

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
UNITED THERAPEUTICS CORPORATION**

The Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of United Therapeutics Corporation (the “*Company*”) is responsible for the overall design, approval and implementation of the executive compensation plans, policies and programs for officers and other key executives of the Company. This Charter outlines the purpose, composition and responsibilities of the Committee.

**I. PURPOSE**

The Committee has been established to: (a) assist the Board in seeing that a proper system of long-term and short-term compensation is in place to provide performance-oriented incentives to attract and retain management, and that compensation plans are appropriate and competitive and properly reflect the objectives and performance of management and the Company; (b) assist the Board in discharging its responsibilities relating to compensation of the Company’s executive officers; (c) evaluate the Company’s Chief Executive Officer and set his or her remuneration package; (d) make recommendations to the Board with respect to incentive-compensation plans and equity-based plans; and (f) perform such other functions as the Board may from time to time assign to the Committee.

**II. COMPOSITION**

The Committee shall be composed of at least three, but not more than five, members (including a Chairperson), all of whom shall be “independent directors,” as determined by the Board in accordance with the listing standards of the NASDAQ Stock Market LLC. Additionally, members of the Committee shall qualify as “non-employee directors” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934 and as “outside directors” for purposes of Section 162(m) of the Internal Revenue Code. The members of the Committee and the Chairperson shall be selected annually by the Board and serve at the pleasure of the Board. A Committee member (including the Chairperson) may be removed at any time, with or without cause, by the Board. The Committee shall have authority to delegate responsibilities listed herein to subcommittees of the Committee if the Committee determines such delegation would be in the best interest of the Company.

**III. MEETING REQUIREMENTS**

The Committee shall meet as necessary to enable it to fulfill its responsibilities, but at least twice each year. The Committee shall meet at the call of the Chairperson. The Committee may meet by telephone conference call or by any other means permitted by law or the Company’s Bylaws. One-third of the members, but not less than two members, shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of the

members present at a meeting at which a quorum is present. Without a meeting, the Committee may act by unanimous written consent of all members.

The Committee may ask members of management or others whose advice and counsel are relevant to the issues then being considered by the Committee to attend any meetings and to provide such pertinent information as the Committee may request.

The Chairperson of the Committee shall be responsible for leadership of the Committee, including preparing the agenda, presiding over Committee meetings, making Committee assignments and reporting on the Committee's activities to the Board.

#### **IV. COMMITTEE RESPONSIBILITIES**

In carrying out its oversight responsibilities, the Committee's policies and procedures should remain flexible to enable the Committee to react to changes in circumstances. In addition to such other duties as the Board may from time to time assign, the Committee shall have the following responsibilities:

##### **A. Compensation Policies**

1. To review and make periodic recommendations to the Board as to the general compensation and benefits policies and practices of the Company;
2. To oversee and assess the incentives and material risks arising from or related to the Company's compensation policies and practices, including but not limited to those applicable to executive officers, and to evaluate whether the incentives and risks are appropriate; and
3. To establish an overall compensation policy applicable to executive officers and periodically review that policy.

B. Chief Executive Officer Evaluation and Compensation

1. To (a) review and approve goals and objectives relevant to the Chief Executive Officer's compensation package, (b) establish a procedure for evaluating the Chief Executive Officer's performance, (c) annually evaluate the performance of the Chief Executive Officer in conjunction with the Nominating and Governance Committee in light of the goals and objectives established, and (d) review with the Chief Executive Officer the results of the Committee's performance evaluation; and
2. To review, at least annually, and set the base salary and annual and long-term incentive compensation of the Chief Executive Officer, after taking into account the annual evaluation of the Chief Executive Officer.

C. Other Executive Officers' Compensation and Evaluations

1. To (a) review and approve goals and objectives relevant to the other executive officers' compensation packages, (b) establish a procedure for evaluating such executive officers' performance, (c) annually evaluate such performance in light of the goals and objectives established, and (d) if requested by the Chief Executive Officer, have the Committee Chairperson review, after completion of the annual evaluation, with each executive officer the results of the Committee's evaluation of such executive officer's performance; and
2. To review, at least annually, and set the base salary and annual and long-term incentive compensation of the other executive officers, after taking into account the annual evaluation of each such executive officer referred to in the preceding paragraph.

D. Incentive-Compensation and Equity-Based Plans

1. To review and to make periodic recommendations to the Board as to the incentive-compensation plans and equity-based plans;
2. To review and approve or recommend to the Board, as applicable, (and for stockholder approval where required by applicable law, the Certificate of Incorporation, Bylaws or other policies) compensation and benefits policies, plans and programs and amendments thereto, and to determine eligible employees and the type, amount and timing of such compensation and benefits; and
3. To oversee the administration of such policies, plans and programs and, on an ongoing basis, to monitor them to assess whether they remain competitive and within the Board's compensation objectives for executive officers and other members of senior management.

E. Other Duties

1. To review and discuss with management the Company's Compensation Discussion and Analysis ("*CD&A*") and related disclosures that Securities and Exchange Commission ("*SEC*") rules require be included in the Company's annual report and proxy statement, recommend to the Board based on the review and discussions whether the CD&A should be included in the annual report and proxy statement, and prepare the compensation committee report required by SEC rules for inclusion in the Company's annual report and proxy statement;
2. To review and recommend employment agreements and severance arrangements for executive officers, including change-in-control provisions, plans or agreements;
3. To review and consider recommendations from the Nominating and Corporate Governance Committee with respect to the compensation and benefits of directors who are not employees of the Company and to recommend any changes to the Board that the Committee deems appropriate; and
4. To determine the Company's policy with respect to the application of Section 162(m) of the Internal Revenue Code and the circumstances in which the Company may pay executive compensation that is not deductible for Federal income tax purposes.

#### **V. STUDIES; ADVISORS TO THE COMMITTEE**

The Committee may conduct or authorize studies of matters within the Committee's scope of responsibilities as described above. The Committee may retain, at the Company's expense, such outside counsel, experts, and other advisors, as it deems necessary to carry out its duties, including any compensation consultant used to assist the Committee in the evaluation of director, Chief Executive Officer or executive compensation, and negotiate and approve reasonable fees and retention terms of such advisors. The Committee shall comply with the Company's then-current level review of contracts and budget reservation procedures.