

CORCEPT THERAPEUTICS INC  
Form DEF 14A  
April 07, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

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

**Corcept Therapeutics Incorporated**

(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:

- 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):
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  - 2) Form, Schedule or Registration Statement No.:
  - 3) Filing Party:
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**Corcept Therapeutics Incorporated**

**149 Commonwealth Drive**

**Menlo Park, California 94025**

**Notice of Annual Meeting of Stockholders**

**To Be Held on May 7, 2014**

Dear Stockholder:

The Annual Meeting of Stockholders of Corcept Therapeutics Incorporated, or the Company, will be held on Wednesday, May 7, 2014 at 8:00 a.m. local time at the Company's headquarters located at 149 Commonwealth Drive, Menlo Park, CA 94025 for the following purposes, as more fully described in the accompanying Proxy Statement:

1. To elect eight directors to hold office until the 2015 Annual Meeting of Stockholders and until their successors are duly elected and qualified.
2. To conduct a non-binding advisory vote on the compensation of our named executive officers as disclosed in this Proxy Statement.
3. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2014.
4. To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

Only stockholders of record at the close of business on March 31, 2014 will be entitled to notice of, and to vote at, such meeting or any adjournments or postponements thereof.

By Order of the Board of Directors,

/s/ G. Charles Robb

G. Charles Robb

Chief Financial Officer and Secretary

Menlo Park, California

April 7, 2014

**Important Notice Regarding the Availability of Proxy Materials for the  
Stockholder Meeting to be Held on May 7, 2014**

**Our 2014 Proxy Materials are available at [www.corcept.com/proxymaterials/2014](http://www.corcept.com/proxymaterials/2014).**

**YOUR VOTE IS IMPORTANT!**

**WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE VOTE YOUR SHARES BY INTERNET, BY TELEPHONE OR BY COMPLETING, SIGNING, DATING AND MAILING PROMPTLY THE ACCOMPANYING PROXY CARD IN THE ENCLOSED RETURN ENVELOPE, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES. THIS WILL ENSURE THE PRESENCE OF A QUORUM AT THE MEETING. IF YOU ATTEND THE MEETING, YOU MAY VOTE IN PERSON EVEN IF YOU HAVE PREVIOUSLY SENT IN YOUR PROXY CARD. 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 MEETING, YOU MUST OBTAIN FROM THE RECORD HOLDER A PROXY ISSUED IN YOUR NAME.**

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**Corcept Therapeutics Incorporated**

**149 Commonwealth Drive**

**Menlo Park, California 94025**

**650-327-3270**

**PROXY STATEMENT**

**2014 ANNUAL MEETING OF STOCKHOLDERS**

General

We are furnishing this Proxy Statement and the enclosed proxy in connection with the solicitation of proxies by our Board of Directors (the Board) for use at the Annual Meeting of Stockholders of Corcept Therapeutics Incorporated (the Company) to be held on May 7, 2014 at 8:00 a.m. local time, at our headquarters located at 149 Commonwealth Drive, Menlo Park, California 94025 and at any adjournments thereof (the Annual Meeting). This Proxy Statement and accompanying proxy card are being first mailed to stockholders on or about April 7, 2014.

Who Can Vote

Only holders of our common stock as of the close of business on March 31, 2014 (the Record Date) are entitled to vote at the Annual Meeting. Stockholders who hold shares of our common stock in street name may vote at the Annual Meeting only if they hold a valid proxy from their broker.

Shares Outstanding and Quorum

As of the Record Date, there were 100,689,263 shares of common stock outstanding. A majority of the outstanding shares of common stock entitled to vote at the Annual Meeting must be present in person or by proxy in order for there to be a quorum at the meeting. Stockholders of record who are present at the meeting in person or by proxy and who abstain from voting, including brokers holding customers' shares of record who cause abstentions to be recorded at the meeting, will be included in the number of shares present at the meeting for purposes of determining whether a quorum is present.

Voting Rights

Each stockholder of record is entitled to one vote at the Annual Meeting for each share of common stock held by such stockholder on the Record Date. Stockholders do not have cumulative voting rights. Stockholders may vote their shares by using the proxy card enclosed with this Proxy Statement. All proxies we receive which are properly voted,

whether by signed proxy card or by telephonic or internet voting, that have not been revoked will be voted in accordance with the instructions contained in the proxy. If a proxy is received which does not specify a vote or an abstention, the shares represented by that proxy will be voted (a) for the nominees to the Board listed on the proxy card and in this Proxy Statement, (b) for the approval, on a non-binding advisory basis, of the compensation of our named executive officers as disclosed in this Proxy Statement and (c) for the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014. We are not aware, as of the date hereof, of any matters to be voted upon at the Annual Meeting other than those stated in this Proxy Statement and the accompanying Notice of Annual Meeting of Stockholders. If any other matters are properly brought before the Annual Meeting, the enclosed proxy card gives discretionary authority to the persons named as proxies to vote the shares represented by the proxy card in their discretion.

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### Votes Required to Approve Each Proposal

Under Delaware law and our Amended and Restated Bylaws, if a quorum exists at the Annual Meeting, (a) the eight nominees for director who receive the greatest number of votes cast will be elected to the Board and (b) the proposals (i) to approve, on a non-binding advisory basis, the compensation of our named executive officers as disclosed in this proxy statement and (ii) to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014 will be approved if the proposals receive the affirmative vote of the majority of the votes cast affirmatively or negatively. The holders of a majority of all outstanding shares of common stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for the Annual Meeting.

Abstentions and broker non-votes will have no impact on the election of directors because they have not been cast in favor of or against any nominee. Abstentions and broker non-votes will likewise not have any effect on the proposal to (a) approve, on a nonbinding advisory basis, the compensation of our named executive officers as disclosed in this Proxy Statement or (b) ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014 because approval of these proposals is based solely on the number of votes cast affirmatively or negatively. Abstentions and broker non-votes will be counted for purpose of determining whether a quorum exists.

### Revocability of Proxies

A stockholder of record may revoke a proxy at any time before it is voted at the Annual Meeting by (a) delivering a proxy revocation or another duly executed proxy bearing a later date to the Secretary of our Company at 149 Commonwealth Drive, Menlo Park, California 94025 or (b) attending the Annual Meeting and voting in person. Attendance at the Annual Meeting will not revoke a proxy unless the stockholder actually votes in person at the meeting.

### Solicitation of Proxies

The proxy card accompanying this Proxy Statement is solicited by our Board. We will pay all of the costs of soliciting proxies. In addition to solicitation by mail, our officers, directors and employees may solicit proxies personally, or by telephone, without receiving additional compensation. We, if requested, will pay brokers, banks and other fiduciaries that hold shares of common stock for beneficial owners for their reasonable out-of-pocket expenses of forwarding these materials to stockholders.

### Householding of Proxy Materials

Householding is a procedure approved by the Securities and Exchange Commission (the SEC) under which stockholders who have the same address and last name and do not participate in electronic delivery of proxy materials will receive only one copy of our Proxy Statement from a company, single bank, broker or other intermediary, unless one or more of these stockholders notifies us, the bank, broker or other intermediary that they wish to continue to receive individual copies. At the present time, we do not household for any of our stockholders of record. However, as explained below, your bank, broker or other intermediary may be householding your account if you hold your shares in street name.

If you hold shares in street name, your bank, broker or other intermediary may be delivering only one copy of our Proxy Statement to multiple stockholders of the same household who share the same address, and may continue to do so, unless your bank, broker or other intermediary has received contrary instructions from one or more of the affected



stockholders in the household. If you are such a beneficial holder, contact your bank, broker or other intermediary directly in order to receive a separate set of our proxy materials.

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At the Annual Meeting, the stockholders will vote on the election of eight directors, each to serve until the annual meeting of stockholders in 2015 and until their successors are duly elected and qualified.

The name, age as of April 7, 2014 and principal occupation of each person nominated for election to the Board, all of whom currently serve as our directors, are set forth below:

<b>Name</b>	<b>Age</b>	<b>Occupation</b>
James N. Wilson <sup>(3)</sup>	70	Chairman of the Board of the Company
Joseph K. Belanoff, M.D.	56	Chief Executive Officer and President of the Company
G. Leonard Baker, Jr. <sup>(2)</sup>	71	Venture Capitalist
Daniel M. Bradbury <sup>(2)</sup>	52	Independent Director
Joseph C. Cook, Jr. <sup>(2) (3)</sup>	72	Investor
Patrick G. Enright <sup>(1)</sup>	52	Venture Capitalist
David L. Mahoney <sup>(1) (2)</sup>	59	Private Equity Investor
Joseph L. Turner <sup>(1) (3)</sup>	62	Independent Director

<sup>(1)</sup> Member of Audit Committee

<sup>(2)</sup> Member of Compensation Committee

<sup>(3)</sup> Member of Corporate Governance and Nominating Committee

In addition to the information presented below regarding each director's specific experience, qualifications, attributes and skills that led our Board to the conclusion that each individual should serve as a director, we also believe that all of our director nominees have a reputation for integrity, honesty and adherence to high ethical standards. They each have demonstrated business acumen and an ability to exercise sound judgment, as well as a commitment of service to us and our Board. Our Board believes that the backgrounds and qualifications of the directors, considered as a group, provide a significant mix of experience, knowledge and abilities that allows the Board to fulfill its responsibilities.

*James N. Wilson* has served as a director and as Chairman of our Board since 1999. In addition, since 2005, Mr. Wilson has been the Chairman of the Board of NuGEN Technologies, Inc., a provider of systems for genomic analysis. From 2002 to 2009, he served as the lead independent director of Amylin Pharmaceuticals, Inc., a publicly-traded biopharmaceutical company, and from 1996 to 2001 Mr. Wilson was Chairman of the Board of Amira Medical, Inc., which was acquired by Hoffmann-La Roche A.G. From 1991 to 1994, he was Chief Operating Officer of Syntex Corporation, which was acquired by Roche Holding, Ltd. From 1989 to 1990, Mr. Wilson was Chairman and Chief Executive Officer of Neurex Corporation, which was acquired by Elan Corporation plc, and from 1982 to 1988, Mr. Wilson was Chief Executive Officer of LifeScan, Inc., which was acquired by Johnson & Johnson Company. Mr. Wilson received his B.A. and M.B.A. from the University of Arizona. Our Board selected Mr. Wilson to serve as a director because he brings to our Board extensive experience in the biotechnology industry, evidenced by nearly 30 years of representing biotechnology companies as a director or officer.

*Joseph K. Belanoff, M.D.* is a co-founder of our company, has served as a member of our Board and as our Chief Executive Officer (CEO) since 1999 and as our President since January 1, 2014. Dr. Belanoff is currently a clinical faculty member and has held various positions in the Department of Psychiatry and Behavioral Sciences at Stanford University since 1992. Dr. Belanoff received his B.A. from Amherst College and his M.D. from Columbia University's College of Physicians & Surgeons. Our Board selected Dr. Belanoff to serve as a director because, as our Chief

Executive Officer, he brings expertise and knowledge regarding our business and operations to our Board. Dr. Belanoff also has expertise in clinical medicine and psychopharmacology.

*G. Leonard Baker, Jr.* has served as a member of our Board since 1999. Since 1973, Mr. Baker has been a Managing Director of the General Partner of Sutter Hill Ventures, a venture capital firm in Palo Alto, California. Mr. Baker currently serves on the board of Youku Inc., a publicly traded company, where he is a member of the

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Audit and Compensation Committees. He also serves on the boards of a number of private companies. Mr. Baker received his B.A. from Yale University and his M.B.A. from Stanford University. Mr. Baker's contributions as a director include his broad experience and expertise in advising companies in capital raising, strategic transactions and operations.

*Daniel M. Bradbury* has served as a member of our Board since October 2012. Mr. Bradbury is the founder and Managing Member of BioBrit, LLC, a life sciences consulting firm and investment fund. Mr. Bradbury served as President and Chief Executive Officer of Amylin Pharmaceuticals, Inc. (Amylin) from March 2007 until its acquisition by Bristol-Myers Squibb Company in August 2012. From June 2006 until August 2012 he was a member of Amylin's board of directors and served on its Finance and Risk Management Committee. Mr. Bradbury served as Amylin's President (2006 to 2007), Chief Operating Officer (2003 to 2006) and Executive Vice President (2000 to 2003) and held a variety of sales and marketing positions (1994 to 2003). Before joining Amylin, Mr. Bradbury worked in marketing and sales roles for ten years at SmithKline Beecham Pharmaceuticals. He currently serves on the boards of directors and is a member of board committees of the following publicly-traded companies: Illumina, Inc., (Audit and Compensation Committees), Geron Corporation (Audit Committee) and BioMed Realty (Compensation Committee and Nominating and Governance Committee). Mr. Bradbury also serves on the board of trustees of the Keck Graduate Institute, the Investor Growth Capital Advisory Board, and the BioMed Ventures Advisory Committee. Mr. Bradbury currently serves on the University of California San Diego's Rady School of Management's Advisory Council and the University of Miami's Innovation Corporate Advisory Council. He received a Bachelor of Pharmacy from Nottingham University and a Diploma in Management Studies from Harrow and Ealing Colleges of Higher Education in the United Kingdom. Our Board selected Mr. Bradbury to serve as a director because he brings to our Board extensive experience in operations and management in the pharmaceutical industry.

*Joseph C. Cook, Jr.* has served as a member of our Board since 2002. Mr. Cook is a founder and director of Ironwood Pharmaceuticals, Inc., a publicly traded biotechnology company, and served as Chairman of its board from 1998 to 2010. Mr. Cook is a principal, director and co-founder of Mountain Group Capital, LLC, a private investment company, and a principal, director and founder of The Limestone Fund, a recipient of the State of Tennessee TNInvestco award. He is a founder and serves as Chairman of the Board of Clinical Products, a private company marketing medical food for people with diabetes. Mr. Cook served as Chairman of Amylin Pharmaceuticals, Inc. from 1998 to 2009 and was Chief Executive Officer from 1998 to 2003. He spent 28 years at Eli Lilly and Co., or Lilly, retiring in 1993 as a Group Vice-President. In 2009, Mr. Cook received the Pinnacle Award for Life Science Leadership from the Rady School of Management at the University of California at San Diego. In 1999, Mr. Cook also received The Nathan W. Dougherty Award for Distinguished Service in the Engineering Profession from the University of Tennessee. Mr. Cook received his B.S. in Engineering from the University of Tennessee in 1965. Our Board selected Mr. Cook to serve as a director because he brings to our Board extensive experience in the pharmaceutical industry.

*Patrick G. Enright* has served as a member of our Board since 2008. He is a founder of Longitude Capital, a venture capital firm focused on investments in pharmaceutical and medical technology companies, and has served as its Managing Director since 2006. From 2002 through 2006, Mr. Enright was a Managing Director of Pequot Ventures, a venture capital investment firm, where he co-led the life sciences investment practice. Mr. Enright also has significant life sciences operations experience, beginning his career more than 25 years ago at Sandoz (now Novartis), a pharmaceutical company. He currently serves on the boards of directors of several privately held companies, including Esperion Therapeutics, Inc., where he serves as a member of the Audit Committee, and Jazz Pharmaceuticals plc, a publicly traded pharmaceutical company, where he serves as a member of the Audit and Compensation Committees. In the past five years he also served as a director of Threshold Pharmaceuticals Inc. and Sequenom Inc. Mr. Enright received a B.S. from Stanford University and an M.B.A. from the Wharton School at the University of Pennsylvania. As a venture capital investor focused on life science companies and someone who has worked in the pharmaceutical

industry, Mr. Enright brings to our Board both operating experience and financial expertise in the life sciences industry.

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*David L. Mahoney* is a private equity investor who has served as a member of our Board since July 2004. From 1999 to 2001, Mr. Mahoney served as co-CEO of McKesson HBOC, Inc., a healthcare supply management and information technology company and as CEO of iMcKesson LLC, a healthcare management and connectivity company. He joined McKesson Corporation in 1990 as Vice President for Strategic Planning. Prior to joining McKesson, Mr. Mahoney was a principal with McKinsey & Company, a management consulting firm, where he worked from 1981 to 1990. Mr. Mahoney serves on the board of Symantec Corporation (Symantec), a publicly-traded software technology company, including as a member of the Compensation Committee and as the Chair of the Nominating and Governance Committee. Mr. Mahoney also served as a member of the Audit Committee of Symantec from 2003 to 2011. He also serves on the board of directors of several privately-held organizations including Adamas Pharmaceuticals, Inc., San Francisco Museum of Modern Art and Mercy Corps and is a Trustee of the Schwab/Laudis Family of Funds. Mr. Mahoney received his B.A. from Princeton University and his M.B.A. from Harvard University. Our Board selected Mr. Mahoney to serve as a director because he brings to our Board extensive experience in pharmaceutical distribution, fiscal management and in operating and advising technology companies.

*Joseph L. Turner* is a retired financial executive who has served as a member of our Board since August 2010. Mr. Turner was Senior Vice President of Finance and Administration and Chief Financial Officer at Myogen, Inc., a therapeutics company focused on cardiovascular disease, from 1999 until its acquisition by Gilead Sciences, Inc. in November 2006. Prior to Myogen, Inc., he served as Vice President, Finance and Chief Financial Officer at Centaur Pharmaceuticals, Inc., a privately-held biopharmaceutical company, from 1997 to 1999 and as Vice President, Finance and Chief Financial Officer of Cortech, Inc. from 1992 to 1997. From 1979 to 1991, Mr. Turner worked at Lilly, where he held a variety of financial management positions both within the United States and abroad. Mr. Turner is currently a member of the board of directors of Alexza Pharmaceuticals, Inc. (Alexza), Kythera Biopharmaceuticals (Kythera) and Sophiris Bio Inc. (Sophiris), publicly traded biotechnology companies. Mr. Turner serves as the Chair of the Audit and Ethics Committee of Alexza, the Chair of the Audit Committees of Kythera and Sophiris and is a member of the Compensation Committee of Sophiris. He also serves on the board of directors of BioClin Therapeutics, Inc., a privately held pharmaceutical company. Mr. Turner also currently serves on the board of managers of Swarthmore College and of the Linda Crnic Institute for Down Syndrome Research at the University of Colorado Medical School. Mr. Turner previously served on the board of directors and committees of several publicly-held biotechnology companies: member of the board and Chair of the Audit Committee of Allos Therapeutics, Inc. (acquired by Spectrum Pharmaceuticals); member of the board and Audit Committee of QLT, Inc. and SGX Pharmaceuticals, Inc., (acquired by Lilly). Mr. Turner also served previously on board of directors and committees of privately-held biotechnology companies: director and Chairman of the Audit Committee of NovaCardia, Inc. (acquired by Merck & Co., Inc.) and director of Sequel Pharmaceuticals, Inc. and ApopLogic Pharmaceuticals, Inc. Mr. Turner received his M.B.A. from the University of North Carolina at Chapel Hill, an M.A. in Molecular Biology from the University of Colorado at Boulder and a B.A. in Chemistry from Swarthmore College. Our Board selected Mr. Turner to serve as a director because he brings to our Board more than 30 years of experience in financial management and fiscal oversight of biotechnology companies.

There are no family relationships among any of our directors or executive officers.

### **DIRECTOR NOMINATION**

The information below describes the criteria and process that the Corporate Governance and Nominating Committee uses to evaluate candidates to the Board.

*Corporate Governance and Nominating Committee.* Our Corporate Governance and Nominating Committee currently consists of Joseph C. Cook, Jr. (Chairman), Joseph L. Turner and James N. Wilson. The Corporate Governance and Nominating Committee met three times during 2013. The Corporate Governance and Nominating Committee is

responsible for identifying individuals qualified to serve as members of the Board, recommending to the independent members of the Board nominees for election as our directors and providing oversight with respect to corporate governance and ethical conduct. The Board has determined that Mr. Cook and

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Mr. Turner are independent directors for NASDAQ purposes. Although Mr. Wilson is our employee and therefore not an independent director for NASDAQ purposes, our director nomination process meets applicable NASDAQ requirements because our director nominees are selected by the independent members of the Board in votes in which only independent directors participate. The Corporate Governance and Nominating Committee has a written charter, a copy of which is available on our website at [www.corcept.com](http://www.corcept.com).

The information below describes the criteria and process that the Corporate Governance and Nominating Committee uses to evaluate candidates to the Board.

*Board Membership Criteria.* The Corporate Governance and Nominating Committee is responsible for assessing the appropriate balance of experience, skills and characteristics required of the Board. Nominees for director are selected on the basis of depth and breadth of experience, knowledge, integrity, ability to make independent analytical inquiries, understanding of our business environment, the willingness to devote adequate time to Board duties, the interplay of the candidate's experience and skills with those of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any Committees of the Board. Although there is no specific policy regarding diversity in identifying director nominees, both the Corporate Governance and Nominating Committee and the Board seek the talents and backgrounds that would be most helpful to us when selecting director nominees. In particular, the Corporate Governance and Nominating Committee, when recommending director candidates to the full Board for nomination, may consider whether a director candidate, if elected, assists in achieving a mix of Board members that represents a diversity of background and experience. In addition, the Corporate Governance and Nominating Committee seeks to ensure that at least a majority of the directors are independent under the rules of the NASDAQ Stock Market, that the Audit Committee and Compensation Committee are each composed entirely of independent directors, and that members of the Audit Committee possess such accounting and financial expertise as the NASDAQ Stock Market and SEC rules require.

*Stockholders Proposals for Nominees.* The Corporate Governance and Nominating Committee will consider written proposals from stockholders for nominees for director. Any such nominations should be submitted to the Corporate Governance and Nominating Committee c/o the Secretary of our Company and should include (at a minimum) the following information: (a) all information relating to such nominee that is required to be disclosed pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, or Exchange Act, including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) the name(s) and address(es) of the stockholder(s) making the nomination and the number of shares of our common stock which are owned beneficially and of record by such stockholder(s); and (c) appropriate biographical information and a statement as to the qualifications of the nominee, and should be submitted in the time frame described in our Amended and Restated Bylaws and under the caption, "Stockholder Proposals for the 2015 Annual Meeting" below.

*Process for Identifying and Evaluating Nominees.* The Corporate Governance and Nominating Committee initiates the process for identifying and evaluating nominees to the Board by identifying a slate of candidates who meet the criteria for selection as nominees and have the specific qualities or skills being sought based on input from members of the Board, management and, if the Corporate Governance and Nominating Committee deems appropriate, a third-party search firm. In addition, pursuant to the Securities Purchase Agreement, dated as of March 14, 2008, we agreed to take all necessary steps to have one designee of Longitude Venture Partners, L.P., one of our significant stockholders, nominated for election to our Board, subject to compliance with relevant NASDAQ Stock Market rules and regulations and approval of the nominee by the Corporate Governance and Nominating Committee for so long as Longitude Venture Partners, L.P. beneficially owns at least 5% of our issued and outstanding common stock. Candidates, including candidates proposed by Longitude Venture Partners, L.P., are evaluated by the Corporate Governance and Nominating Committee on the basis of the factors described above under *Board Membership Criteria*.



With respect to candidates for initial election to the Board, the Corporate Governance and Nominating Committee also reviews biographical information and qualifications and checks the candidate s references.

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Qualified candidates are interviewed by at least one member of the Corporate Governance and Nominating Committee. Serious candidates meet, either in person or by telephone, with all members of the Corporate Governance and Nominating Committee and as many other members of the Board as practicable.

Using the input from interviews and other information obtained, the Corporate Governance and Nominating Committee evaluates which of the prospective candidates is qualified to serve as a director and whether the committee should recommend to the independent members of the Board that the Board nominate, or elect to fill a vacancy with, a prospective candidate. Candidates recommended by the Corporate Governance and Nominating Committee are presented to the independent members of the Board for selection as nominees to be presented for the approval of the stockholders or for election to fill a vacancy. The Corporate Governance and Nominating Committee expects that a similar process will be used to evaluate nominees recommended by stockholders.

*Nominees to the Board of Directors for the Annual Meeting.* The nominees for the Annual Meeting were recommended for selection by the Corporate Governance and Nominating Committee and were selected by the independent members of the Board.

## **BOARD MEETINGS AND COMMITTEES**

The Board met six times during 2013. In addition to the Corporate Governance and Nominating Committee, which is described above, the Board has standing Audit and Compensation Committees. The Audit Committee met five times and the Compensation Committee met three times during 2013. The Corporate Governance and Nominating Committee met three times during 2013. Each member of the Board attended 75% or more of the total number of Board meetings and meetings of Board committees on which such Board member served, with the exception of James N. Wilson, who attended 67% of the meetings of the Corporate Governance and Nominating Committee held during 2013.

We have a policy of encouraging all directors to attend the annual stockholder meetings. Seven of our directors attended the 2013 annual stockholder meeting.

*Audit Committee.* The Audit Committee currently consists of Joseph L. Turner (Chairman), Patrick G. Enright and David L. Mahoney. The Board has determined that all members of the Audit Committee are independent directors under the rules of the NASDAQ Stock Market and each of them is able to read and understand fundamental financial statements. In addition, the Board has determined that each member of the Audit Committee also satisfies the independence requirements of Rule 10A-3(b)(1) of the Exchange Act. The Board has determined that Mr. Enright is independent even though he falls outside the "safe harbor" definition set forth in Rule 10A-3(e)(1)(ii) under the Exchange Act because Longitude Venture Partners, LP and its affiliates own in excess of 10% of our common stock. Among other things, the Board considered Mr. Enright's history of service and the percentage of common stock held by others, and it determined that he is not an "affiliated person" of our company who would be ineligible to serve on the Audit Committee. The Board has determined that each of Messrs. Turner, Mahoney and Enright qualifies as an "Audit Committee financial expert" as defined by Item 407(d)(5) of Regulation S-K of the Securities Act and the Exchange Act. The purpose of the Audit Committee is to oversee the accounting and financial reporting processes and financial statements audits. The responsibilities of the Audit Committee include appointing and providing for the compensation of the independent registered public accounting firm to conduct the annual audit of our accounts, reviewing the scope and results of the independent audits, reviewing and evaluating internal accounting policies, and approving all professional services to be provided to us by our independent registered public accounting firm. The Audit Committee has a written charter, a copy of which is available on our website at [www.corcept.com](http://www.corcept.com).

*Compensation Committee.* The Compensation Committee currently consists of G. Leonard Baker, Jr. (Chairman), Daniel M. Bradbury, Joseph C. Cook, Jr. and David L. Mahoney. The Board has determined that all members of the Compensation Committee are independent directors under the rules of the NASDAQ Stock Market. The Compensation Committee administers our benefit plans, reviews and administers all compensation

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arrangements for executive officers, and establishes and reviews general policies relating to the compensation and benefits of our officers and employees. The Compensation Committee has a written charter, a copy of which is available on our website at [www.corcept.com](http://www.corcept.com). Pursuant to the Compensation Committee's charter, the Compensation Committee may delegate its authority and responsibilities as it deems proper to members of the Compensation Committee or to a subcommittee.

**BOARD LEADERSHIP STRUCTURE AND ROLE IN RISK OVERSIGHT**

*Board Leadership Structure.* In accordance with our Amended and Restated Bylaws, our Board appoints our officers, including our Chief Executive Officer. Our Board does not have a policy on whether the role of the Chairman of the Board and Chief Executive Officer should be separate and, if it is to be separate, whether the Chairman of the Board should be selected from the non-employee directors or be an employee and if it is to be combined, whether a lead independent director should be selected. Our Board is committed to corporate governance practices and values independent board oversight as an essential component of strong corporate performance. For example, six of our eight current directors qualify as independent under the rules of the NASDAQ Stock Market. In February 2014, our Board undertook a review of the independence of each director and considered whether any director has a material relationship with us that could compromise his ability to exercise independent judgment in carrying out his responsibilities. As a result of this review, our Board determined that the following directors are independent under the rules of the NASDAQ Stock Market:

G. Leonard Baker, Jr.

Daniel M. Bradbury

Joseph C. Cook, Jr.

Patrick G. Enright

David L. Mahoney

Joseph L. Turner

Currently, we separate the roles of Chief Executive Officer and Chairman of the Board in recognition of the differences between the two roles. The Chief Executive Officer is responsible for setting the strategic direction for our company and the day-to-day leadership and performance of our company, while the Chairman of the Board provides guidance to the Chief Executive Officer and management and sets the agenda for Board meetings and presides over meetings of the full Board. Dr. Belanoff, our Chief Executive Officer, is an employee of our company and is therefore not independent under the rules of NASDAQ Stock Market. Mr. Wilson, our Chairman of the Board, is an employee of our company and is therefore not independent under the rules of NASDAQ Stock Market. Our Board believes that the current board leadership structure is appropriate for our company and our stockholders at this time.

*Risk Oversight.* The Board oversees our company's risk exposures and risk management of various parts of the business, including appropriate guidelines and policies to minimize business risks and major financial risks and the steps management has undertaken to control them. In its risk oversight role, the Board reviews our strategic plan at least annually, which includes an assessment of potential risks facing our company. While the Board has the ultimate oversight responsibility for the risk management process, various committees of the Board also have responsibility for risk management. Our Audit Committee is responsible for overseeing management of our risks relating to accounting matters, financial reporting and SEC compliance. Our Compensation Committee is responsible for overseeing the

management of risks relating to our executive compensation plans and arrangements. In addition, in setting compensation, the Compensation Committee strives to create incentives that do not encourage risk-taking behavior that is inconsistent with our company's business strategy. Our Corporate Governance and Nominating Committee is responsible for overseeing management of our risks associated with the independence of our Board and potential conflicts of interest. Each committee regularly reports to the full Board.

**Table of Contents****COMMUNICATIONS WITH DIRECTORS**

Stockholders or other interested parties may communicate with any director or committee of our Board by writing to them c/o Secretary, Corcept Therapeutics Incorporated, 149 Commonwealth Drive, Menlo Park, California 94025. Comments or questions regarding our accounting, internal controls or auditing matters will be referred to members of the Audit Committee. Comments or questions regarding the nomination of directors and other corporate governance matters will be referred to members of the Corporate Governance and Nominating Committee.

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

The current members of our Compensation Committee are G. Leonard Baker, Jr., Daniel M. Bradbury, Joseph C. Cook, Jr., and David L. Mahoney. None of the members of our Compensation Committee is currently, or has been, an officer or employee of our company. None of our executive officers currently serves or in the past year 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 or Compensation Committee.

**INFORMATION CONCERNING EXECUTIVE OFFICERS**

Information relating to our executive officers is incorporated by reference herein from the section captioned Executive Officers contained in Part I, Item 1 of our Annual Report on Form 10-K for the year ended December 31, 2013, filed with the SEC on March 14, 2014.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information regarding ownership of our common stock as of March 31, 2014 or earlier date for information based on filings with the SEC by (a) each person known to us to own more than 5% of the outstanding shares of our common stock, (b) our directors, (c) our Chief Executive Officer and each other executive officer named in the compensation tables appearing later in this Proxy Statement and (d) all directors and executive officers as a group. The information in this table is based solely on statements in filings with the SEC or other information we believe to be reliable. Percentage of ownership is based on 100,689,263 shares of common stock outstanding as of March 31, 2014. Beneficial ownership is determined in accordance with the rules of the SEC, and includes voting and investment power with respect to the shares. Shares of common stock subject to outstanding options and warrants exercisable within 60 days of March 31, 2014 are deemed outstanding for computing the percentage of ownership of the person holding such options or warrants, but are not deemed outstanding for computing the percentage of any other person.

<b>Name of Beneficial Owner<sup>(1)</sup></b>	<b>Number of Shares Beneficially Owned<sup>(2)</sup></b>	<b>Percentage of Shares Beneficially Owned</b>
<b>5% Stockholders</b>		
Longitude Venture Partners, LP and affiliated entities and individuals <sup>(3)</sup>	16,521,635	15.9%
Sutter Hill Ventures and affiliated entities and individuals <sup>(4)</sup>	14,543,023	14.2%
Federated Investors, Inc. and affiliated entities <sup>(5)</sup>	12,643,898	12.4%
Ingalls & Snyder, LLC and affiliated entities <sup>(6)</sup>	6,043,804	6.0%



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Name of Beneficial Owner <sup>(1)</sup>	Number of Shares Beneficially Owned <sup>(2)</sup>	Percentage of Shares Beneficially Owned
<b>Directors and Named Executive Officers</b>		
Patrick G. Enright <sup>(3)</sup>	16,521,635	15.9%
G. Leonard Baker, Jr. <sup>(7)</sup>	9,888,540	9.7%
Joseph K. Belanoff <sup>(8)</sup>	5,630,881	5.4%
James N. Wilson <sup>(9)</sup>	3,763,941	3.7%
Joseph C. Cook, Jr. <sup>(10)</sup>	2,914,082	2.9%
David L. Mahoney <sup>(11)</sup>	1,529,323	1.5%
Robert L. Roe <sup>(12)</sup>	1,164,169	1.1%
Steven Lo <sup>(13)</sup>	504,177	*
G. Charles Robb <sup>(14)</sup>	480,424	*
Anne M. LeDoux <sup>(15)</sup>	437,085	*
Daniel M. Bradbury <sup>(17)</sup>	236,708	*
Joseph L. Turner <sup>(16)</sup>	235,627	*
All directors and executive officers as a group (12 persons) <sup>(18)</sup>	43,306,592	38.4%

\* Less than 1% of our outstanding common stock.

(1) Unless otherwise indicated, the address of each of the named individuals is c/o Corcept Therapeutics, 149 Commonwealth Drive, Menlo Park, California 94025.

(2) Beneficial ownership of shares is determined in accordance with the rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power, or of which a person has the right to acquire ownership within 60 days after March 31, 2014. Except as otherwise noted, each person or entity has sole voting and investment power with respect to the shares shown.

(3) Consists of (a) 13,000,756 shares held by Longitude Venture Partners, LP, and 3,091,479 shares that may be acquired by that entity within 60 days of March 31, 2014 pursuant to warrants, (b) 182,817 shares held by Longitude Capital Associates, L.P. and 26,583 shares that may be acquired by that entity within 60 days of March 31, 2014 pursuant to warrants and (c) 220,000 shares that may be acquired by Patrick Enright within 60 days of March 31, 2014 pursuant to options. Juliet Tammenoms Bakker and Mr. Enright may be deemed to have shared voting and investment power over the shares held by Longitude Venture Partners, LP, and Longitude Capital Associates, L.P. Each of these individuals disclaims beneficial ownership of all such shares, except to the extent of his or her pecuniary interest therein. The address for Longitude Capital is 800 El Camino Real, Suite 220, Menlo Park, California 94025. Mr. Enright is a member of our Board and a managing member of Longitude Capital Partners, LLC, the general partner of each of Longitude Venture Partners, LP, and Longitude Capital Associates, L.P.

(4)



Consists of: (a) 5,316,967 shares held by Sutter Hill Ventures, A California Limited Partnership, which is referred to as Sutter Hill Ventures, and 645,186 shares that may be acquired by that entity within 60 days of March 31, 2014 pursuant to warrants, (b) 29,273 shares held by Sutter Hill Entrepreneurs Fund (AI), L.P., which is referred to as SHAI, (c) 74,113 shares held by Sutter Hill Entrepreneurs Fund (QP), L.P., which is referred to as SHQP, (d) 207 shares held by G. Leonard Baker, Jr., one of our directors, (e) 727,592 shares held by Mr. Baker, as Trustee of The Baker Revocable Trust, and 232,437 shares that may be acquired by that trust within 60 days of March 31, 2014 pursuant to warrants, (f) 1,981,119 shares held by Saunders Holdings, L.P. of which The Baker Revocable Trust is a general partner, and 115,015 shares that may be acquired by that entity within 60 days of March 31, 2014 pursuant to warrants, (g) 478,182 shares held by the G. Leonard Baker, Jr. Roth IRA, for the benefit of Mr. Baker, and 98,449 shares that may be acquired by that retirement account within 60 days of March 31, 2014 pursuant to a warrant, (h) 210,000 shares that may be acquired by Mr. Baker within 60 days of March 31, 2014 pursuant to options and (i) 4,137,298 shares held by individuals other than Mr. Baker who are affiliated with Sutter Hill Ventures or entities affiliated with such individuals, and 517,185 shares that may be acquired by such individuals and entities within 60 days of March 31, 2014 pursuant to warrants. Mr. Baker may be deemed to have shared voting and investment power with respect to the shares and warrants held by The Baker Revocable Trust and Saunders Holdings, L.P. Mr. Baker, Sutter Hill Ventures, SHAI and SHQP do not have any voting or investment power with respect to the shares held by individuals affiliated with Sutter Hill Ventures and entities affiliated with such individuals referenced under part (i) of this note. Mr. Baker, David L. Anderson, William H. Younger, Jr., Tench Coxe, James C. Gaither, James N. White, Jeffrey W. Bird, David E. Sweet, Andrew T. Sheehan, Michael L. Speiser, Stefan A. Dyckeroff and Samuel, J. Pullara III, referred to collectively as the Sutter Hill Principals, may be deemed to have shared voting and investment power with respect to the shares held by Sutter Hill Ventures, SHAI and SHQP. As a result of the shared voting and dispositive powers referenced herein, Messrs. Baker, Anderson, Younger, Coxe, Gaither, White, Bird, Sweet, Sheehan, Speiser, Dyckeroff and Pullara may each be deemed to

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beneficially own the shares held by Sutter Hill Ventures, SHAI and SHQP. Each of these individuals disclaims beneficial ownership of all holdings reflected herein, except to the extent of his individual pecuniary interest therein. The address for Sutter Hill Ventures and affiliates is 755 Page Mill Road, Suite A-200, Palo Alto, California 94304. Mr. Baker, a member of our Board, is also a managing director of the general partner of Sutter Hill Ventures.

- (5) Includes (a) 11,664,876 shares beneficially held by registered investment companies and separate accounts advised by subsidiaries of Federated Investors, Inc., or Federated, that have been delegated the power to direct investments and power to vote the securities by the registered investment companies' board of trustees or directors and by the separate accounts' principals and (b) 979,022 shares that may be acquired by such entities within 60 days of December 31, 2013 pursuant to warrants. The foregoing beneficial ownership information is based on information obtained from the Amendment No. 5 to Form 13G filed by Federated Investors, Inc. with respect to its holdings as of December 31, 2013. Federated is the parent holding company of Federated Equity Management Company of Pennsylvania and Federated Global Investment Management Corp., collectively referred to herein as the Investment Advisers, which act as investment advisers to registered investment companies and separate accounts that own shares of our common stock. The Investment Advisers are wholly owned subsidiaries of FII Holdings, Inc., which is wholly owned subsidiary of Federated. All of Federated's outstanding voting stock is held in the Voting Shares Irrevocable Trust, or the Trust, for which John F. Donahue, Rhodora J. Donahue and J. Christopher Donahue act as trustees, collectively referred to herein as the Trustees. The Trustees exercise collective voting control over Federated. Each of Federated, the Trust and the Trustees disclaims beneficial ownership of all holdings reflected herein, except to the extent of his individual pecuniary interest therein. Federated's address is Federated Investors Tower, Pittsburgh, Pennsylvania 15222-3779.
- (6) Includes (a) 5,343,804 shares held by Ingalls & Snyder LLC, or Ingalls, for the benefit of Ingalls & Snyder Value Partners, L.P., or ISVP, or other investment advisory clients and (b) 700,000 shares that may be acquired by ISVP within 60 days of December 31, 2013 pursuant to a warrant. Information regarding the holdings of Ingalls and ISVP is based on information obtained from the Amendment No. 5 to Form 13G filed by Ingalls with respect to its holdings as of December 31, 2013. ISVP is an investment partnership managed under an investment advisory contract by Ingalls, a registered broker dealer and a registered investment advisor. Ingalls holds investment authority but not voting authority over shares held by its investment advisory clients. Mr. Thomas O. Boucher, Jr., a Managing Director of Ingalls, and Mr. Robert L. Gipson and Adam Janovic, Senior Directors of Ingalls, are the general partners of ISVP and share investment and voting power over the shares held by ISVP. Each of these individuals disclaims beneficial ownership of all such shares, except to the extent of his individual pecuniary interest therein. The address for Ingalls and ISVP is 61 Broadway, New York, New York 10006.
- (7) Mr. Baker's beneficial holdings include all shares referenced in footnote (4) other than the shares and warrants referenced under part (i) of footnote (4).
- (8) Includes (a) 2,866,686 shares that may be acquired by Dr. Belanoff within 60 days of March 31, 2014 pursuant to options, (b) 300,000 shares held as custodian for Edward G. Belanoff and (c) 300,000 shares held as custodian for Julia E. Belanoff over which Dr. Belanoff has voting control.

- (9) Includes (a) 900,004 shares that may be acquired by Mr. Wilson within 60 days of March 31, 2014 pursuant to options, (b) 1,954,511 shares held by the James N. Wilson and Pamela D. Wilson Trust, (c) 891,774 shares held by James and Pamela Wilson Family Partners and (d) 17,652 shares that may be acquired by James and Pamela Wilson Family Partners within 60 days of March 31, 2014 pursuant to a warrant. Mr. Wilson has voting power over the shares held by the James N. Wilson and Pamela D. Wilson Trust and James and Pamela Wilson Family Partners pursuant to voting agreements. Mr. Wilson disclaims beneficial ownership of all of such shares, except to the extent of his pecuniary interest therein.
- (10) Consists of (a) 1,364,810 shares held jointly by Joseph C. Cook, Jr. and Judith Cook and 254,448 shares that may be acquired within 60 days of March 31, 2014 pursuant to warrants that are held jointly by Mr. and Mrs. Cook, (b) 476,016 shares held by the Joseph C. Cook, Jr., IRA Rollover, or Cook IRA, and 25,649 shares that may be acquired by the Cook IRA within 60 days of March 31, 2014 pursuant to a warrant, (c) 234,762 shares held by Farview Management, Co. L.P., a Texas limited partnership, and 14,402 shares that may be acquired by that entity within 60 days of March 31, 2014 pursuant to a warrant, (d) 350,000 shares held by the Judith E. and Joseph C. Cook, Jr. Foundation, Inc. and 13,995 shares that may be acquired by that entity within 60 days of March 31, 2014 pursuant to a warrant and (e) 180,000 shares that may be acquired by Mr. Cook within 60 days of March 31, 2014 pursuant to options. Mr. Cook and Judith E. Cook may be deemed to have shared voting and investment power over the shares held by the Cook Foundation. Each of these individuals disclaims beneficial ownership of all such shares, except to the extent of his or her pecuniary interest therein. Mr. Cook and Judith E. Cook may be deemed to have shared voting and investment power over the shares held in joint name. Mr. Cook is a member of our Board.
- (11) Includes (a) 1,019,533 shares held by the David L. Mahoney and Winnifred C. Ellis 1998 Family Trust, and 114,790 shares that may be acquired by the Trust within 60 days of March 31, 2014 pursuant to warrants, (b) 75,000 shares held by the Black Dog Private Foundation, of which Mr. Mahoney is the president and (c) 320,000 shares that may be acquired by Mr. Mahoney within 60 days of March 31, 2014 pursuant to options. Mr. Mahoney is a member of our Board.
- (12) Includes 1,244,169 shares that may be acquired by Dr. Roe within 60 days of March 31, 2014 pursuant to options.
- (13) Consists of 504,177 shares that may be acquired by Mr. Lo within 60 days of March 31, 2014 pursuant to an option.

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- (14) Includes 479,166 shares that may be acquired by Mr. Robb within 60 days of March 31, 2014 pursuant to options.
- (15) Consists of 437,085 shares that may be acquired by Ms. LeDoux within 60 days of March 31, 2014 pursuant to options.
- (16) Includes 225,627 shares that may be acquired by Mr. Turner within 60 days of March 31, 2014 pursuant to options.
- (17) Includes 57,708 shares that may be acquired by Mr. Bradbury within 60 days of March 31, 2014 pursuant to options.
- (18) Total number of shares includes common stock held by directors, executive officers and entities affiliated with directors and executive officers. See footnotes 1 through 4 and 7 through 17 above.

**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

As a matter of policy, all related-party transactions between us and any of our officers, directors, or principal stockholders, are reviewed and approved by our Audit Committee, as set forth in our Audit Committee charter, or a majority of the independent and disinterested members of our Board, are on terms no less favorable to us than could be obtained from unaffiliated third parties and are in connection with bona fide business purposes. In 2013, there were no related-party transactions that required review by the Audit Committee.

*Severance and Change in Control Agreements.* We have entered into severance and change in control agreements with our executive officers. The agreements provide that, if employment is terminated without cause or for good reason regardless of whether it is in connection with a change in control, the executive will be eligible for 12 months of his or her then current base salary and continued health insurance coverage for this same period. In addition, the agreements provide for the full vesting of all outstanding equity awards in the event the executive's employment is terminated without cause or for good reason within 18 months following a change in control.

*Director Indemnification Agreements.* We have entered into indemnification agreements with our directors and executive officers. Such agreements require us, among other things, to indemnify our officers and directors, other than for liabilities arising from willful misconduct of a culpable nature, and to advance their expenses incurred as a result of any proceedings against them as to which they could be indemnified.

See Director Compensation for a discussion of our director compensation policy.

**CODE OF ETHICS**

We have adopted a Code of Ethics that applies to all of our directors, officers and employees, including our principal executive officer, our principal financial officer and our principal accounting officer, a copy of which is available on our website at [www.corcept.com](http://www.corcept.com). We intend to disclose on our website at [www.corcept.com](http://www.corcept.com) any amendment to, or waiver of, any provision of our Code of Ethics applicable to our directors and executive officers required to be disclosed under the rules of the SEC and the NASDAQ Stock Market.

**SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Under Section 16(a) of the Exchange Act and SEC rules, our directors, executive officers and beneficial owners of more than 10% of any class of our equity securities are required to file periodic reports of their ownership, and changes in that ownership, with the SEC. Based solely on our review of copies of these reports and representations of such reporting persons, we believe that, during the year ended December 31, 2013, such reporting persons met all applicable Section 16(a) filing requirements.

**EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**