

## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|   |  |  |   |
|---|--|--|---|
| 1. Name and Address of Reporting Person*<br><u>Schultz Kevin</u><br><br>(Last) (First) (Middle)<br><u>C/O KINDRED BIOSCIENCES, INC.</u><br><u>1499 BAYSHORE HIGHWAY, SUITE 226</u><br><br>(Street)<br><u>BURLINGAME CA</u> <u>94010</u><br><br>(City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year)<br><u>12/11/2013</u> | 3. Issuer Name and Ticker or Trading Symbol<br><u>Kindred Biosciences, Inc. [ KIN ]</u>  |   |
|   |  | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>Chief Scientific Officer</u> | 5. If Amendment, Date of Original Filed (Month/Day/Year)<br><br>6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person |

## Table I - Non-Derivative Securities Beneficially Owned

|                                 |   |  |   |
|---------------------------------|---|--|---|
| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|

## Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) |                            | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|-----------------|---|----------------------------|--|--|---|
|  | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares |  |  |   |
| Stock Option (right to buy) <sup>(1)</sup> | (2)  | 08/29/2023      | Common Stock  | 50,000                     | 1.37   | D  |   |
| Stock Option (right to buy) <sup>(1)</sup> | (3)  | 11/09/2023      | Common Stock  | 50,000                     | 3.83   | D  |   |

## Explanation of Responses:

1. Granted pursuant to the Issuer's 2012 Equity Incentive Plan

2. 12,500 of the shares subject to the option will vest on July 22, 2014, with the remaining shares vesting in equal monthly installments over the ensuing 36 months, subject to the Reporting Person's continued employment with the Issuer through the applicable vesting dates. However, all of the options will vest upon the consummation of the Issuer's initial public offering, whichever is sooner.

3. 12,500 of the shares subject to the option will vest on November 9, 2014, with the remaining shares vesting in equal monthly installments over the ensuing 36 months, subject to the Reporting Person's continued employment with the Issuer through the applicable vesting dates.

/s/ Kevin Schultz12/11/2013

\*\* Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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