

AMICUS THERAPEUTICS INC
Form DEF 14A
April 25, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Amicus Therapeutics, Inc.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

April 25, 2011

Dear Stockholder:

We are pleased to invite you to attend our 2011 Annual Meeting of Stockholders to be held at the offices of Amicus Therapeutics, Inc., located at 6 Cedar Brook Drive, Cranbury, New Jersey 08512 on Tuesday, May 24, 2011, at 9:00 a.m. Eastern Daylight Time.

Enclosed are the following:

Our Notice of Annual Meeting of Stockholders and Proxy Statement for 2011;

Our Annual Report on Form 10-K for 2010; and

A proxy card with a return envelope to record your vote.

The accompanying notice of the 2011 Annual Meeting and Proxy Statement describe the business we will conduct at the meeting and provide information about Amicus Therapeutics, Inc. that you should consider when you vote your shares.

Your vote is important. When you have finished reading the Proxy Statement, please promptly vote your shares by marking, signing, dating and returning the proxy card in the enclosed envelope or vote via telephone or internet according to the instructions in the Proxy Statement. If you attend the Annual Meeting, you may vote your shares in person even though you have previously voted by proxy if you follow the instructions in the Proxy Statement. We encourage you to vote by proxy so that your shares will be represented and voted at the meeting, whether or not you can attend in person.

Sincerely,

John F. Crowley

Executive Chairman

April 25, 2011

NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS

To our Stockholders:

The 2011 Annual Meeting of Stockholders of Amicus Therapeutics, Inc. will be held at the offices of Amicus Therapeutics, Inc., located at 6 Cedar Brook Drive, Cranbury, New Jersey 08512 on Tuesday, May 24, 2011 at 9:00 a.m. Eastern Daylight Time. The purpose of this meeting is to vote on the following:

1. Elect two Class I directors as nominated by the Board of Directors each to serve a three-year term expiring at the 2014 Annual Meeting or until their respective successors have been elected.
2. Approve the Amended and Restated 2007 Equity Incentive Plan.
3. Ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011.
4. Consider and act upon any other business that is properly presented at the meeting.

These items of business are more fully described in the Proxy Statement accompanying this Notice.

The record date for the 2011 Annual Meeting is April 1, 2011. Only stockholders of record at the close of business on that date are entitled to notice of and to vote at the meeting or any adjournment thereof.

BY ORDER OF THE BOARD OF DIRECTORS

Geoffrey P. Gilmore

Senior Vice President, General Counsel and

Secretary

Cranbury, New Jersey

April 25, 2011

You are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, please complete, date, sign and return the proxy card or vote by telephone or the internet as instructed in the accompanying materials as promptly as possible in order to ensure your representation at the meeting. You can revoke a proxy at any time prior to its exercise by following the instructions in the proxy statement. Please note, however, that if your shares are held of record by a broker, bank or other nominees and you wish to vote at the meeting, you must provide a valid proxy issued in your name from that record holder.

AMICUS THERAPEUTICS, INC.

6 Cedar Brook Drive, Cranbury, New Jersey 08512

(609) 662-2000

PROXY STATEMENT FOR THE AMICUS THERAPEUTICS, INC.

2011 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON

MAY 24, 2011

GENERAL INFORMATION ABOUT THE ANNUAL MEETING

Why Did You Send Me this Proxy Statement?

We sent you this Proxy Statement and the enclosed proxy card because the Board of Directors (the Board) of Amicus Therapeutics, Inc. (sometimes referred to as Amicus or the Company) is soliciting your proxy to vote at the 2011 Annual Meeting of Stockholders (the Annual Meeting) and any adjournments of the meeting to be held at the offices of Amicus Therapeutics, Inc., located at 6 Cedar Brook Drive, Cranbury, New Jersey 08512 on Tuesday, May 24, 2011 at 9:00 a.m. Eastern Daylight Time. This Proxy Statement along with the accompanying Notice of Annual Meeting of Stockholders summarizes the purposes of the meeting and the information you need to know to vote at the Annual Meeting. You are invited to attend the Annual Meeting to vote on the proposals described in this Proxy Statement. You do not need to attend the Annual Meeting to vote your shares. Instead you may simply complete, sign and return the enclosed proxy card, or follow the instructions on the enclosed proxy card to submit your proxy by telephone or on the internet.

We intend to mail this Proxy Statement, our 2010 Annual Report on Form 10-K, the attached Notice of Annual Meeting and the enclosed proxy card to all stockholders entitled to vote at the Annual Meeting on or about April 25, 2011.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS

FOR THE ANNUAL MEETING TO BE HELD ON MAY 24, 2011.

THE PROXY STATEMENT FOR OUR 2011 ANNUAL MEETING OF STOCKHOLDERS AND OUR ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2010 ARE AVAILABLE AT: www.sec.gov, through the Investor Relations section of our web site at www.amicustherapeutics.com or at

<http://www.amstock.com/ProxyServices/ViewMaterial.asp?CoNumber=15417>.

Who Can Vote?

Only stockholders of record at the close of business on April 1, 2011 are entitled to vote at the Annual Meeting. On this record date, there were 34,516,180 shares of our common stock (Common Stock) outstanding and entitled to vote. Each share of Common Stock is entitled to one vote. The Common Stock is our only outstanding class of voting stock.

Stockholder of Record: Shares Registered in Your Name

If, on April 1, 2011, your shares were registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, then you are a stockholder of record. As a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy. Whether or not you attend the Annual Meeting, we urge you to fill out and return the enclosed proxy card or follow the instructions on the proxy card to submit your vote by telephone or internet to ensure your vote is counted.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If, on April 1, 2011, your shares were held, not in your name, but rather in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent on how to vote the shares in your account. A number of brokers and banks enable beneficial owners to give voting instructions via telephone or the internet. Please refer to the voting instructions provided by your bank or broker. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the meeting unless you provide a valid proxy from your broker, bank or other custodian.

What am I voting on?

There are three matters scheduled for a vote:

Election of two Class I directors;

Approval of the Amended and Restated 2007 Equity Incentive Plan; and

Ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2011.

How Do I Vote?

Whether you plan to attend the Annual Meeting or not, we urge you to vote by proxy. Voting by proxy will not affect your right to attend the Annual Meeting.

Stockholder of Record: If your shares are registered directly in your name, you may vote:

By mail. Complete and mail the enclosed proxy card in the enclosed postage prepaid envelope. Your proxy will be voted in accordance with your instructions. If you sign the proxy card but do not specify how you want your shares voted, they will be voted as recommended by our Board of Directors.

In person at the meeting. If you attend the meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which will be available at the meeting.

By telephone. You may vote over the telephone by calling toll-free 1-800-PROXIES (1-800-776-9437) in the United States or 1-718-921-8500 from outside the United States and follow the recorded instructions. Please have your proxy card available when you call. Your vote must be received by 11:59 p.m. Eastern Daylight Time on May 23, 2011 to be counted.

Internet. You may vote via the internet by going to www.voteproxy.com and follow the on-screen instructions. Please have your proxy card available when you access the web page. Your vote must be received by 11:59 p.m. Eastern Daylight Time on May 23, 2011 to be counted.

Beneficial Owner: If your shares are held in street name (held in the name of a bank, broker or other nominee), you must provide the bank, broker or other nominee with instructions on how to vote your shares and can do so as follows:

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By mail. You will receive instructions from your broker or other nominee explaining how to vote your shares.

In person at the meeting. Contact the broker or other nominee who holds your shares to obtain a broker's proxy card and bring it with you to the meeting. You will not be able to vote at the meeting unless you have a proxy card from your broker.

- 2 -

How Many Votes do I have?

Each share of Common Stock that you own as of April 1, 2011, entitles you to one vote on each matter to be voted on at the Annual Meeting.

What if I return a proxy card but do not make specific choices?

If you return a signed and dated proxy card without marking any voting selections, your shares will be voted **For** the election of both nominees for director, **For** the Amended and Restated 2007 Equity Incentive Plan, and **For** ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2011. If any other matter is properly presented at the Annual Meeting, your proxy (one of the individuals named on your proxy card) will vote your shares using his best judgment.

Will My Shares be Voted if I Do Not Return My Proxy Card?

If your shares are registered in your name, they will not be voted if you do not return your proxy card by mail or vote at the meeting as described above under **How Do I Vote?** If your shares are held in street name and you do not provide voting instructions to the bank, broker or other nominee that holds your shares as described above under **How Do I Vote?**, the bank, broker or other nominee has the authority to vote your unvoted shares only for Proposal 3 if it does not receive instructions from you. The broker, bank or other nominee will not be permitted to vote on the other Proposals without your voting instructions. We encourage you to provide voting instructions. This ensures your shares will be voted at the meeting in the manner you desire. If your broker cannot vote your shares on a particular matter because it has not received instructions from you and does not have discretionary voting authority on that matter or because your broker chooses not to vote on a matter for which it does have discretionary voting authority, this is referred to as a broker non-vote .

May I Revoke My Proxy?

If you give a proxy, you may revoke it at any time before the Annual Meeting. You may revoke your proxy in any one of the following ways:

signing a new proxy card and submitting it as instructed above;

notifying the Company's Secretary in writing before the Annual Meeting that you have revoked your proxy; or

attending the meeting in person and voting in person if you are a stockholder of record. Attending the meeting in person will not in and of itself revoke a previously submitted proxy unless you specifically request it.

What if I Receive More Than One Proxy Card?

You may receive more than one proxy card or voting instruction form if you hold shares of our Common Stock in more than one account, which may be in registered form or held in street name. Please vote in the manner described under **How Do I Vote?** for each account to ensure that all of your shares are voted.

How Does the Board of Directors Recommend That I Vote on the Proposals?

The Board of Directors recommends that you vote as follows:

FOR the election of the nominees for director;

FOR the approval of the Amended and Restated 2007 Equity Incentive Plan; and

FOR ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2011.

If any other matter is properly presented, the proxy card provides that your shares will be voted by the proxy holder listed on the proxy card in accordance with his best judgment. At the time this Proxy Statement was printed, we knew of no matters that needed to be acted on at the Annual Meeting, other than those discussed in this Proxy Statement.

What Vote is Required to Approve Each Proposal and How are Votes Counted?

Proposal 1: Elect Directors

The nominees for director who receive the most votes (also known as a plurality of the votes) will be elected. Abstentions are not counted as voting on the matter for purposes of electing directors. You may vote FOR all of the nominees, WITHHOLD your vote from all of the nominees or WITHHOLD your vote from any one or more of the nominees. Votes that are withheld will not be included in the vote tally for the election of directors. Brokerage firms do not have authority to vote customers' unvoted shares held by the firms in street name for the election of directors. These broker non-votes will have no effect on the results of this vote.

Proposal 2: Approve the Amended and Restated 2007 Equity Incentive Plan

The affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on such matter is required to approve the Amended and Restated 2007 Equity Incentive Plan. Abstentions will have the effect of a vote against this proposal. Brokerage firms do not have the authority to vote customers' unvoted shares held by the firms in street name on this proposal. These broker non-votes will have no effect on the results of this vote. Our Board has approved the Amended and Restated 2007 Equity Incentive Plan and believes it is in the best interest of the stockholders to approve it.

Proposal 3: Ratify Selection of Independent Registered Public Accounting Firm

The affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on such matter is required to ratify the selection of independent registered public accounting firm. Abstentions will have the effect of a vote against this proposal. Brokerage firms have authority to vote customers' unvoted shares held by the firms in street name on this proposal. If a broker does not exercise this authority, such broker non-votes will have no effect on the results of this vote. We are not required to obtain the approval of our stockholders to select our independent registered public accounting firm. However, our Board believes it is advisable to give stockholders the opportunity to ratify this selection. If our stockholders do not ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011, the Audit Committee of our Board will reconsider its selection.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count For and Withhold and (with respect to proposals other than the election of directors) Against votes, abstentions and broker non-votes. Shares represented by abstentions and broker non-votes will be counted in determining whether there is a quorum for the Annual Meeting. Abstentions will have no effect on Proposal 1 but will have the effect of a vote against Proposals 2 and 3. Broker non-votes will not be counted towards the vote total for any proposal.

Who Will Pay the Costs of Soliciting these Proxies and How Are They Being Solicited?

We will pay all of the costs of soliciting these proxies. Our directors and employees may solicit proxies in person or by telephone, fax or email. We will pay these employees and directors no additional compensation for these services. We will ask banks, brokers and other institutions, nominees and fiduciaries to forward these proxy materials to their principals and to obtain authority to execute proxies. We will then reimburse them for their expenses.

What Constitutes a Quorum for the Meeting?

The presence, in person or by proxy, of the holders of a majority of the issued and outstanding shares of our Common Stock is necessary to constitute a quorum at the meeting. Votes of stockholders of record who are present at the meeting in person or by proxy, abstentions and broker non-votes are counted for purposes of determining whether a quorum exists.

How can I find out the results of the voting at the Annual Meeting?

Preliminary voting results will be announced at the Annual Meeting. Final voting results will be published in a Current Report on Form 8-K within four business days after the Annual Meeting.

When are stockholder proposals due for next year's Annual Meeting?

If you wish to submit a proposal to be considered for inclusion in next year's proxy materials or nominate a director, your proposal must be in proper form according to Securities and Exchange Commission (SEC) Regulation 14A, Rule 14a-8 and received by the Secretary of the Company no later than December 27, 2011. Proposals received after that date will not be voted on at the Annual Meeting. If a proposal is received before that date, the proxies that management solicits for the meeting may still exercise discretionary voting authority on the proposal under circumstances consistent with the proxy rules of the SEC. To be timely, stockholder notice of any such proposal must be received by us not earlier than November 27, 2011 and not later than December 27, 2011; provided, however, that in the event that the date of the Annual Meeting is more than thirty (30) days before or more than sixty (60) days after the anniversary date of the preceding year's Annual Meeting, notice by the stockholder to be timely must be delivered not earlier than the close of business on the ninetieth (90) day prior to such Annual Meeting and not later than the close of business on the later of the sixtieth (60th) day prior to such Annual Meeting or the tenth (10th) day following the day on which we make a public announcement of the date of such meeting. All stockholder proposals should be marked for the attention of Secretary, c/o Amicus Therapeutics, Inc., 6 Cedar Brook Drive, Cranbury, New Jersey 08512.

Attending the Annual Meeting

The Annual Meeting will be held at the offices of Amicus Therapeutics, Inc., located at 6 Cedar Brook Drive, Cranbury, New Jersey 08512 on Tuesday, May 24, 2011 at 9:00 a.m. Eastern Daylight Time. When you arrive at Amicus, signs will direct you to the appropriate meeting rooms. You are not required to attend the Annual Meeting in order to vote.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT FINANCE

The following table sets forth certain information with respect to the beneficial ownership of our Common Stock as of March 31, 2011 for (a) the executive officers named in the Summary Compensation Table contained in this Proxy Statement, (b) each of our directors and director nominees, (c) all of our current directors and executive officers as a group and (d) each stockholder known by us to own beneficially more than 5% of our Common Stock. Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the securities.

We deem shares of Common Stock that may be acquired by an individual or group within 60 days of March 31, 2011 pursuant to the exercise of options to be outstanding for the purpose of computing the percentage ownership of such individual or group, but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person shown in the table. Except as indicated in footnotes to this table, we believe that the stockholders named in this table have sole voting and investment power with respect to all shares of Common Stock shown to be beneficially owned by them based on information provided to us by these stockholders. Percentage of ownership is based on 34,516,180 shares of Common Stock outstanding on March 31, 2011.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned	Percentage Of Shares Beneficially Owned
5% Stockholders		
Entities affiliated with Palo Alto Investors ⁽¹⁾ 470 University Avenue Palo Alto, CA 94301	7,232,487	20.7%
Entities affiliated with GlaxoSmithKline plc ⁽²⁾ 980 Great West Road Brentford, Middlesex TW8 9GS England	6,866,244	19.9%
Entities affiliated with New Enterprise Associates ⁽³⁾ 1119 St. Paul Street Baltimore, MD 21202	4,510,340	13.1%
Entities affiliated with Great Point Partners ⁽⁴⁾ 165 Mason Street, 3 rd Floor Greenwich, CT 06830	3,719,630	10.5%
Entities affiliated with Frazier Healthcare Ventures ⁽⁵⁾ 601 Union Street, Suite 3200 Seattle, WA 98101	3,520,678	10.2%
Entities affiliated with Prospect Venture Partners II, L.P. ⁽⁶⁾ 435 Tasso Street, Suite 200 Palo Alto, CA 94301	2,240,752	6.5%

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned	Percentage Of Shares Beneficially Owned
Executive Officers and Directors		
John F. Crowley ⁽⁷⁾	945,773	2.7%
Matthew R. Patterson ⁽⁸⁾	303,468	*
S. Nicole Schaeffer ⁽⁹⁾	145,931	*
David Lockhart, Ph.D. ⁽¹⁰⁾	344,822	*
Bradley L. Campbell ⁽¹¹⁾	103,505	*
John Kirk ⁽¹²⁾	63,255	*
Geoffrey P. Gilmore ⁽¹³⁾	87,692	*
Pol F. Boudes ⁽¹⁴⁾	90,407	*
John M. McAdam ⁽¹⁵⁾		*
Ken Valenzano, Ph.D. ⁽¹⁶⁾	55,729	*
Kenneth Peist ⁽¹⁷⁾	29,131	*
Enrique Dilone ⁽¹⁸⁾	14,204	*
Mohan Ganesan ⁽¹⁹⁾	24,259	*
Donald J. Hayden, Jr. ⁽²⁰⁾	126,092	*
Glenn P. Sblendorio ⁽²¹⁾	31,933	*
Michael G. Raab ⁽²²⁾	20,000	*
Sol J. Barer, Ph.D. ⁽²³⁾	45,625	*
Margaret G. McGlynn, R.Ph. ⁽²⁴⁾	8,784	*
Alexander E. Barkas, Ph.D. ^{(6) (25)}	2,260,752	6.5%
James N. Topper, M.D., Ph.D. ^{(4) (26)}	3,540,678	10.3%
P. Sherrill Neff ⁽²⁷⁾	1,439,762	4.2%
James Barrett, Ph.D. ⁽³⁾	4,510,340	13.1%
All directors and executive officers as a group (22 persons) ⁽²⁸⁾	14,192,142	38.5%

* Represents beneficial ownership of less than one percent of our outstanding Common Stock.

- (1) Consists of 2,330,686 shares beneficially owned by Palo Alto Healthcare Master Fund, L.P., 2,612,425 shares beneficially owned by Palo Alto Healthcare Master Fund II, L.P., 2,061,492 shares beneficially owned by Palo Alto Healthcare Fund, L.P. and 2,077,139 shares beneficially owned by Palo Alto Healthcare Fund II, L.P. along with 412,500 shares underlying warrants. Palo Alto Investors is the manager of Palo Alto Investors, LLC. William Leland Edwards is the controlling shareholder of Palo Alto Investors. Anthony Joonkyoo Yun, M.D. is the President of Palo Alto Investors, LLC and Palo Alto Investors. Each of Palo Alto Investors, LLC, Palo Alto Investors, Mr. Edwards and Dr. Yun disclaims beneficial ownership of the shares held by entities affiliated with Palo Alto Investors, except to the extent of any pecuniary interest therein.
- (2) Consists of 6,866,244 shares held of record by Glaxo Group Limited.
- (3) Consists of 3,659,157 shares held of record by New Enterprise Associates 11, Limited Partnership and 851,183 shares held of record by New Enterprise Associates 9, Limited Partnership. Voting and investment power over the shares held by New Enterprise Associates 9, Limited Partnership is exercised by NEA Partners 9, Limited Partnership, its general partner. The individual general partners of NEA Partners 9, Limited Partnership are C. Richard Kramlich, Peter J. Barris, Charles W. Newhall, III, Mark W. Perry and John M. Nehra. Voting and investment power over the shares held by New Enterprise Associates 11, Limited Partnership is exercised by NEA Partners 11, Limited Partnership, its general partner. The general partner of NEA Partners 11, Limited Partnership is NEA 11 GP, LLC. The individual managers of NEA 11 GP, LLC are C. Richard Kramlich, Peter J. Barris, Forest Baskett, Charles W. Newhall, III, Mark W. Perry, Scott D. Sandell, Eugene A. Trainor, III, Charles M. Linehan, Ryan D. Drant, Krishna Kittu Kolluri and M. James Barrett. Each of the aforementioned indirect holders of the shares held by New Enterprise Associates 11, Limited Partnership and New Enterprise Associates 9, Limited Partnership disclaims beneficial ownership of such shares, except to the extent of their respective pecuniary interest therein.

- (4) Consists of 671,555 shares held of record by Biomedical Value Fund, L.P. (BVF), 742,687 shares held of record by Biomedical Offshore Value Fund, Ltd. (BOVF), 258,269 shares held of record by Biomedical Institutional Value Fund, L.P. (BIVF), 401,064 shares held of record by Lyrical Multi-Manager Fund, L.P. (Lyrical), and 668,448 shares held of record by Class D Series GEF-PS, L.P (GEF-PS), along with 234,612 shares underlying a warrant held by BVF, 254,700 shares underlying a warrant held by BOVF, 87,228 shares underlying a warrant held by BIVF, 150,399 shares underlying a warrant held by Lyrical and 250,668 shares underlying a warrant held by GEF-PS. Great Point Partners, LLC is the investment manager of these funds and by virtue of such status may be deemed to the beneficial owners of these shares. Each of Dr. Jeffrey R. Jay, M.D., as senior managing member of Great Point and Mr. David Kroin, as special managing member of Great Point, has voting and investment power with respect to these shares. Each of Great Point Partners LLC, Dr. Jay and Mr. Kroin disclaims beneficial ownership of the shares held by entities affiliated with Great Point Investors, except to the extent of any pecuniary interest therein.
- (5) Consists of 2,586,886 shares held of record by Frazier Healthcare IV, L.P., 13,128 shares held of record by Frazier Affiliates IV, L.P. and 920,664 shares held of record by Frazier Affiliates V, L.P. Dr. Topper, a member of our Board of Directors, holds the title of General Partner with Frazier Healthcare Ventures. In that capacity he shares voting and investment power for the shares held by Frazier Healthcare IV, L.P. and Frazier Affiliates IV, L.P. Dr. Topper disclaims beneficial ownership of the shares held by entities affiliated with Frazier Healthcare Ventures, except to the extent of any pecuniary interest therein.
- (6) Consists of 2,207,144 shares held of record by Prospect Venture Partners II, L.P., and 33,608 shares held of record by Prospect Associates II, L.P. Dr. Barkas, a member of our Board of Directors and a Managing Member of the General Partner of both Prospect Venture Partners II, L.P. and Prospect Associates II, L.P., disclaims beneficial ownership of the shares held by entities affiliated with Prospect Venture Partners II, L.P. except, to the extent of any pecuniary interest therein.
- (7) Consists of 851,445 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011, 89,867 shares held of record and 4,461 shares underlying a warrant.
- (8) Consists of 246,921 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011, and 56,547 shares held of record.
- (9) Consists of 133,349 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011 and 12,582 shares held of record.
- (10) Consists of 344,822 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (11) Consists of 103,505 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (12) Consists of 63,255 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (13) Consists of 87,692 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (14) Consists of 90,407 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (15) All of Mr. McAdam s options expired prior to the end of the year.
- (16) Consists of 54,021 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011, and 1,708 shares held of record.
- (17) Consists of 29,131 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (18) Consists of 14,204 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (19) Consists of 24,259 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (20) Consists of 126,092 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (21) Consists of 20,000 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011, and 11,933 shares held of record.

- (22) Consists of 20,000 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (23) Consists of 25,625 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011, and 20,000 shares held of record.
- (24) Consists of 8,784 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (25) Consists of 20,000 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (26) Consists of 20,000 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011.
- (27) Consists of 20,000 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011 and 1,064,822 shares held of record by Quaker BioVentures, L.P and 354,940 shares held of record by Garden State Life Sciences Venture Fund, L.P. Mr. Neff, a member of our Board and a Member of the General Partner of Quaker BioVentures, L.P. and Garden State Life Sciences Venture Fund, L.P. disclaims beneficial ownership of the shares held by entities affiliated with Quaker BioVentures, except to the extent of any pecuniary interest therein.
- (28) Consists of 2,303,512 shares issuable upon the exercise of stock options exercisable within 60 days of March 31, 2011, 4,461 shares underlying a warrant and 11,884,169 total shares held of record.

MANAGEMENT

The Board of Directors

Our Restated Certificate of Incorporation and Restated By-laws provide that our business is to be managed by or under the direction of our Board of Directors. Our Board is divided into three classes for purposes of election. Generally, one class is elected at each Annual Meeting of Stockholders to serve for a three-year term. Our Board currently consists of ten members, divided into three classes as follows:

The Class I directors are Drs. Barkas and Barrett and Mr. Neff and their term will expire at the 2011 Annual Meeting of Stockholders;

The Class II directors are Drs. Barer, Topper and Mr. Hayden and their term will expire at the 2012 Annual Meeting of Stockholders; and

The Class III directors are Messrs. Crowley, Raab, and Sblendorio and Ms. McGlynn, and their term will expire at the 2013 Annual Meeting of Stockholders.

Our Restated Certificate of Incorporation and Restated By-laws provide that the authorized number of directors may be changed only by resolution of the Board. Our Board has authorized that the size of the Board be set at ten members.

On April 18, 2011, our Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, voted to nominate Drs. Barkas and Barrett for re-election as Class I directors for a term of three years to serve until the 2014 Annual Meeting of stockholders, and until their respective successors have been duly elected and qualified. In March 2011, Mr. Neff informed the Company that he would not stand for re-election when his term expires at the 2011 Annual Meeting of Stockholders. The Nominating and Corporate Governance Committee has not yet nominated a person to fill this vacancy in our Class I directors.

The Board has determined that each of the director nominees possesses the requisite skills, personal integrity, business judgment, industry experience and willingness to devote adequate time and effort necessary to serve as an effective member of the Board. A description of the background of each, along with other specific experiences, qualifications, attributes or skills that contributed to the Board's decision to nominate the nominees, is set forth below, followed immediately by like disclosure for our existing directors whose terms of office extend beyond the Annual Meeting.

Nominees for Election at the Annual Meeting

Name	Age	Position
Alexander E. Barkas, Ph.D. (1) (2)	63	Director
James Barrett, Ph.D. (1) (2)	68	Director

(1) Member of Nominating/Corporate Governance Committee

(2) Member of Science and Technology Committee

Alexander E. Barkas, Ph.D., has served as a member of our Board of Directors since 2004. Since 1997, Dr. Barkas has been a co-founder and served as a managing member of the general partner of a series of Prospect Venture Partners funds. Dr. Barkas serves on the board of directors of two publicly-held biotechnology companies, Complete Genomics, Inc. and Geron Corporation, and as a director of several private biotechnology and medical device companies. He previously served on the board of directors of Tercica, Inc. He holds a B.A. from Brandeis University and a Ph.D. from New York University. Dr. Barkas' experience overseeing Prospect Venture Partners investments in biotechnology, serving as chairman of another publicly-held biopharmaceutical company and strong capital markets experience contributed to our conclusion that he should be re-elected as a director of the Company.

James Barrett, Ph.D. has served as a member of our Board of Directors since August 2009. Dr. Barrett currently serves as General Partner of New Enterprise Associates (NEA), where he specializes in biotechnology and works with members of NEA's healthcare investment group on medical devices, healthcare information systems and healthcare services companies. Prior to joining NEA in 2001, Dr. Barrett served as Founder, Chairman and Chief Executive Officer of Sensors for Medicine and Science (1997-2001) where he remains Chairman. Prior to that, he led three NEA-funded companies, serving as Chairman and Chief Executive Officer of Genetic Therapy, Inc. (1987-1995), President and Chief Executive Officer of Life Technologies (1985-1987), and President and Chief Executive Officer of Bethesda Research Labs (1982-1983). He currently serves on the board of directors of several life sciences companies including Inhibitex, Inc. and Targacept, Inc., and previously served on the boards of Iomai Corporation, MedImmune, LLC and YM Biosciences, Inc. Dr. Barrett received a Ph.D. in Biochemistry at the University of Tennessee, his MBA from the University of Santa Clara, and a BS in Chemistry from Boston College. Dr. Barrett's experience overseeing NEA investments in biotech