

NEOPROBE CORP
Form DEF 14A
May 15, 2008

SCHEDULE 14A INFORMATION

**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 Rule 14a-12

NEOPROBE CORPORATION
(Name of Registrant as Specified in its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:
- Fee paid previously with preliminary materials.
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- (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
-

2008 ANNUAL MEETING OF STOCKHOLDERS

May 15, 2008

Dear Stockholder:

You are cordially invited to attend the 2008 Annual Meeting of Stockholders of Neoprobe Corporation, which will be held at 9:00 a.m., Eastern Daylight Time, on June 26, 2008, at the Hilton Garden Inn, 500 Metro Place North, Dublin, Ohio 43017 (phone: 614-766-9900). The matters on the meeting agenda are described in the Notice of 2008 Annual Meeting of Stockholders and proxy statement which accompany this letter.

We hope you will be able to attend the meeting, but whatever your plans, we ask that you please complete, execute, and date the enclosed proxy card and return it in the envelope provided so that your shares will be represented at the meeting.

Very truly yours,

David C. Bupp
Chief Executive Officer and President

**NEOPROBE CORPORATION
425 Metro Place North, Suite 300
Dublin, Ohio 43017**

NOTICE OF 2008 ANNUAL MEETING OF STOCKHOLDERS

**To the Stockholders of
NEOPROBE CORPORATION:**

The Annual Meeting of the Stockholders of Neoprobe Corporation, a Delaware corporation (the Company), will be held at the Hilton Garden Inn, 500 Metro Place North, Dublin, Ohio 43017 (phone: 614-766-9900), on June 26, 2008, at 9:00 a.m., Eastern Daylight Time, for the following purposes:

1. To elect three directors, to serve for a term of three years or until their successors are duly elected and qualified;
2. To approve the amendment of the Company's Amended and Restated 2002 Stock Incentive Plan to increase the number of shares of common stock issuable under the plan from 5,000,000 to 7,000,000 shares; and
3. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on May 1, 2008, as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. A list of stockholders will be available for examination by any stockholder at the Annual Meeting and for a period of 10 days before the Annual Meeting at the executive offices of the Company.

Whether or not you plan to attend the Annual Meeting, please sign, date, and return the enclosed proxy card in the envelope provided or take advantage of the opportunity to vote your proxy online.

By Order of the Board of Directors

David C. Bupp
Chief Executive Officer and President

Dublin, Ohio
May 15, 2008

NEOPROBE CORPORATION

**2008 ANNUAL MEETING OF STOCKHOLDERS
June 26, 2008**

**PROXY STATEMENT
Dated May 15, 2008**

GENERAL INFORMATION

Solicitation. This proxy statement is furnished to the stockholders of Neoprobe Corporation, a Delaware corporation, in connection with the solicitation by the Board of Directors of the Company of proxies to be voted at the Company's 2008 Annual Meeting of Stockholders to be held on June 26, 2008, and any adjournment thereof. This proxy statement and the accompanying proxy card are first being mailed to stockholders on or about May 15, 2008.

Company Address. The mailing address of our principal executive offices is 425 Metro Place North, Suite 300, Dublin, Ohio 43017.

Voting Rights. Stockholders of record at the close of business on May 1, 2008, are entitled to notice of and to vote at the Annual Meeting. As of that date, there were 68,950,821 shares of common stock of the Company, par value \$.001 per share, outstanding. Each holder of common stock of record on May 1, 2008, is entitled to one vote per share held with respect to all matters which may be brought before the Annual Meeting.

Authorization. The shares represented by the accompanying proxy will be voted as directed if the proxy is properly completed, signed, and received by us. The proxy will be voted at the discretion of the persons acting under the proxy to transact such other business as may properly come before the Annual Meeting and any adjournment thereof.

Revocation. Any stockholder returning the accompanying proxy has the power to revoke it at any time before its exercise by giving notice of revocation to the Company, by duly executing and delivering to the Company a proxy card bearing a later date, or by voting in person at the Annual Meeting.

Tabulation. Under Section 216 of the Delaware General Corporation Law (DGCL) and our by-laws, the presence, in person or by proxy, of the holders of a majority of the outstanding shares of our common stock is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Shares represented by signed proxies that are returned to the Company will be counted toward the quorum even though they are marked as Abstain, Against or Withhold Authority on one or more or all matters or they are not marked at all (see General Information-Authorization). Broker/dealers, who hold their customers' shares in street name, may, under the applicable rules of the exchanges and other self-regulatory organizations of which such broker/dealers are members, sign and submit proxies for such shares and may vote such shares on routine matters, which, under such rules, typically include the election of directors, but broker/dealers may not vote such shares on other matters without specific instructions from the customer who owns such shares. Proxies signed and submitted by broker/dealers that have not been voted on certain matters as described in the previous sentence are referred to as broker non-votes. Such proxies count toward the establishment of a quorum.

Under Section 216 of the DGCL and our by-laws, the election of the director nominees requires the favorable vote of a plurality of all votes cast by the holders of our common stock at a meeting at which a quorum is present. Proxies that are marked **Withhold Authority** and broker non-votes will not be counted toward a nominee's achievement of a plurality and, thus, will have no effect. Under Section 216 of the DGCL and our by-laws, the amendment to the Amended and Restated 2002 Stock Incentive Plan requires the affirmative vote of a majority of the shares represented in person or by proxy at the Annual Meeting. For purposes of determining the number of shares of our common stock voting on the amendment to the Amended and Restated 2002 Stock Incentive Plan, abstentions will be counted for purposes of establishing the presence of a quorum and will have the effect of a negative vote. Broker non-votes will not be counted for purposes of establishing the presence of a quorum and will have no effect.

Kirby I. Bland, M.D., age 66, has served as a director of our company since May 2004. Dr. Bland currently serves as Professor and Chairman and Fay Fletcher Kerner Professor and Chairman, Department of Surgery of the University of Alabama at Birmingham (UAB) School of Medicine since 1999 and 2002,

In addition, the Committee strives to provide fair compensation to directors, taking into consideration compensation paid to directors of comparable companies and the specific duties of each director.

The Audit Committee of the Board of Directors selects our independent public accountants with whom the Audit Committee reviews the scope of audit and non-audit assignments and related fees, the accounting principles that we use in financial reporting, internal financial auditing procedures and the adequacy of our internal control procedures. The members of our Audit Committee are: Fred B. Miller (Chairman), Reuven Avital, and J. Frank Whitley, Jr., each of whom is independent under the Nasdaq rules referenced above. The Board of Directors has determined that Fred B. Miller meets the requirements of an audit committee financial expert as set forth in Section 407(d)(5) of Regulation S-K promulgated by the SEC. The Audit Committee held five meetings in the fiscal year ended December 31, 2007. The Board of Directors adopted a written Amended and Restated Audit Committee Charter on April 30, 2004. A copy of the Amended and Restated Audit Committee Charter is posted on the Company's website at www.neoprobe.com.

and General Manager (Clinicare Division) and Vice President, Marketing and Sales (Acute Care Division). From 1976 to 1984, Mr. Rash held management positions at various divisions of British Oxygen Corp. Mr. Rash has a B.S. degree in Business Administration with a minor in Chemistry from Wisconsin State University.

- (c) This amount includes 130,000 shares issuable upon exercise of options which are exercisable within 60 days and 25,272 shares in Mr. Blair's account in the 401(k) Plan, but it does not include 50,000 shares of unvested restricted stock and 90,000 shares issuable upon exercise of options which are not exercisable within 60 days.

The address of all directors and executive offices is c/o Neoprobe Corporation, 425 Metro Place North, Suite 300, Dublin, Ohio 43017-1367.

Options were granted 2/11/1999 and vested as to one-third immediately and on each of the first two anniversaries of the date of grant.

- (d) Options were granted 1/4/2000 and vested as to one-third on each of the first three anniversaries of the date of grant.
- (e) Options were granted 1/3/2001 and vested as to one-third on each of the first three anniversaries of the date of grant.

participation in the Plan is at the discretion of the Committee. No participant may receive Awards covering more than 500,000 shares under the 2002 Plan in any Performance Period. The 2002 Plan also permits Non-employee Directors to elect to receive all or part of their annual retainer in shares

2.35 *Section 16 Person* means a person who, with respect to the Shares, is subject to section 16 of the 1934 Act.

2.36 *Shares* means the shares of the Company's common stock, \$0.001 par value.

2.37 *Stock Appreciation Right* or *SAR* means an Award, granted alone or in connection with a related Option, that pursuant to Section 6 is designated as a SAR.

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4. Shares Subject to the Plan

4.1 *Number of Shares.* Subject to adjustment as provided in Section 4.3, the total number of Shares available for grant under the Plan shall not exceed Seven Million (7,000,000) Shares. The maximum number of Shares that are available for grant to any individual Participant in any calendar year shall not exceed

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