

LA JOLLA PHARMACEUTICAL CO
Form DEF 14A
July 20, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a)
OF
THE SECURITIES ACT OF 1934

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

LA JOLLA PHARMACEUTICAL COMPANY
(Name of Registrant as Specified In Its Charter)

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

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.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:

LA JOLLA PHARMACEUTICAL COMPANY
10182 Telesis Court, 6th Floor, San Diego, California

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held On August 19, 2015

To our Shareholders:

You are cordially invited to attend the 2015 Annual Meeting of Shareholders (the “Annual Meeting”) of La Jolla Pharmaceutical Company (the “Company”). The meeting will be held at the La Jolla Shores Hotel, located at 8110 Camino Del Oro, La Jolla, California, on August 19, 2015 at 9:00 a.m., local time. The Annual Meeting will be held for the following purposes:

1. To elect up to five directors to serve until the Company’s 2016 Annual Meeting of Shareholders;
2. To ratify the selection of Squar, Milner, Peterson, Miranda & Williamson, LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2015;
3. To approve an amendment to the Company’s 2013 Equity Incentive Plan to increase the number of shares authorized for issuance thereunder; and
4. To transact any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

The foregoing items of business are more fully described in the proxy statement accompanying this notice.

Only shareholders of record at the close of business on July 10, 2015, the record date of the Annual Meeting, will be entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement thereof. The Company’s Board of Directors has carefully reviewed and considered the foregoing proposals and has concluded that each proposal is in the best interests of the Company and its shareholders. Therefore, the Company’s Board of Directors has approved each proposal and recommends that you vote FOR each nominee and each proposal described in the proxy statement. It is important that your shares be represented at the Annual Meeting, regardless of the size of your holdings. Accordingly, the Company urges you to vote promptly by completing, dating, signing and returning the enclosed proxy card in the enclosed postage-prepaid envelope, or by voting via telephone or the Internet as instructed in these materials. This will not limit your right to attend or vote at the Annual Meeting. You may revoke your proxy at any time before it has been voted at the meeting.

By the Order of the Board of Directors,

/s/ George F. Tidmarsh

George Tidmarsh, M.D., Ph.D.
Chief Executive Officer

San Diego, California
July 20, 2015

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to Be Held On August 19, 2015

The Proxy Statement and our 2014 Annual Report are available at www.proxyvote.com

YOUR VOTE IS IMPORTANT

Whether or not you expect to attend the Annual Meeting, you are urged to mark, sign, date and return the enclosed proxy card as promptly as possible in the postage-prepaid envelope enclosed for that purpose or follow the instructions on the enclosed proxy card to vote via telephone or the Internet. Even if you have voted by proxy, you may still vote in person if you attend the Annual Meeting. Please note, however, that if your shares are held of record by a broker, fiduciary or custodian, and you wish to vote at the meeting, you must obtain a proxy card issued in your name from that intermediary. A majority of the outstanding shares of Common Stock entitled to vote at the Annual Meeting must be represented at the Annual Meeting, either in person or by proxy, to constitute a quorum.

PROXY STATEMENT FOR
ANNUAL MEETING OF SHAREHOLDERS
August 19, 2015 at 9:00 a.m., local time

GENERAL INFORMATION

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors (the “Board”) of La Jolla Pharmaceutical Company (the “Company”) for use at the Annual Meeting of Shareholders, to be held on August 19, 2015, at 9:00 a.m., local time, or at any other time following adjournments or postponements thereof (the “Annual Meeting”). The Annual Meeting will be held at the La Jolla Shores Hotel, located at 8110 Camino Del Oro, La Jolla, California. This proxy statement, the related proxy, and Notice of Annual Meeting of Shareholders is being mailed to our shareholders on or about July 20, 2015.

Only shareholders of record at the close of business on July 10, 2015 (the “Record Date”) are entitled to notice of and to vote at the Annual Meeting. At the close of business on the Record Date, 15,250,840 shares of common stock, par value \$0.0001 per share (the “Common Stock”), were issued and outstanding and held by 7 holders of record. Each share of Common Stock is entitled to one vote on each matter to be voted upon at the Annual Meeting; shareholders will not be entitled to cumulate votes in the election of directors. Shares cannot be voted at the Annual Meeting unless the holder thereof is present or represented by proxy. A majority of the outstanding shares of Common Stock entitled to vote at the Annual Meeting must be represented at the Annual Meeting, either in person or by proxy, to constitute a quorum.

Our Board has selected George F. Tidmarsh, M.D., Ph.D. and Dennis M. Mulroy to serve as proxies at the Annual Meeting. The shares of Common Stock represented by each executed and returned proxy will be voted in accordance with the directions indicated on the proxy.

If you sign your proxy card without giving specific instructions, the Company will vote your shares “FOR” the proposals and nominees set forth in this proxy statement. The proxy also confers discretionary authority to vote the shares authorized to be voted thereby on any matter that properly may be presented for action at the Annual Meeting; we currently know of no other business to be presented.

Any proxy given may be revoked by the person giving it at any time before it is voted at the Annual Meeting. If you have not voted through your broker, fiduciary or custodian, there are three ways for you to revoke your proxy and change your vote. First, you may send a written notice to the Company’s secretary stating that you would like to revoke your proxy. Second, you may complete and submit a new proxy card, but it must bear a later date than the original proxy, or you may submit new proxy instructions via telephone or the Internet. Third, you may vote in person at the Annual Meeting. However, your attendance at the Annual Meeting will not, by itself, revoke your proxy. If you have instructed a broker, fiduciary or custodian to vote your shares, you must follow the directions you receive from your broker, fiduciary or custodian to change your vote. Your last vote will be the vote that is counted.

We will provide copies of this proxy statement and accompanying materials to brokers, fiduciaries and custodians for forwarding to beneficial owners and will reimburse these persons for their costs of forwarding these materials. Our directors, officers and employees may solicit proxies by telephone, facsimile or personal solicitation. We will not pay additional compensation for any of these services.

QUESTIONS AND ANSWERS REGARDING
THIS SOLICITATION AND VOTING AT THE ANNUAL MEETING

Q. Why am I receiving these proxy materials?

You are receiving these proxy materials from us because you were a shareholder at the close of business on the A. Record Date. As a shareholder on the Record Date, you are invited to attend the Annual Meeting and are entitled to, and requested to, vote on the items of business described in this proxy statement.

Q. How many shares must be present to conduct business?

A majority of the outstanding shares of Common Stock entitled to vote at the Annual Meeting must be represented A. at the Annual Meeting, either in person or by proxy, to constitute a quorum. A quorum is required to conduct business at the Annual Meeting.

Q. What will be voted on at the Annual Meeting?

A. The items of business scheduled to be voted on at the Annual Meeting are as follows:

1. To elect up to five directors to serve until the Company's 2016 Annual Meeting of Shareholders;
2. To ratify the selection of Squar, Milner, Peterson, Miranda & Williamson, LLP ("Squar Milner") as the Company's independent registered public accounting firm for the year ending December 31, 2015;
3. To approve an amendment to the Company's 2013 Equity Incentive Plan to increase the number of shares authorized for issuance thereunder; and
4. To transact any other business that may properly come before the shareholders at the Annual Meeting.

Q. How does the Board recommend that I vote?

The Board recommends that you vote your shares "FOR" each director nominee, ratification of the selection of Squar, A. Milner, Peterson, Miranda & Williamson, LLP as the Company's independent registered public accounting firm for the year ending December 31, 2015 and the amendment to the Company's 2013 Equity Incentive Plan to increase the number of shares authorized for issuance thereunder.

Q. What shares can I vote at the Annual Meeting?

You may vote all shares of Common Stock owned by you as of the Record Date, including: (1) shares held directly A. in your name as the shareholder of record; and (2) shares held for you as the beneficial owner through a broker, fiduciary or custodian.

Q. What is the difference between holding shares as a shareholder of record and as a beneficial owner?

Most of our shareholders hold their shares of Common Stock through a broker, fiduciary or custodian rather than A. directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Shareholders of Record. If your shares are registered directly in your name with our transfer agent, American Stock Transfer and Trust Company, you are considered to be, with respect to those shares, the shareholder of record, and these proxy materials are being sent directly to you by us. As the shareholder of record, you have the right to vote in person at the Annual Meeting, vote by proxy using the enclosed proxy card or vote by proxy via telephone or the Internet. We have enclosed a proxy card for you to use, which also contains instructions on how to vote via telephone or the Internet.

Beneficial Owner. If your shares are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you from that organization, together with a voting instruction form. As the beneficial owner, you have the right to direct your broker, fiduciary or custodian how to vote and are also invited to attend the Annual Meeting. Please note that since a beneficial owner is not the shareholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a “legal proxy” from the broker, fiduciary or custodian that holds your shares, giving you the right to vote the shares at the Annual Meeting. Your broker, fiduciary or custodian has enclosed or provided voting instructions for you to use in directing the broker, fiduciary or custodian how to vote your shares.

Q. How can I vote my shares without attending the Annual Meeting?

Whether you hold shares directly as the shareholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. Shareholders of record of our Common Stock may vote by proxy using the enclosed proxy card, or vote via telephone or the Internet. Shareholders who hold shares beneficially in street name may cause their shares to be voted by proxy using the proxy card or voting instruction form provided by their broker, fiduciary or custodian and mailing them in the accompanying postage-prepaid envelope or vote via telephone or the Internet.

Q. How can I vote my shares in person at the Annual Meeting?

Shares held in your name as the shareholder of record may be voted in person at the Annual Meeting. Shares held beneficially in street name may be voted in person only if you obtain a “legal proxy” from the broker, fiduciary or custodian that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy card or voting instructions, as described above, so that your vote will be counted if you later decide not to, or are unable to, attend the Annual Meeting.

Q. Is my vote confidential?

Proxy instructions, ballots and voting tabulations that identify individual shareholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within the Company or to third parties, except: (1) as necessary to meet applicable legal requirements; (2) to allow for the tabulation of votes and the certification of the vote; and (3) to facilitate a successful proxy solicitation. Occasionally, shareholders provide written comments on their proxy card, which may then be forwarded to the Company’s management.

Q. How are votes counted?

If you provide specific instructions with regard to an item, your shares will be voted as you instruct on such item. If you sign your proxy card without giving specific instructions, your shares will be voted in accordance with the recommendations of the Board (“FOR” the nominees identified herein, “FOR” proposals 2 and 3, and in the discretion of the proxy holders on any other matters that properly come before the Annual Meeting).

Q. What is a “broker non-vote”?

A broker non-vote occurs when a beneficial owner of shares held in “street name” does not give instructions to the broker, fiduciary or custodian holding the shares as to how to vote on matters deemed “non-routine.” Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker, fiduciary or custodian holding the shares. If the beneficial owner does not provide voting instructions, the broker, fiduciary or custodian can still vote the shares with respect to matters that are considered to be “routine,” but not with respect to “non-routine” matters. Under the rules and interpretations of the New York Stock Exchange, “non-routine” matters are generally those involving a contest or a matter that may substantially affect the rights or privileges of shareholders, such as mergers, dissolutions or other shareholder proposals, as well as the election of directors and the approval of proposals relating to equity compensation plans. Accordingly, your broker will NOT be able to vote your shares with respect to the election of directors or the approval of the proposed amendment to the Company’s 2013 Equity Incentive Plan if you have not provided your broker, fiduciary or custodian with voting directions on these proposals. We strongly encourage you to submit your voting instruction card or proxy and exercise your right to vote as a shareholder. The ratification of the selection of Squar Milner as the Company’s independent registered public accounting firm for the year ending December 31, 2015 (Proposal 2) is routine. The election of directors (Proposal 1) and the vote to approve an amendment to the Company’s 2013 Equity Incentive Plan to increase the number of shares authorized for issuance thereunder (Proposal 3) are matters considered “non-routine” under applicable rules.

Broker non-votes will have no effect on proposal 1. Broker non-votes have no effect on determining whether the affirmative vote constitutes a majority of the shares present or represented by proxy and voting at the Annual Meeting with respect to proposal 2. Approval of proposal 2 requires the affirmative vote of a majority of the shares necessary to constitute a quorum, and, therefore, broker non-votes could prevent the approval of these proposals because they do not count as affirmative votes. Broker non-votes will have the same effect as a negative vote with respect to proposal 3.

3

Q.How are abstentions counted?

A. If you return a proxy card that indicates an abstention from voting on all matters, the shares represented will be counted for the purpose of determining the presence of a quorum, but they will not be voted on any matter at the Annual Meeting.

With regard to the election of directors, votes may be cast in favor of a director nominee or withheld. Because directors are elected by plurality, abstentions will be entirely excluded from the vote and will have no effect on its outcome.

With regard to the ratification of the selection of Squar Milner as the Company's independent registered public accounting firm for the year ending December 31, 2015, abstentions will have no effect on determining whether the affirmative vote constitutes a majority of the shares present or represented by proxy and voting at the Annual Meeting, but could prevent the approval of this proposal because they do not count as affirmative votes.

With regard to approval of the amendment to the 2013 Equity Incentive Plan to increase the number of shares authorized for issuance thereunder, abstentions will have no effect on determining whether the affirmative vote constitutes a majority of the shares present or represented by proxy and voting at the Annual Meeting, but could prevent the approval of this proposal because they do not count as affirmative votes.

Q.What should I do if I receive more than one proxy?

A. You may receive more than one set of these proxy solicitation materials, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one broker, you may receive a separate or voting instruction card for each brokerage account in which you hold shares. In addition, if you are a shareholder of record and your shares are registered in more than one name, you may receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive to ensure that all your shares are voted.

Q.Who is soliciting my vote, and who is paying the costs?

A. Your vote is being solicited on behalf of the Board, and the Company will pay the costs associated with the solicitation of proxies, including preparation, assembly, printing and mailing of this proxy statement.

Q.How can I find out the results of the voting?

A. We intend to announce preliminary voting results at the meeting and publish final results in a Current Report on Form 8-K within four business days following the Annual Meeting.

Q.Whom should I contact if I have questions?

A. If you have any additional questions about the Annual Meeting or the proposals presented in this proxy statement, you should contact:

Dennis M. Mulroy
Chief Financial Officer
La Jolla Pharmaceutical Company
10182 Telesis Court, 6th Floor
San Diego, CA 92121
(858) 433-6839

PROPOSAL 1: ELECTION OF DIRECTORS

Our Board of Directors

We currently have six directors: George F. Tidmarsh, M.D., Ph.D., Kevin C. Tang, Laura L. Douglass, Craig A. Johnson, Robert H. Rosen and Saiid Zarrabian. Five of the incumbent directors have been nominated for reelection at the Annual Meeting, with Mr. Zarrabian to retire from the Board following the expiration of his current term at the Annual Meeting. Directors elected at the Annual Meeting will hold office until the 2016 Annual Meeting of Shareholders, and in each case, until their successors are elected and qualified, unless they resign or their seats become vacant due to death, removal or other cause in accordance with our Articles of Incorporation. All of the director nominees have indicated their willingness to serve, if elected. Mr. Rosen was elected as a director by Board action in 2014 and was initially identified as a director candidate by Mr. Johnson; Mr. Tang was elected as a director by Board action in 2014 and was initially identified as a director candidate by Mr. Zarrabian.

Unless authority to vote for any of the nominees is withheld in a proxy, shares represented by proxies will be voted FOR all nominees. In the event that any nominee for director becomes unavailable for re-election as a result of an unexpected occurrence, such shares will be voted for the election of such substitute nominee, if any, as the Board may propose. Alternatively, the Board may elect to reduce the size of the Board within the range authorized under the Articles of Incorporation.

The biographies of the director nominees and their ages as of July 1, 2015 are set forth below.

Nominees for Director

The people listed below are nominated for election to the Board, to serve a one-year term until his or her successor is elected and qualified following the 2016 Annual Meeting of Shareholders. Our Board recommends that you vote FOR the following nominees:

Name	Age	Position
George F. Tidmarsh, M.D., Ph.D.	55	President, Chief Executive Officer, Secretary and Director
Kevin C. Tang	48	Director, Chairman of the Board
Laura L. Douglass	50	Director
Craig A. Johnson	53	Director
Robert H. Rosen	59	Director

The biographies of our director nominees appear below.

George F. Tidmarsh, M.D., Ph.D., has been President, Chief Executive Officer, Secretary and a Director of the Company since January 2012. Dr. Tidmarsh has more than 25 years of experience creating, building and leading biotechnology and pharmaceutical companies and developing innovative pharmaceutical products. Prior to joining the Company, Dr. Tidmarsh was the Chief Executive Officer of Solana Therapeutics, Inc. from August 2011 to January 2012. In 2006, he founded Metronome Therapeutics, Inc., where he served as its Chief Executive Officer until its acquisition by Spectrum Pharmaceuticals, Inc. in 2010. In 2005, Dr. Tidmarsh founded Horizon Pharma, Inc., where he served as its President, Chief Executive Officer and a Director of the Company until 2008. In 2001, he founded Threshold Pharmaceuticals, Inc., where he served as its President until 2005. Earlier in his career, Dr. Tidmarsh led the development of Doxil® (doxorubicin hydrochloride liposomal injection) while serving as Director of Oncology at Liposome Technology, Inc. Doxil has become a standard-of-care treatment for patients suffering from ovarian cancer.

He has been an Associate Professor of Neonatology at the Stanford University School of Medicine since 2010 and serves on the board of directors of the Citizens Oncology Foundation, a non-profit organization. Dr. Tidmarsh received his M.D. and Ph.D. from Stanford University, where he also completed fellowship training in Pediatric Oncology and remains a Consulting Professor of Pediatrics and Neonatology. The Board has concluded that Dr. Tidmarsh should serve on our Board based on his extensive experience creating, building and leading biotechnology companies.

Kevin C. Tang has been a Director and Chairman of the Board since August 2014. Mr. Tang has more than 20 years of experience in evaluating, creating and building biotechnology companies. Mr. Tang is the President of Tang Capital Management, LLC, a life sciences-focused investment company he founded in 2002. From 1993 to 2001, Mr. Tang held various positions at Deutsche Banc Alex Brown, Inc., an investment banking firm, most recently serving as Managing Director and head of the firm's Life Sciences research group. Since 2009, Mr. Tang has been a Director of Heron Therapeutics, Inc., a biotechnology company developing treatments for cancer and pain, and, since 2012, has served as the Chairman of its board of directors. In 2006, Mr. Tang co-founded Ardea Biosciences, Inc., a pharmaceutical company focused on treatments for inflammatory diseases and cancer. Mr. Tang served as a director of Ardea from its inception through its acquisition by AstraZeneca PLC for \$1.26 billion in 2012. From 2009 through its acquisition by Endo Pharmaceuticals, Inc. in 2010, he served as a director of Penwest Pharmaceuticals Co., a pharmaceutical company focused on treatments for chronic pain, and, from July 2010, served as the Chairman of its board of directors. From 2001 to 2008, Mr. Tang was a director of Trimeris, Inc. (acquired by Synageva Biopharma Corp.), which developed and commercialized one of the first major breakthroughs in the treatment of HIV infection. Mr. Tang received a B.S. degree from Duke University. The Board has concluded that Mr. Tang should serve on our Board based on his extensive experience evaluating, creating, building and governing biotechnology companies.

Laura L. Douglass has been a Director of the Company since October 2013. Ms. Douglass has more than 20 years of operating experience in the health care industry with a particular expertise in clinical trial design and execution. Ms. Douglass currently serves as the President and Chief Executive Officer of Next Generation Clinical Research, a contract research organization servicing the pharmaceutical industry that she founded in 1999. Ms. Douglass is also a founder and member of the board of directors of SB Bancorp, Inc., a financial holding company, and Settlers Bank, Inc., a Wisconsin chartered business bank. In addition, Ms. Douglass is a member of the board of directors of Agrace HospiceCare. Ms. Douglass holds a nursing degree from The University of the State of New York-Albany. The Board has concluded that Ms. Douglass should serve on our Board based on her substantial operating experience and expertise in clinical trial management.

Craig A. Johnson has been a Director of the Company since October 2013. Mr. Johnson has more than 25 years of experience governing biotechnology companies and serving in senior financial management roles, primarily in the biotechnology industry. Mr. Johnson is currently a director for Mirati Therapeutics, Inc. and Heron Therapeutics, Inc. Mr. Johnson served as a director of Ardea Biosciences, Inc. from 2008 until its acquisition by AstraZeneca PLC for \$1.26 billion in 2012, and Adamis Pharmaceuticals Corporation from 2011 to 2014. From 2011 to 2012, he was Chief Financial Officer of PURE Bioscience, Inc., and, from 2010 to 2011, he was Senior Vice President and Chief Financial Officer of NovaDel Pharma Inc. Mr. Johnson served as Vice President and Chief Financial Officer of TorreyPines Therapeutics, Inc. from 2004 until its acquisition by Raptor Pharmaceutical Corp. in 2009, and then as Vice President of a wholly-owned subsidiary of Raptor from 2009 to 2010. He held several positions, including Chief Financial Officer and Senior Vice President of Operations, at MitoKor, Inc. from 1994 to 2004. Prior to 1994, Mr. Johnson held senior financial positions with several early-stage technology companies and also practiced as a Certified Public Accountant with Price Waterhouse. Mr. Johnson received a B.B.A. degree in accounting from the University of Michigan-Dearborn. The Board has concluded that Mr. Johnson should serve on our Board based on his substantial experience governing biotechnology companies and expertise in financial management.

Robert H. Rosen has been a Director of the Company since July 2014. Mr. Rosen has more than 25 years of experience serving in leadership positions in biotechnology and pharmaceutical companies and commercializing innovative pharmaceutical products. Mr. Rosen has served as President and Director of Heron Therapeutics, Inc., a biotechnology company developing treatments for cancer and pain, since May 2013, and, prior to his appointment as President, Senior Vice President and Chief Commercial Officer beginning in October 2012. Prior to joining Heron Therapeutics, Mr. Rosen was Managing Partner of Scotia Nordic LLC. From April 2011 to March 2012, Mr. Rosen served as Senior Vice President of Global Commercial Operations at Dendreon Corporation. From 2005 to 2011, he

served as Global Head of Oncology at Bayer HealthCare Pharmaceuticals, where he was responsible for the development of the oncology business unit for regions that included the Americas, Europe, Japan, and Asia Pacific. During his tenure at Bayer, he led the launch of Nexavar® (sorafenib) for the treatment of renal cell carcinoma and hepatocellular carcinoma. Nexavar's worldwide sales in 2011 were \$1.0 billion. From 2002 to 2005, Mr. Rosen was Vice President of the Oncology Business Unit at Sanofi-Synthelabo, where he was responsible for the development of Sanofi's U.S. oncology business and the launch of Eloxatin® (oxaliplatin) for colon cancer. Eloxatin's U.S. sales in 2005, its third full year on the market, were \$1.1 billion, ranking it among the industry's most successful oncology drug launches. Mr. Rosen received a B.S. degree in pharmacy from Northeastern University. The Board has concluded that Mr. Rosen should serve on our Board based on his extensive leadership experience in the biotechnology and pharmaceutical industry and expertise in commercializing innovative pharmaceutical products.

Vote Required

The five director nominees who receive the greatest number of affirmative votes of the shares present in person or by proxy will be elected as directors. Any shares that are not voted, whether by abstention, broker non-votes or otherwise, will not affect the election of directors, except to the extent that the failure to vote for an individual will result in another individual receiving a larger proportion of the votes cast. Proxies solicited by the Board will be voted for all nominees unless you specify otherwise in your proxy.

Your broker, fiduciary or custodian will NOT be able to vote your shares with respect to the election of directors if you have not provided directions to your broker. We strongly encourage you to submit your voting instruction card and exercise your right to vote as a shareholder.

Recommendation of the Board of Directors

The Board of Directors unanimously recommends that you vote "FOR" the nominees identified above.

**PROPOSAL 2: RATIFICATION OF SELECTION OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Our Board has selected Squar, Milner, Peterson, Miranda & Williamson, LLP (“Squar Milner”) to serve as our independent registered public accounting firm for the year ending December 31, 2015. Squar Milner has served as our independent registered public accounting firm since January 2013 and commenced auditing our financial statements for the year ended December 31, 2012.

The selection of our independent registered public accounting firm is not required to be submitted for shareholder approval. Nonetheless, the Board is seeking ratification of its selection of Squar Milner as a matter of good corporate governance. If the shareholders do not ratify this selection, the Board will reconsider its selection of Squar Milner and will either continue to retain the firm or appoint a new independent registered public accounting firm. Even if the selection is ratified, the Board may, in its sole discretion, determine to appoint a different independent registered public accounting firm at any time during the year if it determines that such a change would be in our and our shareholders’ best interests.

Representatives of Squar Milner are expected to be present at the 2015 Annual Meeting, and they will be given an opportunity to make a statement if they desire to do so and are expected to be available to respond to any appropriate questions from shareholders.

Independent Registered Public Accounting Firm and Fees

The following table presents the aggregate fees agreed to by the Company for the annual and statutory audits for the years ended December 31, 2014 and 2013, and all other fees paid by us for services rendered by Squar Milner, during 2014 and 2013:

	2014	2013
Audit Fees	\$ 116,603	\$ 66,500
Audit-Related Fees	62,550	22,560
Tax Fees	5,500	5,800
Total	\$ 184,653	\$ 94,860

Audit Fees. The fees identified under this caption were for professional services rendered by Squar Milner for the audit of our annual financial statements. The fees identified under this caption also include fees for professional services rendered by Squar Milner for the review of the financial statements included in our quarterly reports on Form 10-Q. In addition, the amounts include fees for services that are normally provided by the auditor in connection with regulatory filings and engagements for the years identified.

Audit-Related Fees. Audit related fees consist of fees paid to Squar Milner in connection with their consents on the Company’s registration statements on Forms S-1, S-3 and S-8.

Tax Fees. Tax fees consist principally of assistance related to tax compliance and reporting.

Pre-approval Policy. Our audit committee approves in advance all services provided by our independent registered public accounting firm. All engagements of our independent registered public accounting firm for 2014 and 2013 were pre-approved by the audit committee.

Vote Required

The affirmative vote of a majority of the votes cast at the Annual Meeting, at which a quorum is present, is required to approve this proposal. Broker non-votes and abstentions will have no effect on determining whether the affirmative vote constitutes a majority of the shares present or represented by proxy and voting at the Annual Meeting, but could prevent the approval of this proposal because they do not count as affirmative votes.

8

Recommendation of the Board of Directors

The Board of Directors unanimously recommends that you vote “FOR” the ratification of the selection of Squar, Milner, Peterson, Miranda & Williamson, LLP as the Company’s independent registered public accounting firm.

9

PROPOSAL 3: Amendment to the Company's 2013 Equity Incentive Plan

The current total share reserve under the Company's 2013 Equity Incentive Plan (the "2013 Plan") is 1,100,000 shares of Common Stock. As of the Record Date, equity awards covering a total of 935,211 shares were outstanding and only 164,789 shares remained available for new grants under the 2013 Plan. Additionally, 300,000 options were issued in February 2015 and are contingent upon shareholder approval of the amendment to the 2013 Plan.

We use the 2013 Plan to provide meaningful equity incentives to recruit, retain and reward qualified employees, consultants and directors of appropriate experience and stature. By increasing stock ownership, we aim to align the interests of qualified employees, consultants and directors with the interests of our shareholders. Our Board has unanimously approved, subject to shareholder approval, an amendment to the 2013 Plan to increase the number of shares authorized for issuance thereunder to a total of 3,100,000 shares, representing an increase of 2,000,000 shares. If this Proposal 3 is approved, the text of Section 4(a) of the 2013 Plan, which sets forth the authorized share reserve under the plan, will be amended and restated to read as follows:

4. LIMITS ON AWARDS UNDER THE PLAN

(a) Number of Shares. The maximum number of shares of Stock that may be delivered upon satisfaction of Awards under the Plan shall be 3,100,000 shares of Stock (the "Reserve"). The limits set forth in this Section 4(a) shall be construed to comply with Section 422. Without limiting the generality of the foregoing, no more than 3,100,000 shares of Stock may be issued in satisfaction of the exercise or surrender of ISOs granted under the Plan. To the extent consistent with the requirements of Section 422 and with other applicable legal requirements (including applicable stock exchange requirements), Stock issued under awards of an acquired company that are converted, replaced, or adjusted in connection with the acquisition shall not reduce the number of shares available for Awards under the Plan.

Existing Equity Plan Information

The following table includes aggregated information regarding awards outstanding under our 2013 Plan, the number of shares available for future awards under our 2013 Plan as of the Record Date, and the proposed number of shares issuable under the 2013 Plan:

Number