive officer of the Company.
8. Review and recommend to the Board the appropriate structure and amount of compensation for the Directors.
9. Review and approve material changes in the Company's employee benefit plans.
10. Administer the Company's employee benefit plans, including equity grants.
11. Recommend to the Board of Directors candidates for officers of the Company.
12. Produce an annual Report of the Compensation Committee on Executive Compensation for the Company's annual proxy statement in compliance with applicable rules and regulations.

IV. REPORTING RESPONSIBILITY

Any action taken by the Committee shall be reported to the Board at the next Board meeting following such action.

In addition, compensation matters may be discussed in executive session with the full Board during the course of the year.