

Clovis Oncology, Inc.  
Form DEF 14A  
April 27, 2012  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A INFORMATION**

(Rule 14a-101)

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE**  
**SECURITIES EXCHANGE 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 under §240.14a-12

**Clovis Oncology, 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)(4) and 0-11.

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

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(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:



**Table of Contents**

**2525 28<sup>th</sup> Street, Suite 100**

**Boulder, Colorado 80301-1255**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON JUNE 14, 2012**

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Clovis Oncology, Inc. The meeting will be held on Thursday, June 14, 2012 at 8:30 a.m. Mountain Time at the St. Julien Hotel, 900 Walnut Street, Boulder, Colorado 80302 for the following purposes:

1. To elect three Class I directors for a three year term;
2. To consider and vote upon, on an advisory basis, the compensation of our named executive officers, as disclosed in the accompanying proxy statement, including under the heading "Compensation Discussion and Analysis" and the "Summary Compensation Table," as well as other related tables and disclosure;
3. To consider and vote upon, on an advisory basis, the preferred frequency of the stockholder vote on the compensation of our named executive officers;
4. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012; and
5. To transact such other business as may properly come before the meeting or any adjournment thereof.

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

The record date for the annual meeting is April 20, 2012. Only stockholders of record at the close of business on that date may vote at the meeting or any adjournment thereof.

We have elected to use the "Full Set Delivery Option" for our 2012 annual meeting. Accordingly, you will receive all of our proxy materials as part of this mailing. Specifically, included in these materials are this Notice of Annual Meeting of Stockholders, the proxy statement, the proxy card to be used for voting, and our Annual Report on Form 10-K for the year ended December 31, 2011.

Your vote is very important. Please promptly complete, sign, date and return the enclosed proxy to ensure your representation at the meeting. Submitting your proxy now will not limit your right to vote in person at the annual meeting if you desire to do so, as your proxy is revocable at your option.

By Order of the Board of Directors

Erle T. Mast

Secretary

Boulder, Colorado

April 27, 2012



**Table of Contents**

**TABLE OF CONTENTS**

	Page
<u>NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 14, 2012</u>	2
<u>PROXY STATEMENT</u>	4
<u>QUESTIONS AND ANSWERS</u>	4
<u>PROXY PROPOSALS</u>	9
<u>INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE</u>	15
<u>EXECUTIVE AND DIRECTOR COMPENSATION</u>	20
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	21
<u>SUMMARY COMPENSATION TABLE</u>	29
<u>DIRECTOR COMPENSATION</u>	36
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	37
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	40
<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</u>	41
<u>AVAILABLE INFORMATION</u>	44
<u>OTHER MATTERS</u>	45

**Table of Contents**

**CLOVIS ONCOLOGY, INC.**

**2525 28<sup>th</sup> STREET, SUITE 100**

**BOULDER, COLORADO 80301-1255**

**PROXY STATEMENT**

**2012 ANNUAL MEETING OF STOCKHOLDERS**

**JUNE 14, 2012**

**INFORMATION CONCERNING SOLICITATION AND VOTING**

Our board of directors is soliciting proxies for our 2012 Annual Meeting of Stockholders, or the Annual Meeting, to be held on Thursday, June 14, 2012 at 8:30 a.m. Mountain Time at the St. Julien Hotel, 900 Walnut Street, Boulder, CO, 80302. If you need directions to the location of the Annual Meeting, please contact us at (303) 625-5000.

This proxy statement and accompanying form of proxy card or voting instruction card are being mailed to stockholders on or about April 27, 2012. We are enclosing a copy of our Annual Report on Form 10-K for the year ended December 31, 2011, which includes our 2011 financial statements. The Annual Report is not, however, part of the proxy materials. This proxy statement contains important information for you to consider when deciding how to vote on the matters brought before the meeting. Please read it carefully.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to Be Held on June 14, 2012: This proxy statement and our Annual Report on Form 10-K for the year ended December 31, 2011 are also available electronically on our website at <http://ir.clovisoncology.com>.**

**QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING**

**Why am I receiving these materials?**

We have sent you these proxy materials because the board of directors of Clovis Oncology, Inc. is soliciting your proxy to vote at the Annual Meeting, including at any adjournments or postponements of the meeting. You are invited to attend the Annual Meeting to vote on the proposals described in this proxy statement. However, you do not need to attend the meeting to vote your shares. Instead, you may simply complete, sign, date and return the enclosed proxy card.

We intend to mail these proxy materials on or about April 27, 2012 to all stockholders of record entitled to vote at the Annual Meeting.

**How do I attend the Annual Meeting?**

The meeting will be held on Thursday, June 14, 2012 at 8:30 a.m. Mountain Time at the St. Julien Hotel, 900 Walnut Street, Boulder, Colorado 80302.

## **Table of Contents**

### **How do I vote at the Annual Meeting?**

With respect to the election of directors, you may either vote For all of the nominees to the board of directors or you may Withhold your vote for any nominee you specify. With respect to the vote on the compensation of our named executive officers, you may vote For or Against or abstain from voting. With respect to the vote on the frequency of the stockholder vote on the compensation of our named executive officers, you may vote for one year, two years or three years or abstain from voting. With respect to the ratification of the selection of our independent registered public accountants, you may vote For or Against or abstain from voting.

Only stockholders of record at the close of business on April 20, 2012 will be entitled to vote at the Annual Meeting. The procedures for voting are as follows:

#### *Stockholder of Record: Shares Registered in Your Name*

If on April 20, 2012 your shares were registered directly in your name with our transfer agent, Continental Stock Transfer & Trust Company, then you are a stockholder of record. As a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote in person even if you have already voted by proxy.

To vote in person, come to the Annual Meeting and we will give you a ballot when you arrive.

To vote using the proxy card, simply complete, sign, date and return the accompanying proxy card in the enclosed envelope to us. If you return your signed proxy card to us before the Annual Meeting, we will vote your shares as you direct.

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

If on April 20, 2012 your shares were registered, not in your name, but rather in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. Simply complete and mail the proxy card to ensure that your vote is counted. Alternatively, you may vote by telephone or over the internet as instructed by your broker or bank. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker, bank or other agent to request a proxy form.



## **Table of Contents**

### **What am I voting on?**

There are four matters scheduled for a vote:

*Proposal 1: Election of Directors.* Election of Patrick J. Mahaffy, M. James Barrett, and Thorlef Spickschen as Class I directors to hold office until the 2015 annual meeting of stockholders;

*Proposal 2: Vote on the Compensation of our Named Executive Officers.* To consider and vote upon, on an advisory basis, the compensation of our named executive officers, as disclosed in this proxy statement, including under the heading Compensation Discussion and Analysis and the Summary Compensation Table, as well as other related tables and disclosure;

*Proposal 3: Frequency of the Stockholder Vote on the Compensation of our Named Executive Officers.* To consider and vote upon, on an advisory basis, the preferred frequency of the stockholder vote on the compensation of our named executive officers; and

*Proposal 4: Ratification of Selection of Independent Registered Public Accounting Firm.* Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012.

### **How many votes do I have?**

On each matter to be voted upon, you have one vote for each share of common stock you own as of April 20, 2012.

### **What if I return a proxy card or otherwise vote but do not make specific choices?**

If you return a signed and dated proxy card or otherwise vote without marking voting selections, your shares will be voted, as applicable, For the election of all three nominees for director, For the vote on the compensation of our named executive officers, For three years as the preferred frequency of the stockholder vote on the compensation of our named executive officers, and For the ratification of selection of the independent registered public accounting firm. If any other matter is properly presented at the meeting, your proxyholder (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

### **What does it mean if I receive more than one set of proxy materials?**

If you receive more than one set of proxy materials, your shares may be registered in more than one name or in different accounts. Please follow the voting instructions on the proxy cards in the proxy materials to ensure that all of your shares are voted.

## **Table of Contents**

### **Can I change my vote after submitting my proxy?**

Yes. You can revoke your proxy at any time before the final vote at the meeting. If you are the record holder of your shares, you may revoke your proxy in any one of the following ways:

You may submit another properly completed proxy card with a later date.

You may send a timely written notice that you are revoking your proxy to our Secretary at 2525 28<sup>th</sup> Street, Suite 100, Boulder, CO 80301-1255.

You may attend the Annual Meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy. Your most current proxy card is the one that is counted.

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions provided by your broker or bank.

### **What is the quorum requirement?**

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding at least a majority of the outstanding shares entitled to vote are present at the meeting in person or represented by proxy. On the record date, there were 26,128,989 shares outstanding and entitled to vote. Thus, the holders of 13,064,495 shares must be present in person or represented by proxy at the meeting to have a quorum.

### **What vote is required to approve each proposal?**

*Proposal 1: Election of Directors.* The three nominees who receive the most For votes (among votes properly cast in person or by proxy) will be elected. Only votes For will affect the outcome.

*Proposal 2: Vote on the Compensation of our Named Executive Officers.* The vote on the compensation of our named executive officers must receive For votes from the holders of a majority of the shares of common stock present or represented by proxy and entitled to vote at the Annual Meeting.

*Proposal 3: Frequency of the Stockholder Vote on the Compensation of our Named Executive Officers.* The alternative which receives the most For votes (among votes properly cast in person or by proxy) will determine the preferred frequency of the stockholder vote on the compensation of our named executive officers. Only votes For will affect the outcome.

*Proposal 4: Ratification of Selection of Independent Registered Public Accounting Firm.* The ratification of the appointment of Ernst & Young LLP, our independent registered public accounting firm, must receive For votes from the holders of a majority of the shares of common stock present or represented by proxy and entitled to vote at the Annual Meeting.

## **Table of Contents**

### **What is the effect of abstentions and broker non-votes?**

Shares of common stock held by persons attending the Annual Meeting, but not voting, and shares represented by proxies that reflect abstentions as to a particular proposal will be counted as present for purposes of determining the presence of a quorum. Abstentions are treated as shares present in person or by proxy and entitled to vote, so abstaining has the same effect as a negative vote for purposes of the vote on the compensation of our named executive officers and the ratification of selection of independent registered public accounting firm. However, because the election of directors and the frequency of the stockholder vote on the compensation of our named executive officers are determined by a plurality of votes cast, abstentions will not be counted in determining the outcome of such proposals.

Shares represented by proxies that reflect a broker non-vote will be counted for purposes of determining the presence of a quorum. A broker non-vote occurs when a nominee holding shares for a beneficial owner has not received instructions from the beneficial owner and does not have discretionary authority to vote the shares for certain non-routine matters. With regard to the election of directors, the vote on the compensation of our named executive officers and the frequency of the stockholder vote on the compensation of our named executive officers, broker non-votes, if any, will not be counted as votes cast and will have no effect on the result of the vote. However, ratification of the selection of independent registered public accounting firm is considered a routine matter on which a broker or other nominee has discretionary authority to vote. As a result, broker non-votes will be counted for purposes of this proposal.

### **Who is paying for this proxy solicitation?**

We will pay for the entire cost of soliciting proxies. In addition to these proxy materials, our directors and employees may also solicit proxies in person, by telephone, or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies.

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

Preliminary voting results will be announced at the Annual Meeting. In addition, final voting results will be disclosed in a Current Report on Form 8-K, or Form 8-K, that we expect to file with the Securities and Exchange Commission, or the SEC, within four business days after the Annual Meeting. If final voting results are not available to us in time to file with the SEC a Form 8-K within four business days after the meeting, we intend to file with the SEC a Form 8-K to disclose preliminary results and, within four business days after the final results are known to us, file with the SEC an additional Form 8-K to disclose the final results.

**Table of Contents****PROPOSAL 1****ELECTION OF DIRECTORS**

Our board of directors is divided into three staggered classes of directors of the same or nearly the same number, designated Class I, Class II and Class III, with each class having a three year term. Vacancies on the board of directors may be filled by the affirmative vote of a majority of the remaining directors. A director elected by the board of directors to fill a vacancy in a class, including vacancies created by an increase in the number of directors, shall serve for the remainder of the full term of that class and until the director's successor is duly elected and qualified.

There are three directors in Class I whose term of office expires in 2012. Each of the nominees for election to Class I, Patrick J. Mahaffy, M. James Barrett, and Thorlef Spickschen, is currently a member of our board of directors. If re-elected at the Annual Meeting, each of these nominees would serve until our 2015 annual meeting of stockholders and until his successor is duly elected and qualified, or, if sooner, until the director's death, resignation or removal. If any nominee becomes unavailable for election as a result of an unexpected occurrence, shares that would have been voted for that nominee will instead be voted for the election of a substitute nominee proposed by us. Each person nominated for election has agreed to serve if elected. Our management has no reason to believe that any nominee will be unable to serve.

The following table sets forth the name, age and position of each of our nominees as of March 31, 2012:

**Nominees for Election for a Three-Year Term Expiring at the 2015 Annual Meeting Class I**

<b>Name</b>	<b>Age</b>	<b>Position</b>
Patrick J. Mahaffy	49	President and Chief Executive Officer; Director
M. James Barrett, Ph.D.	69	Chairman of the Board of Directors
Thorlef Spickschen	71	Director

The following is biographical information as of March 31, 2012 for our nominees:

*Patrick J. Mahaffy* is one of our co-founders and has served as our President and Chief Executive Officer and a member of our board of directors since our inception. Previously, Mr. Mahaffy served as President and Chief Executive Officer and as a member of the board of directors at Pharmion Corporation, which he founded in 2000 and sold to Celgene Corporation in 2008. From 1992 through 1998, Mr. Mahaffy was President and Chief Executive Officer of NeXagen, Inc. and its successor, NeXstar Pharmaceuticals, Inc., a biopharmaceutical company. Prior to that, Mr. Mahaffy was a Vice President at the private equity firm E.M. Warburg Pincus and Co. Mr. Mahaffy also serves on the boards of directors of Orexigen Therapeutics, Inc. (NASDAQ: OREX) and Flexion Therapeutics, Inc. He is also a trustee of Lewis and Clark College. Mr. Mahaffy has a B.A. in international affairs from Lewis and Clark College and a M.A. in international affairs from Columbia University. We believe that Mr. Mahaffy possesses specific attributes that qualify him to serve as a member of our board of directors, including his understanding of our business and strategy in his role as our CEO, his experience in the venture capital industry, his historical knowledge, his operational and management expertise and his years of leadership experience.

*Dr. M. James Barrett* has served as a member of our board of directors since our inception and serves as the chairman of our board of directors and the chairman of our nominating and corporate governance committee. Since September 2001, he has served as a general partner of New Enterprise Associates Inc., a venture capital firm focusing on the healthcare, information technology and energy technology industries. From 1997 to 2001, Dr. Barrett served as Chairman and Chief Executive Officer of Sensors for Medicine and Science, which he founded in 1997. Dr. Barrett serves on the boards of several pharmaceutical and biotechnology companies, including Amicus Therapeutics, Inc. (NASDAQ: FOLD), Blend Biosciences, Inc., Cardioxyl Pharmaceuticals, Inc., GlycoMimetics, Inc., PhaseBio Pharmaceuticals, Inc., Predictive Biosciences, Inc., Psyadon Pharmaceuticals, Inc. (formerly known as Ruxton Pharmaceuticals, Inc.), Roka Bioscience, Inc., Supernus Pharmaceuticals, Inc., Targacept, Inc. (NASDAQ: TRGT), and Zosano Pharma, Inc., as well as continuing to serve as Chairman of Sensors for Medicine and Science. Dr. Barrett previously served on the board of, among others, YM Biosciences, Inc. (NYSE AMEX: YMI), and also served on the board of Pharmion Corporation from December 2001 until the company's acquisition in 2008. Dr. Barrett received a Ph.D. in biochemistry from the University of Tennessee, his M.B.A. from the University of Santa Clara, and a B.S. in chemistry from Boston College. We believe that Dr. Barrett possesses specific attributes that qualify him to serve as a member of our board of directors, including his experience in the venture capital industry and his years of business and leadership experience.

*Dr. Thorlef Spickschen* has served as a member of our board of directors since our inception. From 1994 to 2001, Dr. Spickschen was chairman and Chief Executive Officer of BASF Pharma/Knoll AG. From 1984 to 1994, Dr. Spickschen worked with Boehringer Mannheim GmbH, where he was responsible for sales and marketing and has been Chairman of its Executive Board since 1990. From 1976 to 1984, Dr. Spickschen was

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Managing Director, Germany and Central Europe for Eli Lilly & Co. Dr. Spickschen is currently Chairman of BIOTEST AG, a publicly traded company in Germany and on the board of Cytos Biotechnology AG, which is publicly-traded in Switzerland. Dr. Spickschen also served on the board of Pharmion Corporation from December 2001 through the company's acquisition in 2008. Dr. Spickschen received a Doctorate in business management from the University of Cologne. We believe that Dr. Spickschen possesses specific attributes that qualify him to serve as a member of our board of directors, including his business and leadership experience in the biomedical industry.

### **THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE FOR EACH NAMED NOMINEE.**

- 9 -

**Table of Contents****Directors Continuing in Office Until the 2013 Annual Meeting Class II**

The following table sets forth the name, age and position of each of our directors in Class II as of March 31, 2012:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Brian G. Atwood	59	Director
James C. Blair, Ph.D.	72	Director
Paul H. Klingenstein	56	Director

The following is biographical information as of March 31, 2012 for our directors in Class II:

*Brian G. Atwood* has served as a member of our board of directors since our inception. In 1999, he co-founded and currently serves as a Managing Director for Versant Ventures, a healthcare-focused venture capital firm. Prior to founding Versant Ventures, Mr. Atwood served as a general partner of Brentwood Associates, a venture capital firm. Mr. Atwood also serves on the boards of several pharmaceutical and biotechnology companies, including Cadence Pharmaceuticals, Inc. (NASDAQ: CADX), Five Prime Therapeutics, Inc., Immune Design Corp., Groove Biopharma Corporation (formerly known as Mirina Corporation), OpGen, Inc., PhaseRx, Inc., Spark Diagnostics, Inc., Trius Therapeutics, Inc. (NASDAQ: TSRX) and Veracyte, Inc. Mr. Atwood also served on the board of Pharmion Corporation from January 2000 until the company's acquisition in 2008. Mr. Atwood holds a B.S. in biological sciences from the University of California, Irvine, a M.S. in ecology from the University of California, Davis, and an M.B.A. from Harvard University. We believe that Mr. Atwood possesses specific attributes that qualify him to serve as a member of our board of directors, including his experience in the venture capital industry, his years of business and leadership experience and his financial sophistication and expertise.

*Dr. James C. Blair* has served as a member of our board of directors since our inception and serves as the chairman of our compensation committee. Since 1985, he has served as a general partner of Domain Associates, L.L.C., a venture capital management company focused on life sciences. Dr. Blair currently serves on the boards of Applied Proteomics, Inc., Astute Medical, Inc., aTyr Pharma, Inc., Cadence Pharmaceuticals, Inc. (NASDAQ: CADX), CoDa Therapeutics, Inc., IntegenX, Inc., Meritage Pharma Inc., NeuroPace, Inc., and Zogenix, Inc. (NASDAQ: ZGNX). He has previously served on the boards of over 40 life science ventures including Amgen Inc. (NASDAQ: AMGN), Aurora Biosciences Corp., Amylin Pharmaceuticals, Inc. (NASDAQ: AMLN), Applied Biosystems Inc., Dura Pharmaceuticals, Inc., Nuvasive, Inc. (NASDAQ: NUVA), and Volcano Corporation (NASDAQ: VOLC). Dr. Blair served on the board of Pharmion Corporation from January 2000 until the company's acquisition in 2008. Dr. Blair currently serves on the board of directors of the Prostate Cancer Foundation, and he is on the advisory boards of the Department of Molecular Biology at Princeton University, the USC Stevens Institute for Innovation, the Division of Chemistry and Chemical Engineering at the California Institute of Technology and the California Institute of Technology Innovation Initiative. He received a B.S.E. from Princeton University and M.S.E. and Ph.D. degrees from the University of Pennsylvania, all in electrical engineering. We believe that Dr. Blair possesses specific attributes that qualify him to serve as a member of our board of directors, including his experience in the life science industry and his years of business and leadership experience.

*Paul H. Klingenstein* has served as a member of our board of directors since our inception. He is the Managing Partner of Aberdare Ventures, a healthcare-focused venture capital firm he formed in 1999. Prior to founding Aberdare, Mr. Klingenstein worked in venture capital and private equity with Warburg Pincus and Accel Partners, and was an advisor to the Rockefeller Foundation. Mr. Klingenstein currently serves on the boards of Anacor Pharmaceuticals, Inc. (NASDAQ: ANAC) and EnteroMedics Inc. (NASDAQ: ETRM). Mr. Klingenstein has previously served on the boards of Ablation Frontiers, Inc., Alibris, Inc., Ample Medical Corporation, Aviron Inc., Conatus Pharmaceuticals Inc., EP Technologies Inc., Glycomed Inc., Idun Pharmaceuticals Inc., Isis Pharmaceuticals, Inc. (NASDAQ: ISIS), Nevro Corp., Pharmion Corp., Posit Science Corporation, U.S. Behavioral Health, VertiFlex Inc., Viagene Inc., and Xomed Surgical Products Inc. He is currently the Chairman of the Board of the International AIDS Vaccine Initiative, and is an advisory board member of the University of California Berkeley School of Public Health. He has also served on the boards of various educational and non-profit institutions. Mr. Klingenstein received an A.B. in anthropology from Harvard University and an M.B.A. from Stanford University. We believe that Mr. Klingenstein possesses specific attributes that qualify him to serve as a member of our board of directors, including his experience in the venture capital industry and his years of business and leadership experience.

**Table of Contents****Directors Continuing in Office Until the 2014 Annual Meeting Class III**

The following table sets forth the name, age and position of each of our directors in Class III as of March 31, 2012:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Edward J. McKinley	60	Director
John C. Reed, M.D., Ph.D.	53	Director

The following is biographical information as of March 31, 2012 for our directors in Class III:

*Edward J. McKinley* has served as a member of our board of directors since our inception and serves as the chairman of our audit committee. Mr. McKinley spent 20 years serving in various roles at the private equity firm Warburg Pincus, including managing the firm's private equity activity in Europe and serving on the firm's Management Committee. Before joining Warburg Pincus, he was with the management consulting firm McKinsey & Company. Mr. McKinley also served on the board of Pharmion Corporation from October 2004 until the company's acquisition in 2008 and currently serves on the boards of several private companies, and as an advisor or investment committee head for several investment management firms. He also serves on the investment committee of several endowments, and on the boards or advisory boards of several non-profit organizations. He graduated Phi Beta Kappa with honors from Stanford University and holds a graduate management degree from Yale University. We believe that Mr. McKinley possesses specific attributes that qualify him to serve as a member of our board of directors, including his experience in the venture capital industry, his years of business and leadership experience and his financial sophistication and expertise.

*Dr. John C. Reed* has served as a member of our board of directors since our inception. Dr. Reed served as the President and Chief Executive Officer since January 2002, and in 2010 he became Chief Executive Officer, Professor, and Donald Bren Chief Executive Chair, of Sanford-Burnham Medical Research Institute, an independent, nonprofit, public benefit organization dedicated to biomedical research. Dr. Reed has been with Sanford-Burnham Medical Research Institute for the past 19 years, serving as the Deputy Director of the Cancer Center beginning in 1994, as Scientific Director of the Institute beginning in 1995, and as Cancer Center Director in 2002. He also currently serves as an adjunct professor in the medical schools at University of California San Diego School of Medicine and University of Central Florida, and in the graduate Schools of Arts and Sciences at the University of Florida and San Diego State University's Biology department. Dr. Reed was recognized as the world's most highly cited scientist in the field of cell biology for the decade 1995-2005. He is the author of approximately 800 scientific and medical journal publications and more than 50 book chapters. Dr. Reed currently serves on the board of Isis Pharmaceuticals, Inc. (NASDAQ: ISIS). He has previously served on the boards of Stratagene Inc., Repros Therapeutics Inc. (NASDAQ: RPRX) and Pharmion Corporation and the Independent Citizen's Oversight Committee of the California Institute for Regenerative Medicine. Dr. Reed graduated Phi Beta Kappa from the University of Virginia and earned an M.D. and Ph.D. from the University of Pennsylvania School of Medicine. He completed his residency in pathology and laboratory medicine at the Hospital of the University of Pennsylvania and was a postdoctoral fellow in molecular biology at the Wistar Institute of Anatomy and Biology. We believe that Dr. Reed possesses specific attributes that qualify him to serve as a member of our board of directors, including his scientific background and experience as the Chief Executive Officer of the prestigious Sanford-Burnham Medical Research Institute, as well as his expertise reflected in his significant scientific and medical journal publications.

**Table of Contents**

**PROPOSAL 2**

**VOTE ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS**

In accordance with Section 14A of the Securities Exchange Act of 1934, as amended, or the Exchange Act, at the annual meeting, our stockholders are entitled to vote, on an advisory basis, on the compensation of our named executive officers as disclosed in this proxy statement. This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to express their views on our named executive officers' compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this proxy statement.

Although the vote is advisory and, accordingly, the results are not binding on us, our compensation committee and board of directors value the input of our stockholders and will consider the results of the vote when making future compensation decisions for our named executive officers.

As described more fully under the heading "Compensation Discussion and Analysis" in this proxy statement, our executive compensation program is designed to attract, retain and motivate individuals with superior ability, experience and leadership capability to deliver on our annual and long-term business objectives necessary to create stockholder value. We urge stockholders to read the "Compensation Discussion and Analysis" section of this proxy statement, which describes in detail how our executive compensation policies and procedures operate and are intended to operate in the future. The compensation committee and the board of directors believe that our executive compensation program fulfills these goals and is reasonable, competitive and aligned with our performance and the performance of our executives.

We are asking our stockholders to indicate their support for the compensation of our named executive officers as described in this proxy statement. Accordingly, we ask that our stockholders vote "FOR" the following resolution:

RESOLVED, that the stockholders of Clovis Oncology, Inc. approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Clovis Oncology, Inc. Proxy Statement for the 2012 Annual Meeting of Stockholders, pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, the Summary Compensation Table and the other related tables and narrative disclosure.

**THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE FOR THIS PROPOSAL 2.**



**Table of Contents**

**PROPOSAL 3**

**FREQUENCY OF THE STOCKHOLDER VOTE ON OUR NAMED EXECUTIVE OFFICERS**

At the Annual Meeting, our stockholders are entitled to vote, on an advisory basis, on whether the stockholder vote on the compensation of our named executive officers should occur every one, two or three years. Under the rules issued by the SEC, stockholders also have the option to abstain from voting on the matter.

Although the vote is advisory and, accordingly, the results are not binding on us, our compensation committee and board of directors value the input of our stockholders and will consider the results of the vote when making decisions on the frequency of the stockholder vote on the compensation of our named executive officers.

The board of directors recommends a stockholder vote on the compensation of our named executive officers every three years, or a triennial vote, because such a vote would provide stockholders with the appropriate timeframe to evaluate our overall compensation philosophy, design and implementation. A three-year period is more closely aligned with the longer-term view that the compensation committee takes with respect to the more significant components our named executive officers' compensation, and would allow stockholders the opportunity to evaluate the effectiveness of these programs over the time frames that they are intended to generate performance. Additionally, a longer period between votes would provide the opportunity for stockholders and advisory services to engage in more thoughtful analysis and would facilitate more meaningful dialogue between stockholders and the board of directors regarding our executive compensation practices.

Accordingly, the board of directors is asking stockholders to indicate their preferred voting frequency. The proxy card provides stockholders with four choices (every one, two or three years, or abstain).

**THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE IN FAVOR OF THREE YEARS ON PROPOSAL 3.**

**Table of Contents****PROPOSAL 4****RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The audit committee of our board of directors has selected Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2012 and has further directed that management submit the selection of independent registered public accounting firm for ratification by the stockholders at the Annual Meeting. Ernst & Young LLP has audited our financial statements since 2009. Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Neither our amended and restated bylaws nor our other governing documents or law require stockholder ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm. However, the audit committee is submitting the selection of Ernst & Young LLP to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the audit committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the audit committee in its discretion may direct the appointment of different independent auditors at any time during the year if they determine that such a change would be in our best interests or those of our stockholders.

The affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting will be required to ratify the selection of Ernst & Young LLP. Abstentions will be counted toward the tabulation of votes on proposals presented to the stockholders and will have the same effect as negative votes.

**Principal Accountant Fees and Services**

The following table represents aggregate fees billed to us for the years ended December 31, 2011 and December 31, 2010, by Ernst & Young LLP, our principal accountant.

	<b>Year Ended December 31,</b>	
	<b>2011</b>	<b>2010</b>
Audit Fees <sup>(1)</sup>	\$ 708,343	\$ 45,000
Audit Related Fees		
Tax Fees	11,000	25,690
All Other Fees		
	<b>\$ 719,343</b>	<b>\$ 70,690</b>

- (1) Audit fees include fees associated with the annual audit of our financial statements, the reviews of our interim financial statements and the issuance of consent and comfort letters in connection with registration statements, including filing our Registration Statement on Form S-1 for our initial public offering, issuance of consents relating to registration statement filings with the SEC and all services that are normally provided by the accounting firm in connection with statutory and regulatory filings or engagements.

All fees described above for the year ended December 31, 2011 were approved by our audit committee.

**Pre-Approval Policies and Procedures**

The audit committee has adopted a policy and procedures for the pre-approval of audit and non-audit services rendered by our independent registered public accounting firm, Ernst & Young LLP. Pre-approval may also be given as part of the audit committee's approval of the scope of the engagement of the independent auditor or on an individual, explicit, case-by-case basis before the independent auditor is engaged to provide each service. The pre-approval of services may be delegated to one or more of the audit committee's members, but the decision must be reported to the full audit committee at its next scheduled meeting.

**THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE FOR THIS PROPOSAL 4.**

- 14 -

**Table of Contents**

**INFORMATION REGARDING THE BOARD OF DIRECTORS**

**AND CORPORATE GOVERNANCE**

**Board Independence**

Rule 5605 of the NASDAQ Marketplace Rules requires a majority of a listed company's board of directors to be comprised of independent directors within one year of listing. In addition, the NASDAQ Marketplace Rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act. Under Rule 5605(a)(2), a director will only qualify as an independent director if, in the opinion of our board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee: (1) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries; or (2) be an affiliated person of the listed company or any of its subsidiaries.

Our board of directors has undertaken a review of the composition of our board of directors and its committees and the independence of each director. Based upon information requested from and provided by each director concerning his background, employment and affiliations, including family relationships, our board of directors has determined that none of Drs. Barrett, Blair, Reed and Spickschen or Messrs. Atwood, Klingenstein and McKinley, representing seven of our eight directors, has a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is independent as that term is defined under Rule 5605(a)(2) of the NASDAQ Marketplace Rules.

Our board of directors also determined that Messrs. Atwood, Klingenstein and McKinley, who comprise our audit committee, Drs. Barrett, Blair and Spickschen, who comprise our compensation committee, and Drs. Barrett and Blair and Mr. Atwood, who comprise our nominating and corporate governance committee, satisfy the independence standards for such committees established by the SEC and the NASDAQ Marketplace Rules, as applicable. In making such determination, our board of directors considered the relationships that each such non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining independence, including the beneficial ownership of our capital stock by each non-employee director.

**Board Leadership Structure**

Our board of directors has an independent Chairman, M. James Barrett. Our board of directors recognizes that it is important to determine an optimal board leadership structure to ensure the independent oversight of management as we continue to grow. We separate the roles of Chief Executive Officer and Chairman of the board of directors in recognition of the differences between the two roles. The Chief Executive Officer is responsible for setting our strategic direction, day-to-day leadership and performance, while the Chairman of the board of directors provides guidance to the Chief Executive Officer and presides over meetings of the full board of directors. We believe that this separation of responsibilities provides a balanced approach to management of our board of directors and oversight of us. However, no single leadership model is right for all companies and at all times. The board of directors recognizes that depending on the circumstances, other leadership models, such as combining the role of Chairman with the role of Chief Executive Officer, might be appropriate. Accordingly, the board of directors may periodically review its leadership structure.

## Table of Contents

### Board's Role in Risk Oversight

Our audit committee is primarily responsible for overseeing our risk management processes on behalf of the full board of directors. The audit committee receives reports from management at least quarterly regarding our assessment of risks. In addition, the audit committee reports regularly to the full board of directors, which also considers our risk profile. The audit committee and the full board of directors focus on the most significant risks we face and our general risk management strategies. While our board of directors oversees our risk management, company management is responsible for day-to-day risk management processes. Our board of directors expects company management to consider risk and risk management in each business decision, to proactively develop and monitor risk management strategies and processes for day-to-day activities and to effectively implement risk management strategies adopted by the audit committee and the board of directors. We believe this division of responsibilities is the most effective approach for addressing the risks we face and that our board leadership structure, which also emphasizes the independence of the board in its oversight of our business and affairs, supports this approach.

### Board Meetings

During the fiscal year 2011, our board of directors met 10 times, including telephonic meetings. In that year, each director attended at least 75% of the aggregate of the meetings held by the board of directors, and each director who is a member of a committee, other than Dr. Barrett, attended at least 75% of the meetings the committees of our board of directors held on which the director served. Dr. Barrett attended two of the three compensation committee meetings. As we were privately held until November 2011, we did not hold an annual meeting of stockholders in 2011. It is our policy to encourage directors and nominees for director to attend the Annual Meeting.

### Information Regarding Board Committees

Our board of directors has established three standing committees: an audit committee, a compensation committee, and a nominating and corporate governance committee. The following table provides membership and meeting information for 2011 for each of the board of directors committees:

Name	Audit	Compensation	Nominating and Corporate Governance
<b>Employee Director:</b>			
Patrick J. Mahaffy			
<b>Non-Employee Directors:</b>			
Brian G. Atwood	X		X
M. James Barrett		X	X*
James C. Blair		X*	X
Paul H. Klingenstein	X		
Edward J. McKinley	X*		
John C. Reed			
Thorlef Spickschen		X	
Total meetings in 2011:	4	3	

\* Committee Chair

Below is a description of each committee of the board of directors.

## **Table of Contents**

### **Audit Committee**

The members of the audit committee are Messrs. Atwood, Klingenstein and McKinley, each of whom qualifies as an independent director under the corporate governance standards of the NASDAQ Stock Market and the independence requirements of Rule 10A-3 of the Exchange Act. Our board of directors has determined that Mr. McKinley qualifies as an audit committee financial expert as such term is defined in Item 407(d)(5) of Regulation S-K. Mr. McKinley serves as chairman of this committee. During the fiscal year 2011, our audit committee met four times, including telephonic meetings.

Our audit committee oversees a broad range of issues surrounding our accounting and financial reporting processes and audits of our financial statements, and assists our board of directors by: (1) overseeing and monitoring the quality and integrity of our financial statements, our compliance with legal and regulatory requirements and our internal accounting procedures and systems of internal controls (2) assuming direct responsibility for the appointment, compensation, retention and oversight of work of any independent registered public accounting firm engaged for the purpose of performing any audit, review or attestation services, for overseeing and monitoring our independent registered public accounting firm's qualifications and independence, and for dealing directly with any such accounting firm, including resolving disagreements between management and our independent auditor; (3) providing a medium for consideration of matters relating to any audit issues; and (4) preparing the audit committee report required to be included in our filings under the rules and regulations of the SEC. The written charter for the audit committee is available on our website at <http://ir.clovisoncology.com> under Corporate Governance.

### **REPORT OF THE AUDIT COMMITTEE**

Our audit committee has reviewed our audited financial statements for the fiscal year ended December 31, 2011 and discussed them with our management and our independent registered public accounting firm, Ernst & Young LLP.

Our audit committee has also received from, and discussed with, Ernst & Young LLP various communications that Ernst & Young LLP is required to provide to our audit committee, including the matters required to be discussed by the statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

In addition, our audit committee has received the written disclosures and the letter from Ernst & Young LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding Ernst & Young LLP's communications with our audit committee concerning independence, and has discussed with Ernst & Young LLP their independence.

Based on the review and discussions referred to above, our audit committee has recommended to the board of directors that the audited financial statements be included in the annual report on Form 10-K for the year