

MAP Pharmaceuticals, Inc.  
Form DEF 14A  
April 14, 2010

**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

**MAP PHARMACEUTICALS, INC.**

(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:

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(5) Total fee paid:

.. Fee paid previously with preliminary materials.

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(1) Amount previously paid:

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

(3) Filing Party:

(4) Date Filed:

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held Thursday, May 20, 2010**

Notice is hereby given that on Thursday, May 20, 2010, MAP Pharmaceuticals, Inc., a Delaware corporation (the Company or we ), will hold its Annual Meeting of Stockholders (the Annual Meeting ) at our headquarters, 2400 Bayshore Parkway, Suite 200, Mountain View, California 94043. The Annual Meeting will begin at 8:00 a.m. Pacific Time.

Only stockholders who owned stock at the close of business on April 1, 2010 are entitled to vote at the Annual Meeting or any adjournment that may take place. At the Annual Meeting, we will:

1. Elect the members of Class III of the Board of Directors to serve for a three-year term or until the election and qualification of their successors;
2. Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010; and
3. Transact such other business as may properly come before the Annual Meeting.

The foregoing items of business are more fully described in the proxy statement accompanying this Notice of Annual Meeting of Stockholders. The record date for determining those stockholders who will be entitled to notice of, and to vote at, the Annual Meeting and at any adjournments thereof is April 1, 2010. Shares of common stock may be voted at the Annual Meeting only if the holder is present at the meeting in person or by valid proxy.

All stockholders are cordially invited to attend the Annual Meeting in person. Whether or not you expect to attend the Annual Meeting, please complete, sign, date and return the enclosed proxy card as promptly as possible in order to ensure your representation at the meeting. A return envelope (which is postage prepaid if mailed in the United States) is enclosed for that purpose. You may also submit your proxy via the Internet or by telephone by following the instructions on the enclosed proxy card. Even if you have given your 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, bank or other nominee and you wish to vote at the Annual Meeting, you must obtain from the record holder a proxy issued in your name.

BY ORDER OF THE BOARD OF DIRECTORS,

*/s/ CHARLENE A. FRIEDMAN*

CHARLENE A. FRIEDMAN  
Vice President, General Counsel and Secretary

Mountain View, California

April 14, 2010

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on Thursday, May 20, 2010:** The MAP Pharmaceuticals proxy statement, form of proxy and 2009 Annual Report on Form 10-K are available at <http://ir.mappharma.com/annual-proxy.cfm>.

**YOUR VOTE IS VERY IMPORTANT, REGARDLESS OF THE NUMBER OF SHARES YOU OWN. PLEASE READ THE ATTACHED PROXY STATEMENT CAREFULLY, COMPLETE, SIGN AND DATE THE ENCLOSED PROXY CARD AS PROMPTLY AS POSSIBLE AND RETURN IT IN THE ENCLOSED ENVELOPE. YOU MAY ALSO SUBMIT YOUR COMPLETED PROXY VIA THE INTERNET OR BY TELEPHONE BY FOLLOWING THE INSTRUCTIONS ON THE ENCLOSED PROXY CARD.**

2400 Bayshore Parkway, Suite 200

Mountain View, California 94043

**ANNUAL MEETING OF STOCKHOLDERS TO BE HELD**

**Thursday, May 20, 2010**

**PROXY STATEMENT**

**INFORMATION CONCERNING SOLICITATION AND VOTING**

**General**

This proxy statement is being furnished to stockholders of MAP Pharmaceuticals, Inc., a Delaware corporation (the Company or we ), in connection with the solicitation by our Board of Directors of proxies to be used at the Annual Meeting of Stockholders to be held on Thursday, May 20, 2010, at 8:00 a.m. Pacific Time (the Annual Meeting ), or at any adjournment or postponement thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting. The Annual Meeting will be held at our headquarters at 2400 Bayshore Parkway, Mountain View, California 94043. This proxy statement and accompanying proxy card are being mailed on or about April 14, 2010 to all stockholders entitled to vote at the Annual Meeting. In accordance with Delaware law, a list of stockholders entitled to vote at the Annual Meeting will be available at the meeting, and for 10 days prior to the meeting, at MAP Pharmaceuticals, Inc., 2400 Bayshore Parkway, Suite 200, Mountain View, California 94043 between the hours of 8:00 a.m. and 5:00 p.m. Pacific Time.

**Proposals to Be Voted On at the Annual Meeting**

Stockholders of record as of April 1, 2010 are asked to vote on the following proposals:

1. the election of the three nominees for election to the Board of Directors listed in this proxy statement; and

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2. the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ended December 31, 2010.

### **Voting Rights and Solicitation of Proxies**

Only holders of record at the close of business on Thursday, April 1, 2010 (the Record Date ) will be entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement that may occur. At the close of business on the Record Date, there were 26,415,718 shares of common stock, par value \$0.01 per share (the Common Stock ), outstanding, held by approximately 26 stockholders of record. Only stockholders of record of our Common Stock on the Record Date will be entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement thereof. On each matter to be considered at the Annual Meeting, each stockholder of record will be entitled to cast one vote for each share held on the Record Date.

We will bear the entire cost of solicitation of proxies, including preparation, assembly, printing and mailing of this proxy statement, the proxy and any additional information furnished to stockholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares of Common Stock beneficially owned by others to forward to such beneficial owners. In addition, we may reimburse persons representing beneficial owners of Common Stock for their costs of forwarding

solicitation materials to such beneficial owners. The original solicitation of proxies by mail may be supplemented by solicitation by mail, telephone or other electronic means, or in person by directors, officers or other regular employees of the Company. No additional compensation will be paid to directors, officers or other regular employees for such services.

### **Quorum Requirement and Votes Required for the Proposals**

In order to constitute a quorum and to transact business at the Annual Meeting, a majority of the outstanding shares of Common Stock on the Record Date must be represented at the Annual Meeting. Shares represented by proxies that reflect abstentions or broker non-votes (i.e., shares held by a broker or nominee that are represented at the Annual Meeting, but not empowered to vote on a particular proposal) will be counted as shares that are present and entitled to vote for purposes of determining the presence of a quorum.

Under Delaware law, directors are elected by a plurality vote. Directors will be elected by a favorable vote of a plurality of the aggregate votes present, in person or by proxy, at the Annual Meeting. Accordingly, abstentions will not affect the outcome of the election of candidates for director. Absent instructions from the beneficial owner of such shares, a broker is not entitled to vote shares held for a beneficial owner on certain non-routine items, such as the election of directors. Thus, if the beneficial owner does not give a broker specific instructions, the beneficially owned shares may not be voted on the election of directors and will not be counted in determining the number of shares necessary for approval, although they will count for purposes of determining whether a quorum exists. Stockholders are not permitted to cumulate their shares for the purpose of electing directors or otherwise.

The proposal to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010 requires the affirmative vote of a majority of the aggregate votes present, in person or by proxy, and entitled to vote at the Annual Meeting. Abstentions will have the same effect as a vote against this proposal. However, the ratification of our selection of PricewaterhouseCoopers LLP is a matter on which a broker or other nominee is empowered to vote. Accordingly, no broker non-votes will result from this proposal.

The persons named as attorneys-in-fact in the form of the accompanying proxy, Thomas A. Armer and Charlene A. Friedman, were selected by our Board of Directors and are officers of the Company. All properly executed proxies returned in time to be counted at the Annual Meeting will be voted by Dr. Armer and Ms. Friedman at the Annual Meeting. Aside from election of the named directors and the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm, our Board of Directors knows of no other matter to be presented at the Annual Meeting. If any other matters should be presented at the Annual Meeting upon which a vote properly may be taken, shares represented by all proxies received by us will be voted with respect thereto in accordance with the judgment of the persons named as attorneys-in-fact in the proxies.

### **Revocability of Proxies**

Any person giving a proxy pursuant to this solicitation has the power to revoke it at any time before it is voted. A proxy may be revoked by delivering a written notice of revocation or a duly executed proxy bearing a later date to the Secretary at the Company's offices, located at 2400 Bayshore Parkway, Suite 200, Mountain View, California 94043, or it may be revoked by attending the Annual Meeting and voting in person. Attendance at the Annual Meeting will not, by itself, revoke a proxy.

If your shares are held in the name of a broker, bank or other nominee, you may change your vote by submitting new voting instructions to your bank, broker or other nominee. Please note that if your shares are held of record by a broker, bank or other nominee and you decide to attend and



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vote at the Annual Meeting, your vote in person at the meeting will not be effective unless you present a legal proxy, issued in your name from the record holder, your broker, bank or other nominee.

### **Voting Via the Internet or by Telephone**

If you hold stock certificates in your name, you will receive the Company's proxy card from our stock transfer agent, American Stock Transfer & Trust Company. The proxy card will contain information on telephone and Internet voting, so that you may grant your proxy for those shares telephonically by calling the telephone number shown on the proxy card, or via the Internet at [www.voteproxy.com](http://www.voteproxy.com).

Most beneficial owners whose stock is held in street name receive voting instruction forms from their banks, brokers or other agents, rather than the Company's proxy card. A number of brokers and banks are participating in a program provided through Broadridge Financial Solutions, Inc. that offers telephone and Internet grants of proxies. If your shares are held in an account with a broker or bank participating in the Broadridge Financial Solutions program, you may grant your proxy for those shares telephonically by calling the telephone number shown on the form received from your broker or bank, or via the Internet at Broadridge Financial Solutions' website at [www.proxyvote.com](http://www.proxyvote.com).

Submitting your proxy via the Internet or by telephone will not affect your right to revoke your proxy and vote in person, should you decide to attend the Annual Meeting.

The telephone and Internet proxy granting procedures are designed to authenticate stockholders' identities, to allow stockholders to give their proxy granting instructions and to confirm that stockholders' instructions have been recorded properly. Stockholders granting proxies via the Internet should understand that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, which must be borne by the stockholder.

### **Internet Availability of Proxy and Other Materials**

The proxy statement, form of proxy and our 2009 Annual Report on Form 10-K are available on the Internet at <http://ir.mapharma.com/annual-proxy.cfm>.

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**MATTERS TO BE CONSIDERED AT THE 2010 ANNUAL MEETING**

**PROPOSAL 1**

**ELECTION OF DIRECTORS**

Our Board of Directors currently consists of 10 members. Our Bylaws provide for the classification of the Board of Directors into three classes, as nearly equal in number as possible, with staggered terms of office. Our Bylaws also provide that upon expiration of the term of office for a class of directors, nominees for such class will be elected for a term of three years or until their successors are duly elected and qualified.

The term of office of the Class III directors will expire in May 2010, and the Board of Directors has selected, upon recommendation by the nominating and corporate governance committee, three nominees for Class III directors. The nominees for the Class III director seats are Gerri A. Henwood, Matthew V. McPherron and Timothy S. Nelson. All the director nominees currently serve as directors of the Company. Each director nominee has agreed to stand for election to a three-year term. The three candidates receiving the highest number of affirmative votes of the shares represented and entitled to vote at the Annual Meeting will be elected as Class III directors of the Company. The Class I directors, John G. Freund, M.D., Carl S. Goldfischer, M.D. and H. Ward Wolff, have one year remaining on their term of office. The Class II directors, Thomas A. Armer, Ph.D., Steven A. Elms, Bernard J. Kelley and Scott R. Ward, have two years remaining on their term of office.

Shares represented by executed proxies will be voted, if authority to do so is not withheld, FOR the election of the three nominees named below. In the event that any nominee should be unavailable for election as a result of an unexpected occurrence, such shares will be voted for the election of such substitute nominee as the Board of Directors may propose. Each person nominated for election has agreed to serve if elected, and management has no reason to believe that any nominee will be unable to serve.

Set forth below is information regarding the nominees for Class III director, including their ages, the periods during which they have served as directors and information furnished by them as to principal occupations, current public company directorships and previous public company directorships within the past five years.

**NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS**

**For a Three-Year Term to Expire at the 2013 Annual Meeting**

**Class III Directors (Term to Expire at the 2010 Annual Meeting)**

<b>Name</b>	<b>Age</b>	<b>Principal Occupation/Position with the Company</b>
Gerri A. Henwood	57	President, Malvern Consulting Group
Matthew V. McPherron	45	Managing Director, Brookside Capital, LLC
Timothy S. Nelson	46	President and Chief Executive Officer

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*Gerri A. Henwood* has served as a member of our Board of Directors since June 2004. Ms. Henwood brings to our Board of Directors experience in the pharmaceuticals industry and clinical research, as well as senior management experience. Ms. Henwood is currently the President of an independent pharmaceuticals, biologics and medical devices consulting firm, Malvern Consulting Group, and serves as the Chief Executive Officer of RecroPharma, Inc., a private biopharmaceutical company focused on developing pain therapies, and Garnet BioTherapeutics, Inc., a private biotherapeutics company focused on cell therapies, cell manufacturing and cell based devices. From 1999 to July 2006, Ms. Henwood was President, Chief Executive Officer and, until May 2005, Chairman of the Board of Auxilium Pharmaceuticals, Inc., a public biopharmaceutical company which she founded, focused on developing therapies for diseases of aging and for excessive scarring disorders. From 1985 to 1999, Ms. Henwood served as President and Chief Executive Officer of IBAH, Inc., a publicly traded contract research company which she founded, originally named Bio-Pharm Clinical Services, Inc. Ms. Henwood is a

member of the board of directors of Alkermes, Inc. a pharmaceutical company, and serves as a member of its nominating and governance committee. She received a B.S. from Neuman College.

*Matthew V. McPherron* has served as a member of our Board of Directors since January 2006. Mr. McPherron brings to our Board of Directors experience in corporate finance, as well as senior management experience. Since 1998, Mr. McPherron has been employed by Brookside Capital, LLC, an investment fund, where he is currently a Managing Director. From 1997 to 1998, Mr. McPherron served as President and Chief Operating Officer for U.S. Carelink, Inc., a clinical information company. Mr. McPherron received an M.B.A. from Harvard Business School and a B.S. from the University of Kansas.

*Timothy S. Nelson* has served as our President and Chief Executive Officer and as a member of our Board of Directors since April 2005. As our President and Chief Executive Officer, Mr. Nelson brings to our Board of Directors operating experience with the Company and insight into all aspects of our business. From 1998 to 2005, Mr. Nelson served as Senior Vice President of Commercial and Business Development at DURECT Corporation, a pharmaceutical company focused on developing therapies for patients with chronic diseases and other medical conditions. From 1992 to 1998, Mr. Nelson held various senior management positions with Medtronic, Inc., a medical device company, including Business Director of the Neurological Division for Europe, the Middle East and Africa from 1996 to 1998. Mr. Nelson received an M.M. with distinction from the Kellogg School of Management at Northwestern University and a B.S. in chemical engineering from the University of Minnesota.

#### Recommendation of the Board of Directors

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF MS. HENWOOD, MR. MCPHERRON AND MR. NELSON AS DIRECTORS. UNLESS YOU INDICATE OTHERWISE, YOUR PROXY WILL BE VOTED FOR MS. HENWOOD, MR. MCPHERRON AND MR. NELSON.**

#### MEMBERS OF THE BOARD OF DIRECTORS CONTINUING IN OFFICE

Set forth below is information regarding the continuing Class I and Class II directors, including their ages, the periods during which they have served as directors and information furnished by them as to principal occupations and current public company directorships.

#### Class I Directors (Term to Expire at the 2011 Annual Meeting)

Name	Age	Principal Occupation/Position with the Company
John G. Freund, M.D.	56	Managing Director, Skyline Ventures
Carl S. Goldfischer, M.D.	51	Managing Director, Bay City Capital LLC
H. Ward Wolff	61	Executive Vice President and Chief Financial Officer, Sangamo BioSciences, Inc.

*John G. Freund, M.D.* has served as a member of our Board of Directors since August 2004. Dr. Freund brings to our Board of Directors experience in corporate finance, particularly relating to biopharmaceuticals and medical devices, as well as senior management experience. Since 1997, Dr. Freund has been a Managing Director of Skyline Ventures, a venture capital firm. From 1995 to 1997, Dr. Freund served as a Managing Director in the private equity group at Chancellor Capital Management, Inc., an investment firm. In 1995, Dr. Freund co-founded Intuitive Surgical Inc., a medical device company focused on robotic-assisted minimally invasive surgery, and served as a Director until 2000.

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From 1988 to 1994, he held various positions at Acuson Corporation, a medical device company focused on diagnostic medical ultrasound systems, including Executive Vice President. From 1982 to 1988, Dr. Freund was at Morgan Stanley & Co., Inc., where he was the co-founder

of the Healthcare Group in the Corporate Finance Department and later was the original healthcare partner at Morgan Stanley Venture Partners. Dr. Freund serves on the boards of directors of Xenoport, Inc., a biopharmaceutical company focused on developing therapies that improve the therapeutic benefits of existing drugs, MAKO Surgical Corp., a medical device company focused on medical robotics and implants, The SMALLCAP World Fund, Fundamental Investors, the Growth Fund of America and a number of private companies. Dr. Freund served as a member of the board of directors of Sirtris Pharmaceuticals, Inc., a biopharmaceutical company focused on developing drugs to treat diseases associated with aging, from August 2004 to June 2008 and of Hansen Medical, Inc., a medical device company focused on medical robotics, from November 2002 to March 2010. Dr. Freund received an M.B.A. from Harvard Business School, where he graduated with high distinction and was a Baker Scholar, an M.D. from Harvard Medical School and a B.A. from Harvard College.

*Carl S. Goldfischer, M.D.* has served as a member of our Board of Directors since August 2004. Dr. Goldfischer brings to our Board of Directors experience in corporate finance, particularly relating to pharmaceuticals and medical devices, as well as senior management experience. Since 2001, Dr. Goldfischer has been employed by Bay City Capital LLC, a venture capital firm, where he is currently an Investment Partner and Managing Director and serves as a member of its board of directors and executive committee. From 1996 to 2000, Dr. Goldfischer served as the Chief Financial Officer of ImClone Systems Incorporated, a biopharmaceutical company focused on oncology care. Dr. Goldfischer is a member of the board of directors of EnteroMedics, Inc., a biomedical device company focused on developing implantable systems to treat obesity and other gastrointestinal disorders, Poniard Pharmaceuticals, Inc., a biopharmaceutical company focused on developing oncology products, and a number of private companies. He received an M.D. from the Albert Einstein College of Medicine and a B.A. from Sarah Lawrence College.

*H. Ward Wolff* has served as a member of our Board of Directors since March 2008. Mr. Wolff brings to our Board of Directors financial expertise, having served as a senior executive and chief financial officer of several public companies. Since December 2007, Mr. Wolff has been employed as Executive Vice President and Chief Financial Officer by Sangamo BioSciences, Inc., a biopharmaceutical company focused on developing novel human therapeutics based on DNA-binding proteins. Mr. Wolff was formerly with Nuvelo, Inc., a biopharmaceutical company focused on developing drugs for cardiovascular disease, where he served as Senior Vice President, Finance and Chief Financial Officer from July 2006 until its restructuring in August 2007. Prior to joining Nuvelo, he was Senior Vice President, Finance and Chief Financial Officer of Abgenix, Inc., a biopharmaceutical company focused on developing human therapeutic antibody products, from September 2004 until April 2006 when Abgenix merged with Amgen Inc. Prior to joining Abgenix, Mr. Wolff held financial management positions in both public and private emerging growth companies, including serving as Senior Vice President and CFO of DoubleTwist, Inc., a life sciences company integrating genomic information and bioinformatics analysis tools. Mr. Wolff is also a member of the board of directors of a private biopharmaceutical company. Mr. Wolff served as a member of the board of directors of Sangamo BioSciences, Inc. from June 2006 to December 2007, serving as chair of the audit committee. Mr. Wolff began his career with Price Waterhouse, where he held a number of positions as a certified public accountant, including senior audit manager. Mr. Wolff received a B.A. in economics from the University of California at Berkeley and an M.B.A. from Harvard Business School.

**Class II Directors (Term to Expire at the 2012 Annual Meeting)**

<b>Name</b>	<b>Age</b>	<b>Principal Occupation/Position with the Company</b>
Thomas A. Armer, Ph.D.	56	Chief Scientific Officer
Steven A. Elms	46	Managing Partner, Aisling Capital LLC
Bernard J. Kelley	68	Former President, Merck Manufacturing Division, Merck & Co., Inc.
Scott R. Ward	50	Senior Vice President and President, Medtronic CardioVascular, Medtronic, Inc.

*Thomas A. Armer, Ph.D.* has served as our Chief Scientific Officer and as a member of our Board of Directors since the Company's inception and served as our President and Chief Executive Officer from inception to April 2005. As one of the founders and as Chief Scientific Officer of our Company, Dr. Armer brings to our Board of Directors operating experience with the Company and insight into our business and technologies. From 1998 to 2003, Dr. Armer served as Vice President of Pulmonary Delivery Systems and later as Chief Scientific Officer at Sheffield Pharmaceuticals, Inc., a biopharmaceutical company focused on development of pharmaceuticals for pulmonary delivery. From 1989 to 1998, Dr. Armer held a series of senior management and product development positions at the Novon Products Group, a division of Warner-Lambert, and Aeroquip Vickers Corporation. Dr. Armer received a Ph.D. in chemical engineering from Tulane University.

*Steven A. Elms* has served as Chairman of our Board of Directors since June 2004. Mr. Elms brings to our Board of Directors experience in corporate finance, particularly relating to biopharmaceuticals. Since 2000, Mr. Elms has served as a Managing Director of the Perseus-Soros BioPharmaceutical Fund L.P., a private equity firm, and since 2005, has served as a Managing Partner of Aisling Capital LLC, a private equity firm. From 1995 to 2000, Mr. Elms served as a Principal at the Life Sciences Investment Banking Group of Chase H&Q, formerly known as Hambrecht & Quist. Mr. Elms is a member of the board of directors of a number of private companies. Mr. Elms served as a member of the board of directors of Adams Respiratory Therapeutics, Inc., a pharmaceutical company focused on respiratory care products, from 2001 to December 2006 and Bioenvision, Inc., a biopharmaceutical company focused on developing oncology therapies, from May 2002 to July 2007. Mr. Elms received an M.B.A. from the Kellogg School of Management at Northwestern University and a B.A. in human biology from Stanford University.

*Bernard J. Kelley* has served as a member of our Board of Directors since May 2007. Mr. Kelley brings to our Board of Directors experience in pharmaceutical manufacturing, as well as senior management and financial operations experience. From 1993 to 2002, Mr. Kelley was the President of the Merck Manufacturing Division, a division of Merck & Co., Inc., and he served as a member of the Merck Management Committee from 1995 to 2002. Mr. Kelley served as a member of the board of directors of Aegis Analytical Corporation, a private enterprise software company, from 2003 to 2006. Mr. Kelley currently serves on the board of directors of Codexis, Inc., a private company focused on developing optimized biocatalysts for use in the pharmaceuticals, biofuels and other bioindustrial markets, serving as a member of the audit committee and compensation committee. Mr. Kelley received a B.S. in engineering from the U.S. Naval Academy.

*Scott R. Ward* has served as a member of our Board of Directors since September 2008. Mr. Ward brings to our Board of Directors experience in medical devices and drug delivery, as well as senior management and financial operations experience. Mr. Ward has been employed by Medtronic, Inc., a medical device company, since 1981 and has served as Senior Vice President and President, Medtronic CardioVascular since May 2007. Previously, Mr. Ward served as Senior Vice President and President of Medtronic Neurological and Diabetes, Vice President and General Manager of the Medtronic Drug Delivery Business and President of Medtronic Neurological. Mr. Ward received a B.S. in Genetics and Cell Biology in 1981, and an M.S. in Toxicology in 1983, both from the University of Minnesota.

There are no family relationships among executive officers or directors of the Company. There are no current legal proceedings and claims, either asserted or unasserted, to which the executive officers, directors or the Company are a party. There are no current, nor in the past 10 years have there been any, legal proceedings involving any director or executive officer related to, among other things, (i) federal bankruptcy, (ii) criminal proceedings, (iii) federal or state securities laws, (iv) any judgment, decree or order enjoining a director or officer from acting as an investment advisor, broker or dealer of securities or engaging in any type of business practice, (v) proceedings resulting from involvement in mail or wire fraud in connection with any business activity, and (vi) any disciplinary sanctions or orders imposed by a stock, commodities or derivatives exchange or other self-regulatory organization.



## BOARD COMMITTEES AND MEETINGS

During the fiscal year ended December 31, 2009, the Board of Directors held eight meetings. The Board of Directors has an audit committee, a compensation committee and a nominating and corporate governance committee, which held seven, nine and two meetings, respectively, during 2009. During the fiscal year ended December 31, 2009, each of the incumbent directors attended at least 75% of the meetings of the Board of Directors and the committees on which he or she served, except that Ms. Henwood attended four out of seven audit committee meetings held during 2009. Our directors are encouraged to attend the Annual Meeting of Stockholders, although the Company does not currently maintain a formal policy regarding director attendance at the Annual Meeting of Stockholders.

### *Audit Committee*

Our audit committee oversees our corporate accounting and financial reporting process. Among other matters, the audit committee evaluates the independent registered public accounting firm's qualifications, independence and performance; determines the engagement of the independent registered public accounting firm; reviews and approves the scope of the annual audit and the audit fee; discusses with management and the independent registered public accounting firm the results of the annual audit and the review of our quarterly consolidated financial statements; approves the retention of the independent registered public accounting firm to perform any proposed permissible non-audit services; monitors the rotation of partners of the independent registered public accounting firm on our engagement team as required by law; reviews our critical accounting policies and estimates; and annually reviews the audit committee charter and the committee's performance. The current members of our audit committee are Mr. Wolff, who is the chair of the committee, Mr. Kelley and Mr. Ward, who has been a member of the committee since December 2009. All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the Securities and Exchange Commission (the "SEC") and the Nasdaq Global Market. Our Board of Directors has determined that Mr. Wolff is an audit committee financial expert as defined under the applicable rules of the SEC and has the requisite financial sophistication as defined under the applicable rules and regulations of the Nasdaq Global Market. Mr. Kelley, Mr. Ward and Mr. Wolff are independent directors as defined under the applicable rules and regulations of the SEC and the Nasdaq Global Market. Under the rules of the SEC, members of the audit committee must also meet heightened independence standards. Our Board of Directors has determined that each of Mr. Kelley, Mr. Ward and Mr. Wolff meets these heightened independence standards. Until December 2009, Ms. Henwood served as a member of the audit committee, and our Board of Directors has determined that Ms. Henwood was an independent director under the applicable rules and regulations of the SEC and the Nasdaq Global Market, and that Ms. Henwood met the heightened independence standards of the SEC. The audit committee operates under a written charter that satisfies the applicable standards of the SEC and the Nasdaq Global Market. A copy of the audit committee charter is available on our website at [www.mappharma.com](http://www.mappharma.com).

### *Compensation Committee*

Our compensation committee reviews and recommends policies relating to compensation and benefits of our officers and employees. The compensation committee reviews and approves corporate objectives relevant to compensation of our executive officers, evaluates the performance of these officers in light of those objectives and sets the compensation of these officers based on such evaluations. The compensation committee also administers the issuance of stock options and other awards under our stock plans. The compensation committee annually reviews the compensation committee charter and the committee's performance. The current members of our compensation committee are Ms. Henwood, who is the chair of the committee, Mr. Kelley, Mr. McPherron and Mr. Ward, who has been a member of the committee since March 2010. Each of the members of our compensation committee is independent under the applicable rules and regulations of the SEC, the Nasdaq Global Market and the Internal Revenue Code of 1986, as amended. The compensation committee operates under a written charter that satisfies the applicable standards of the SEC and the Nasdaq Global Market. A copy of the compensation committee charter is available on our website at [www.mappharma.com](http://www.mappharma.com).

*Nominating and Corporate Governance Committee*

The nominating and corporate governance committee is responsible for making recommendations to our Board of Directors regarding candidates for directorships and the size and composition of our Board of Directors. In addition, the nominating and corporate governance committee is responsible for overseeing our corporate governance guidelines and reporting and making recommendations to our Board of Directors concerning governance matters. The committee annually reviews the nominating and corporate governance committee charter and the committee's performance. The current members of our nominating and corporate governance committee are Mr. Elms, who is the chair of the committee, Dr. Freund and Mr. McPherron. Each of the members of our nominating and corporate governance committee is independent under the applicable rules and regulations of the SEC and the Nasdaq Global Market. The nominating and corporate governance committee operates under a written charter that satisfies the applicable standards of the SEC and the Nasdaq Global Market. A copy of the nominating and corporate governance committee charter is available on our website at [www.mappharma.com](http://www.mappharma.com).

*Compensation Committee Interlocks and Insider Participation*

No member of the compensation committee has at any time served as an officer or been otherwise employed by us. None of our executive officers currently serves or in the prior three years has served as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our Board of Directors or compensation committee.

**DIRECTORS' COMPENSATION AND BENEFITS**

Directors who also are our employees do not receive any fees for their service as a director. Since October 2007, following our initial public offering, we have paid compensation to our non-employee directors as follows.

Each non-management director receives an annual cash retainer of \$25,000 per year. Such directors also receive an additional annual cash retainer of \$4,000 per year for being a member of our audit committee, except that the chair of our audit committee receives an additional annual cash retainer of \$7,500 per year. Non-management directors also receive an additional annual cash retainer of \$4,000 per year for being a member of our compensation committee, except that the chair of our compensation committee receives an additional annual cash retainer of \$7,500 per year. Non-management directors also receive an additional annual cash retainer of \$2,500 per year for being a member of our nominating and corporate governance committee, except that the chair of our nominating and corporate governance committee receives an additional annual cash retainer of \$5,000 per year.

Upon initial election to our Board of Directors, each non-management director receives an initial option grant of an option to purchase 30,000 shares of our Common Stock with an exercise price equal to the fair market value of our Common Stock on the date of grant. Such initial option grant vests and becomes exercisable as to one quarter of the total number of shares subject to the option on the one year anniversary of the date the director commences service on our Board of Directors, with the remainder of the option vesting and becoming exercisable as to 1/48th of the total number of shares subject to the option each month thereafter. On the date of each annual meeting of stockholders beginning in 2008, each non-management director who has served at least six months on our Board of Directors also receives an annual grant of an option to purchase 7,500 shares of our Common Stock with an exercise price equal to the fair market value of our Common Stock on the date of grant. Such annual option grant vests and becomes exercisable as to 1/12th of the total number of shares subject to the option on each monthly anniversary of the date of grant.

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We also reimburse directors for reasonable out-of-pocket travel expenses incurred in connection with attending meetings of the Board of Directors.

The following table sets forth information regarding compensation earned by our non-employee directors during the fiscal year ended December 31, 2009.

### Director Compensation

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards \$( <sup>1</sup> )( <sup>2</sup> )	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation (\$)	Total (\$)
Steven A. Elms	30,000		13,125				43,125
John G. Freund, M.D.	27,500		13,125				40,625
Carl S. Goldfischer, M.D.	25,000		13,125				38,125
Gerri A. Henwood	36,500		13,125				49,625
Bernard J. Kelley	33,000		13,125				46,125
Matthew V. McPherron	31,500		13,125				44,625
Scott R. Ward	25,000		13,125				38,125
H. Ward Wolff	32,500		13,125				45,625

(1) The amounts included in the Option Awards column represent the aggregate grant date fair value of the awards in accordance with Accounting Standards Codification, or ASC 718, *Compensation - Stock Compensation*. The valuation assumptions used in determining such amounts are described in our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2009.

(2) Each director received an annual grant of an option to purchase 7,500 shares of our Common Stock on May 21, 2009. The options vest as to 1/12th of the total number of shares subject to the option on each monthly anniversary of the vesting commencement date of May 21, 2009. The fair value of such equity awards on the grant date computed in accordance with ASC 718 was \$1.75 per share and the aggregate number of shares subject to option awards outstanding from this grant at the end of the fiscal year ended December 31, 2009 for each director who received this grant was 7,500.

### CORPORATE GOVERNANCE

We have an ongoing commitment to good governance and business practices. In furtherance of this commitment, we regularly monitor developments in the area of corporate governance and review our processes and procedures in light of such developments. We comply with rules and regulations promulgated by the SEC and the Nasdaq Global Market, and implement other corporate governance practices which we believe are in the best interests of the Company and our stockholders.

#### Company Leadership Structure and Risk Oversight

Our Board of Directors currently consists of 10 members, including our President and Chief Executive Officer and our Chief Scientific Officer. The Chair of our Board of Directors, Steven A. Elms, is an independent director. Mr. Elms also serves as Chair of the Board of Directors nominating and corporate governance committee. Mr. Elms is a Managing Director of the Perseus-Soros Biopharmaceutical Fund, L.P., which beneficially owns more than 10% of the Company's common stock.

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The Company separates the Chair and Chief Executive Officer positions, in order to insure independent leadership of the Board of Directors. The Board of Directors has determined that its structure is appropriate to fulfill its duties effectively and efficiently, so that our Chief Executive Officer can focus on leading our Company, while the Chair can focus on leading the Board of Directors in overseeing management. The Board of Directors regularly meets in executive session without management directors or management present.

Our Board of Directors generally oversees corporate risk in its review and deliberations relating to Company activities. Our Company is focused primarily on the development of the LEVADEX product candidate, and the Board of Directors regularly reviews plans, results and potential risks related to the LEVADEX program and other pipeline development programs, as well as financial and strategic risk relevant to our Company's operations. In addition, our Board of Directors regularly reviews information regarding the Company's cash position, liquidity and operations, as well as the risks associated with each. The audit committee oversees management of financial risks. The nominating and corporate governance committee manages risks associated with the independence of the Board of Directors and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed through committee reports about such risks.

Our compensation committee oversees risk management as it relates to our compensation plans, policies and practices for all employees. In connection with structuring and reviewing employee and management compensation, the compensation committee periodically meets with management to review whether our compensation programs may create incentives for our employees to take excessive or inappropriate risks which could have a material adverse effect on the Company. Our compensation program is intended to reward the management team and other employees for strong performance over the near and long term. We consider the potential risks for our business when designing and administering our pay program, and we believe our balanced approach to pay-for-performance works to avoid misaligned incentives for individuals to undertake excessive or inappropriate risk. Further, program administration is subject to considerable internal controls, and when making determinations with respect to establishing pay programs and measuring performance, we rely on principles of sound governance and good business judgment. Our compensation committee has reviewed our current compensation policies and practices for our employees and believes that these policies and practices are not reasonably likely to have a material adverse effect on the Company.

#### **Board Diversity**

Our Corporate Governance Guidelines provide that the nominating and corporate governance committee is responsible for reviewing with the Board of Directors, on an annual basis, the appropriate characteristics, skills and experience required for the Board of Directors as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current members), the nominating and corporate governance committee, in recommending candidates for election, and the Board of Directors, in approving (and, in the case of vacancies, appointing) such candidates, takes into account many factors, including: personal and professional integrity, ethics and values; experience in corporate management, such as serving as an officer or former officer of a publicly held company; experience in the Company's industry and with relevant social policy concerns; experience as a board member of another publicly held company; diversity of expertise and experience in substantive matters pertaining to the Company's business relative to other board members; and practical and mature business judgment. The Board of Directors evaluates each individual in the context of the Board of Directors as a whole, with the objective of assembling a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas. The Board of Directors believes that the combination of backgrounds of its individual members provides our Board of Directors with a unique ability to identify and progress the key interests of our Company, and to represent the interests of our stockholders.

#### **Code of Conduct**

In 2007, we adopted a Code of Conduct (the "Code of Conduct"), which is available in its entirety on our website at [www.mappharma.com](http://www.mappharma.com) and to any stockholder otherwise requesting a copy. All Company employees, officers and directors, including the Chief Executive Officer and Chief Financial Officer, are required to adhere to the Code of Conduct in discharging their work-related responsibilities. Employees are required to report any conduct that they believe in good faith to be an actual or apparent violation of the Code of Conduct. Amendments to the Code of Conduct, and any waivers from the Code of Conduct granted to directors or executive officers, will also be made available through our website as they are adopted.

In keeping with the Sarbanes-Oxley Act of 2002, the audit committee has established procedures for receipt and handling of complaints received by the Company regarding accounting, internal accounting controls or auditing matters. An employee hotline has been set up, and the phone number of the hotline has been distributed to all employees, to allow for the confidential and anonymous submission to the chair of the audit committee by our employees of concerns regarding accounting or auditing matters.

### **Corporate Governance Guidelines**

The Board of Directors has adopted Corporate Governance Guidelines (the Guidelines ) to address significant corporate governance issues. You can access our Guidelines, as adopted by the Board of Directors, at the Corporate Governance page of our website at [www.mappharma.com](http://www.mappharma.com). The Guidelines provide a framework for corporate governance matters and include topics such as the composition and evaluation of the members of the Board of Directors and its committees. The nominating and corporate governance committee is responsible for reviewing the Guidelines and reporting and recommending any changes to the Guidelines to the Board of Directors.

The Board of Directors has adopted the independence standards of the Nasdaq Global Market, and reviews all commercial and other relationships of each director and his or her family members in making its determination as to the independence of the directors. The Board of Directors has determined that Mr. Elms, Dr. Freund, Dr. Goldfischer, Ms. Henwood, Mr. Kelley, Mr. McPherron, Mr. Ward and Mr. Wolff each qualify as independent under the requirements of the Nasdaq Global Market.

### **Process for Identifying and Evaluating Director Nominees**

The Board of Directors is responsible for nominating directors for election at annual meetings of stockholders or to fill vacancies on the Board of Directors. The Board of Directors has delegated the selection and nomination process to the nominating and corporate governance committee, with the expectation that other members of the Board of Directors, and of management, will be requested to take part in the process as appropriate.

The nominating and corporate governance committee reviews, at least annually, the performance of each current director and considers the results of such evaluation when determining whether or not to re-nominate such director for an additional term. In addition to reviewing the qualifications outlined in the Director Qualifications section below, in determining whether to recommend a director for re-election, the nominating and corporate governance committee also considers the director's past attendance at meetings and participation in and contributions to the activities of the Board of Directors. As part of this analysis, the nominating and corporate governance committee will also take into account the nature of and time involved in a director's service on other boards or committees. Following this review, the nominating and corporate governance committee nominated and recommended that Ms. Henwood, Mr. McPherron and Mr. Nelson be elected to the Board of Directors as Class III directors.

### **New Director Candidates**

Generally, the nominating and corporate governance committee identifies candidates for director nominees in consultation with management, through the use of search firms or other advisers, through recommendations submitted by stockholders or through such other methods as the nominating and corporate governance committee deems to be helpful to identify candidates. Once candidates have been identified, the nominating and corporate governance committee confirms that the candidates meet all of the minimum qualifications for director nominees established by the nominating and corporate governance committee. The nominating and corporate governance committee may gather information about the candidates through interviews, detailed questionnaires regarding experience, background and independence,

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comprehensive background checks from a qualified company of its choosing or any other means that the nominating and corporate governance committee deems to be helpful in the evaluation process.



An initial reviewing member of the nominating and corporate governance committee will make a preliminary determination regarding whether a potential candidate is qualified to fill a vacancy or satisfy a particular need. If so, the full nominating and corporate governance committee will make an investigation and interview the potential candidate, as necessary, to make an informed final determination. The nominating and corporate governance committee will meet as a group to discuss and evaluate the qualities and skills of each candidate, both on an individual basis and taking into account the overall composition and needs of the Board of Directors. Based on the results of the evaluation process, the nominating and corporate governance committee recommends candidates for the Board of Directors' approval as nominees for election to the Board of Directors. The nominating and corporate governance committee also recommends candidates for the Board of Directors' appointment to the committees of the Board of Directors.

### **Director Qualifications**

The nominating and corporate governance committee is responsible for reviewing with the Board of Directors from time to time the appropriate qualities, skills and characteristics desired of members of the Board of Directors in the context of the needs of the business and current composition of the Board of Directors. In evaluating the suitability of individual candidates (both new candidates and current members of the Board of Directors), the nominating and corporate governance committee, in nominating candidates for election, or the Board of Directors, in approving (and, in the case of vacancies, appointing) such candidates, take into account many factors, including:

the candidate's personal and professional integrity, ethics and values;

the candidate's experience in corporate management, such as serving as an officer or former officer of a publicly held company;

the candidate's experience in the pharmaceutical industry and with relevant social policy concerns;

the candidate's experience as a board member of another publicly held company;

the candidate's diversity of experience in substantive matters pertaining to our business relative to other Board members; and

whether the candidate possesses practical and mature business judgment.

The Board of Directors evaluates each individual in the context of the Board of Directors as a whole, with the objective of assembling a group that can best perpetuate the success of our business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas.

### **Procedures for Recommendation of Director Nominees by Stockholders**

The nominating and corporate governance committee will consider director candidates who are recommended by our stockholders. Stockholders, in submitting recommendations to the nominating and corporate governance committee for director candidates, must comply with our Bylaws. Pursuant to our Bylaws, stockholders who wish to nominate persons for election to the Board of Directors at the Annual Meeting must comply with the notice provisions in our Bylaws. The stockholder's notice must include the following information for the person proposed to be nominated:

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- (a) the name and address, as they appear on our books, of the stockholder proposing such business;
- (b) the class and number of our shares that are beneficially owned by the stockholder;
- (c) any material interest of the stockholder in such business; and
- (d) any other information that is required to be provided by the stockholder pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, in his, her or its capacity as a proponent to a stockholder proposal.

We may request from the recommending stockholder or recommending stockholder group such other information as may reasonably be required to determine whether each person recommended by a stockholder or stockholder group as a nominee meets the minimum director qualifications established by the Board of Directors and to enable us to make appropriate disclosures to stockholders entitled to vote in the next election of directors. Nominees are required to make themselves reasonably available to be interviewed by the nominating and corporate governance committee and members of management, as determined to be appropriate by the nominating and corporate governance committee. We will not accept a stockholder recommendation for a nominee if the recommended candidate's candidacy or, if elected, Board of Directors membership, would violate applicable state law, federal law or the rules of any exchange or market on which our securities are listed or traded. If the nomination by stockholders was made in accordance with the procedures in our Bylaws, the nominating and corporate governance committee will apply the same criteria in evaluating the nominee as it would any other Board nominee candidate and will recommend to the Board of Directors whether or not the stockholder nominee should be nominated by the Board of Directors and included in our proxy statement.

Notices should be directed to the attention of the Secretary, MAP Pharmaceuticals, Inc., 2400 Bayshore Parkway, Suite 200, Mountain View, California 94043.

#### **Communications with the Board of Directors**

We provide a process for stockholders to send communications to the Board of Directors, the non-management members as a group or any of the directors individually. Stockholders may contact any of the directors, including the non-management directors, by writing to them c/o the Secretary, MAP Pharmaceuticals, Inc., 2400 Bayshore Parkway, Suite 200, Mountain View, California 94043. All communications will be compiled by our Secretary and submitted to the Board of Directors or the individual directors, as applicable, on a periodic basis.

**PROPOSAL 2**

**RATIFICATION OF SELECTION OF INDEPENDENT**

**REGISTERED PUBLIC ACCOUNTING FIRM**

On the recommendation of the audit committee, the Board of Directors has selected PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2010, and has further directed that management submit the selection of the independent registered public accounting firm for ratification by the stockholders at the Annual Meeting. PricewaterhouseCoopers LLP has served as our independent registered public accounting firm since March 2006. Representatives of PricewaterhouseCoopers LLP are expected to be present at the Annual Meeting, will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions from stockholders.