

ADMA BIOLOGICS, INC.  
Form DEF 14A  
April 27, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 20549**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

**ADMA BIOLOGICS, INC.**

**(Name of Registrant as Specified In Its Charter)**

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

(2) Aggregate number of securities to which transaction applies:

(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:

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

**ADMA BIOLOGICS, INC.**

**465 State Route 17 South**

**Ramsey, New Jersey 07446**

Dear Stockholder:

You are cordially invited to the annual meeting of stockholders (the “**Annual Meeting**”) of ADMA Biologics, Inc. (the “**Company**”), which will be held at 10:00 a.m. Eastern Time on June 22, 2018 at the offices of DLA Piper LLP (US), at 51 John F. Kennedy Parkway, Suite 120, Short Hills, New Jersey 07078.

In connection with the Annual Meeting, you will be asked to consider and vote on certain stockholder proposals which are more fully described in the accompanying proxy statement. Whether or not you plan to attend the Annual Meeting, we urge you to read the proxy statement (and any documents incorporated into the proxy statement by reference) and consider such information carefully before voting.

**The Board of Directors unanimously recommends that our stockholders vote “FOR” all of the proposals presented in the proxy statement, including the proposal related to the election of each Class II director nominee named therein.**

**Your vote is very important. Even if you plan to attend the Annual Meeting, please submit your proxy in person at the Annual Meeting or by mail as soon as possible to make sure that your shares are represented at the Annual Meeting. If you hold your shares of common stock in “street name” through a broker, trustee or other nominee, you must vote in accordance with the voting instructions provided to you by such broker, trustee or other nominee.**

On behalf of the Board of Directors, I thank you for your continued support and look forward to the successful completion of the Transaction.

Yours sincerely,

/s/ Adam S. Grossman

Adam S. Grossman

President, Chief Executive Officer and Director

**This proxy statement is dated April 27, 2018 and is first being mailed to stockholders of the Company on or about May 3, 2018. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Transaction or determined that this proxy statement is accurate or complete. Any representation to the contrary is a criminal offense.**

**ADMA BIOLOGICS, INC.**

465 State Route 17 South

Ramsey, New Jersey 07446

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS OF ADMA BIOLOGICS, INC.**

**To Be Held On June 22, 2018**

To the Stockholders of ADMA Biologics, Inc. (the "**Company**"):

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Annual Meeting**") of stockholders of the Company will be held at 10:00 a.m. Eastern Time on June 22, 2018 at the offices of DLA Piper LLP (US), at 51 John F. Kennedy Parkway, Suite 120, Short Hills, New Jersey 07078. At the Annual Meeting, you will be asked to consider and vote upon the following stockholder proposals:

1. A proposal to elect three Class II directors to serve on the Company's Board of Directors (the "**Board**") for a term expiring at our 2021 annual meeting of stockholders and until their successors are duly elected and qualified, or until such director's earlier resignation, removal or death (the "**Class II Director Election Proposal**");
2. A proposal to ratify the appointment of CohnReznick LLP as the Company's independent registered public accounting firm for the year ending December 31, 2018 (the "**Auditor Ratification Proposal**"); and
3. A proposal to transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

The foregoing proposals are more fully described in the accompanying proxy statement, which you should read in its entirety (including any documents incorporated into the proxy statement by reference) and carefully consider prior to casting any votes in connection with such proposals. The Company's Board of Directors (the "**Board**") has set the close of business on April 27, 2018 as the record date (the "**Record Date**") for determining stockholders entitled to notice of, and to vote at, the Annual Meeting. A list of the stockholders as of the Record Date will be available for inspection by stockholders, for any purpose germane to the Annual Meeting, at the Company's offices and at the offices of Continental Stock Transfer & Trust Company, the Company's independent stock transfer agent, during normal business hours for a period of 10 days prior to the Annual Meeting. The list will also be available for inspection by stockholders at the Annual Meeting.

All stockholders are invited to attend the Annual Meeting in person. Regardless of whether you plan to attend the Annual Meeting, we hope you will vote as soon as possible. You may vote in person at the Annual Meeting or by mail by following the instructions on the enclosed proxy card or voting instruction card. Voting by written proxy or voting instruction card will ensure your representation at the Annual Meeting regardless of whether you attend in person. If you hold your shares of common stock in “street name” through a broker, trustee or other nominee, you must vote in accordance with the voting instructions provided to you by such broker, trustee or other nominee.

**Important Notice Regarding the Availability of Proxy Materials**

**for the Annual Meeting to be Held on June 22, 2018:**

**The proxy statement and annual report to stockholders are available at: [www.admabiologics.com](http://www.admabiologics.com).**

By Order of the Board of Directors

/s/ Adam S. Grossman

Adam S. Grossman

President and Chief Executive Officer

April 27, 2018

Ramsey, New Jersey

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## QUESTIONS AND ANSWERS

The following section addresses certain questions about this proxy statement and the proposals described herein, which are to be presented at the annual meeting of stockholders (the “**Annual Meeting**”) of ADMA Biologics, Inc. (“**ADMA**,” “**we**,” “**us**,” “**our**” or the “**Company**”), as further described herein.

The Annual Meeting will be held at 10:00 a.m. Eastern Time on June 22, 2018 at the offices of DLA Piper LLP (US), at 51 John F. Kennedy Parkway, Suite 120, Short Hills, New Jersey 07078.

**The following questions and answers may not include all of the information that is important to you as a stockholder of the Company. We urge our stockholders to read this entire proxy statement (including the documents incorporated by reference herein) and carefully consider such information before casting any votes with respect to the proposals presented herein.**

### **What is the purpose of this document?**

We are soliciting stockholder votes with respect to the following proposals:

1. A proposal to elect three Class II directors to serve on the Company’s Board of Directors (the “**Board**”) for a term expiring at our 2021 annual meeting of stockholders and until their successors are duly elected and qualified, or until such director’s earlier resignation, removal or death (the “**Class II Director Election Proposal**”); and
2. A proposal to ratify the appointment of CohnReznick LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2018 (the “**Auditor Ratification Proposal**”).

For more information about these proposals, please see the sections entitled “*The Class II Director Election Proposal*” and “*The Auditor Ratification Proposal*”.

### **Who is entitled to vote at and attend the Annual Meeting?**

Only stockholders of record and beneficial owners of the Company's voting common stock, \$0.0001 par value per share (the "**common stock**"), at the close of business on April 27, 2018 (the "**Record Date**") are entitled to receive notice of, vote at and attend the Annual Meeting. Each outstanding share of the Company's common stock as of the Record Date entitles its holder to cast one vote on each matter to be voted upon.

**What is the difference between holding shares of common stock as a holder of record and as a beneficial owner?**

Certain of our stockholders hold or may in the future hold their shares of common stock beneficially through a broker or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares owned beneficially and those held of record.

**Beneficial Owner:** If your shares of common stock are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in "street name," and these proxy materials are being forwarded to you together with a voting instruction card by your broker, trustee or other nominee, as the case may be. As the beneficial owner, you have the right to direct your broker, trustee or other nominee how to vote. The voting instruction card from your broker, trustee or other nominee contains voting instructions for you to use in directing the broker, trustee or other nominee how to vote your shares.

Because a beneficial owner is not the stockholder of record, you may not vote your shares of common stock in person at the Annual Meeting unless you obtain a "legal proxy" from the broker, trustee or other nominee that holds your shares giving you the right to vote the shares at the Annual Meeting.

**Stockholder of Record:** If your shares of common stock are registered directly in your name with us or our stock transfer agent, Continental Stock Transfer & Trust Company, you are considered the stockholder of record with respect to those shares and these proxy materials are being sent directly to you by the Company. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the Annual Meeting. We have enclosed or sent a proxy card for you to use.

### **What do I need to do to attend the Annual Meeting?**

In order to be admitted to the Annual Meeting, stockholders must present proof of ownership of their shares of common stock as of the Record Date. Any holder of a proxy from a stockholder must present a properly executed proxy to be admitted. Stockholders and proxyholders must also present a form of valid, government-issued photo identification, such as a driver's license or passport. These items must be presented in order to be admitted to the Annual Meeting. Expired forms of identification will not be accepted.

If you do not bring proof of ownership of common stock as of the Record Date, you will not be admitted to the Annual Meeting. If you are a beneficial owner of common stock and your shares are held in the name of a broker, trustee or other nominee, a brokerage statement or letter from a bank or broker detailing ownership of the common stock as of the Record Date is an example of proof of ownership.

### **What constitutes a quorum?**

The presence of a quorum is required for business to be conducted at the Annual Meeting. The presence at the Annual Meeting, in person or by proxy, of the holders of a majority of the shares of common stock outstanding as of the Record Date and entitled to vote shall constitute a quorum. As of the Record Date, 36,726,084 shares of voting common stock were outstanding and entitled to vote. If you submit a properly executed proxy card, regardless of whether you abstain from voting, your shares represented by such proxy card will be considered in determining the presence of a quorum.

### **How do I vote?**

You may vote in person at the Annual Meeting or by mail. If you hold your shares of common stock in "street name" through a broker, trustee or other nominee, you must vote in accordance with the voting instructions provided to you by such broker, trustee or other nominee.

**Voting by Mail:** If you are a holder of record of common stock and choose to vote by mail, simply complete, sign and date your proxy card and mail it in the accompanying pre-addressed envelope. Proxy cards submitted by mail must be received by our Office of the Secretary at the below address prior to the Annual Meeting in order for shares represented by such proxy cards to be voted. If you hold common stock beneficially in street name and choose to vote by mail, you must complete, sign and date the voting instruction card provided by your broker, trustee or other nominee and mail it in the accompanying pre-addressed envelope within the specified time period.

**Voting in Person at the Annual Meeting:** If you are a record holder of common stock, you may attend and vote in person at the Annual Meeting. If you are a beneficial owner of common stock held in the name of a broker, trustee or other nominee, you must obtain a “legal proxy,” executed in your favor, from such broker, trustee or other nominee to be able to vote in person at the Annual Meeting. You should allow yourself enough time prior to the Annual Meeting to obtain this “legal proxy” from the holder of record.

Even if you plan to attend the Annual Meeting, we recommend that you submit your proxy or voting instructions in advance, as described above, so that your vote will be counted if you later decide not to attend the Annual Meeting. Any vote properly cast at the Annual Meeting will supersede any previously submitted proxy or voting instructions. For additional information, please see “*Can I change my vote or revoke my proxy after I return my proxy card?*” below.

**How does the Board of Directors recommend I vote on the proposals?**

The recommendations of the Board are set forth after the description of each proposal in this proxy statement. In summary, the Board recommends a vote:

- **“FOR”** the election of each director nominee named in the Class II Director Election Proposal; and
- **“FOR”** the Auditor Ratification Proposal.

**How will my shares of common stock be voted if I do not indicate a vote on my proxy card?**

Your shares will be voted as you indicate on the proxy card or voting instruction form, as applicable. If you return your signed proxy card but do not mark the boxes indicating how you wish to vote, your shares will be voted as recommended by the Board on those items. See the question above entitled “How does the Board of Directors recommend I vote on the proposals?” Your shares will be voted in accordance with the discretion of the proxyholders as to any other matter that is properly presented at the Annual Meeting.

**Will my shares be voted if I do not provide my proxy?**

For stockholders of record: If you are the stockholder of record and you do not vote by proxy card or in person at the Annual Meeting, your shares will not be voted at the Annual Meeting.

For holders in street name: If your shares are held in street name, your shares may be voted even if you do not provide the brokerage firm with voting instructions. Subject to applicable Nasdaq Stock Market LLC (“**NASDAQ**”) and U.S. Securities Exchange Commission (“**SEC**”) rules, brokers or other nominees who hold shares for a beneficial owner have the discretion to vote on routine proposals (such as the Auditor Ratification Proposal) when they have not received voting instructions.

When a proposal is not a routine matter, such as the Class II Director Election Proposal, and you have not provided voting instructions to the brokerage firm with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. The missing votes for these non-routine matters are called “broker non-votes.” Broker non-votes will be

counted for purposes of calculating whether a quorum is present at the Annual Meeting, but will not be counted for purposes of determining the number of votes present or represented by proxy and entitled to vote with respect to the proposals presented in this proxy statement. Accordingly, a broker non-vote will not impact the outcome of voting on the proposals presented herein.

**Can I change my vote or revoke my proxy after I return my proxy card?**

Yes. Even after you have submitted your proxy, you may change your vote at any time before the proxy is exercised at the Annual Meeting. If you are a stockholder of record as of the Record Date, regardless of the way in which you submitted your original proxy, you may change it by:

· Returning a later-dated signed proxy card to us prior to the Annual Meeting at 465 State Route 17 South, Ramsey, New Jersey 07446, Attention: Office of the Secretary;

· Delivering a later-dated written notice of revocation to us prior to the Annual Meeting at 465 State Route 17 South, Ramsey, New Jersey 07446, Attention: Office of the Secretary; or

· Attending the Annual Meeting and properly voting in person.

Alternatively, you may hand deliver a later-dated written notice of revocation or later-dated signed proxy to the Secretary at the Annual Meeting before we begin voting. If your shares of common stock are held through a broker, trustee or other nominee, you will need to contact that nominee if you wish to change your voting instructions. You may also vote in person at the Annual Meeting if you obtain a “legal proxy” as described in the answer to the question above entitled “*How do I vote? – Voting in Person at the Annual Meeting.*” Mere attendance at the Annual Meeting will not cause your previously granted proxy to be revoked.

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

<b>Proposal</b>	<b>Vote Required</b>	<b>What Are My Voting Choices?</b>	<b>What Are Broker Discretionary Voting Allowed?</b>
<b>Class II Director Election Proposal</b>	Plurality of the shares of ADMA's common stock present in person, by remote communication, or represented by proxy and entitled to vote thereon	"FOR" or "WITHHOLD"	<b>No</b>
<b>Auditor Ratification Proposal</b>	Majority of the shares of ADMA's common stock present in person, by remote communication, or represented by proxy at the Annual Meeting and entitled to vote thereon	"FOR", "AGAINST" or "ABSTAIN"	<b>Yes</b>

Election of a Class II director requires the affirmative vote of a plurality of the shares of ADMA's common stock present in person, by remote communication, or represented by proxy and entitled to vote, assuming the presence of a quorum at the Annual Meeting. This means that the three nominees with the greatest number of votes will be elected.

Adoption of the Auditor Ratification Proposal requires the affirmative vote of the holders of a majority of the shares of ADMA's common stock present in person, by remote communication, or represented by proxy at the Annual Meeting and entitled to vote thereon, in order for each such proposal to be approved. This means that the number of votes cast "FOR" must exceed the combined number of votes "AGAINST" and abstentions (which will each have the same effect as an "AGAINST" vote).

Notwithstanding the vote standards described herein, please be advised that the Auditor Ratification Proposal is advisory only and will not be binding on the Company or the Board and will not create or imply any change in the fiduciary duties of, nor impose any additional fiduciary duty on, the Company or the Board. However, the Board

and/or the Audit Committee, as the case may be, will take into account the outcome of the votes when considering what action, if any, should be taken in response to the advisory vote by stockholders.

**What happens if additional matters are presented at the Annual Meeting?**

Other than the items of business described in this proxy statement, we are not aware of any other business to be acted upon at the Annual Meeting. If you grant a proxy, the persons named as proxyholders will have the discretion to vote your shares of common stock on any additional matters properly presented for a vote at the Annual Meeting or any adjournment or postponement of the Annual Meeting.

**Who will pay for the cost of this proxy solicitation?**

We will pay the cost of soliciting proxies. Our directors, officers and other employees, without additional compensation, may solicit proxies personally or in writing, by telephone, e-mail, or otherwise. We are required to request that any brokers, trustees and other nominees who hold shares in their names furnish our proxy materials to the beneficial owners of the shares, and we must reimburse these brokers, trustees and other nominees for the expenses of doing so in accordance with statutory fee schedules. We do not plan to engage a proxy solicitor in connection with the Annual Meeting.



## SUMMARY

*This summary highlights selected information in this proxy statement and may not contain all of the information about the proposals being considered at the Annual Meeting that is important to you. We have included page references in parentheses to direct you to more complete descriptions of the topics presented in this summary. You should carefully read this proxy statement in its entirety, and the other documents to which we have referred you, for a more complete understanding of the matters being considered at the Annual Meeting. You may obtain, without charge, copies of documents incorporated by reference into this proxy statement by following the instructions under the section of this proxy statement entitled “Where You Can Find Additional Information” beginning on page 32 of this proxy statement.*

### **The Annual Meeting**

The Annual Meeting of Stockholders of ADMA will be held at 10:00 a.m. Eastern Time on June 22, 2018 at the offices of DLA Piper LLP (US), at 51 John F. Kennedy Parkway, Suite 120, Short Hills, New Jersey 07078. At the Annual Meeting, you will be asked to consider and vote upon:

1. the Class II Director Election Proposal; and
2. the Auditor Ratification Proposal.

We will also transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

Only stockholders at the close of business on April 27, 2018 (the “**Record Date**”) are entitled to notice of, and to vote at, the 2018 Annual Meeting and any adjournment or postponement thereof. Each stockholder is entitled to one vote on each matter submitted to the stockholders at the Annual Meeting for each share of our common stock held by such stockholder as of the Record Date. At the close of business on the Record Date, there were 36,726,084 shares of our common stock issued and outstanding and entitled to vote at the Annual Meeting, held by eight holders of record.

### **Proposals to be Voted Upon at the Annual Meeting**

*The Class II Director Election Proposal*

*(Page 7)*

We are proposing to elect our existing directors, Steven A. Elms, our Chairman of the Board, Adam S. Grossman and Eric I. Richman, to serve as Class II directors for three-year terms expiring at ADMA's 2021 annual meeting of stockholders.

The Board unanimously recommends that you vote "**FOR**" the election of each nominee named above.

*The Auditor Ratification Proposal*

*(Page 10)*

We are proposing to ratify the appointment of CohnReznick LLP as the Company's independent registered public accounting firm for the year ending December 31, 2018.

The Board unanimously recommends that you vote "**FOR**" the ratification of the appointment of CohnReznick LLP as our independent registered public accounting firm for the year ending December 31, 2018.

**Where You Can Find Additional Information**

**(Page 32)**

You can find more information about ADMA in the periodic reports and other information we file with the SEC. The information is available at the SEC's public reference facilities and at the website maintained by the SEC at [www.sec.gov](http://www.sec.gov), and on our website at [www.admabiologics.com](http://www.admabiologics.com). See "*Where You Can Find Additional Information*" beginning on page 32.

## THE CLASS II DIRECTOR ELECTION PROPOSAL

The Company's Amended and Restated Bylaws (the "**Bylaws**") provide that the authorized number of directors of the Company shall not be less than one nor more than nine. Seven directors are currently serving on the Board. The Board is authorized to increase or decrease the total number of directors within the limitations prescribed by the Company's Bylaws. The Company's Bylaws and Amended and Restated Certificate of Incorporation (the "**Certificate of Incorporation**") divides the Board into three classes with staggered three year terms.

At the Annual Meeting, the stockholders will be asked to elect three directors to serve for three-year terms expiring at the annual meeting of stockholders in 2021. The Class II directors, whose terms of office will expire at the Annual Meeting in 2021, are Steven A. Elms, our Chairman of the Board, Adam S. Grossman and Eric I. Richman. If each director is elected, the total number of directors comprising the Company's Board will remain at seven directors, effective immediately following the Annual Meeting.

The Board has nominated, upon the recommendation of our Governance and Nominations Committee, Steven A. Elms, Adam S. Grossman and Eric I. Richman. Proxies solicited by the Board will, unless otherwise directed, be voted to elect the three nominees named below. Each nominee is currently serving as a director of the Company and has indicated a willingness to continue to serve for the term to which they are nominated, if elected. In case any nominee is not a candidate at the Annual Meeting, the proxies named in the enclosed form of proxy intend to vote in favor of the remaining nominee and to vote for a substitute nominee in their discretion in such class, as they shall determine. Set forth below is certain information about the nominees for election as directors, including each nominee's age and length of service as a director of the Company, principal occupation and business experience for at least the past five years and the names of other publicly held companies on whose boards the director serves or has served in the past five years. Other than with respect to Jerrold B. Grossman, who is the father of Adam S. Grossman, our President and Chief Executive Officer and a Class II Director, there are no family relationships among any of our directors, nominees for director and executive officers.

## NOMINEES FOR A THREE YEAR TERM EXPIRING AT THE 2021 ANNUAL MEETING

### **Steven A. Elms, 54 – Chairman**

Mr. Elms has been a director of the Company since 2007. Mr. Elms serves as Managing Partner at Aisling Capital ("Aisling Capital"), which he joined in 2000. Previously, he was a Principal in the Life Sciences Investment Banking Group of Hambrecht & Quist. During his five years at Hambrecht & Quist, Mr. Elms was involved in over 60 financing and merger and acquisition transactions, helping clients raise in excess of \$3.3 billion in capital. Prior to

joining Hambrecht & Quist, Mr. Elms traded mortgage-backed securities at Donaldson, Lufkin & Jenrette. His previous healthcare sector experience includes over two years as a pharmaceutical sales representative for Marion Laboratories and two years as a consultant for The Wilkerson Group. Mr. Elms currently serves on the board of directors of Loxo Oncology, Inc. (LOXO). Mr. Elms received a B.A. in Human Biology from Stanford University and an M.B.A. from Kellogg Graduate School of Management at Northwestern University. Mr. Elms was chosen to serve on the Board because of his valuable experience in the investment banking industry, particularly with respect to strategic and financing transactions.

**Adam S. Grossman, 41 – Co-Founder, Director, President and Chief Executive Officer**

Mr. Grossman has been a director of the Company since 2007, has served as the Company's President and Chief Executive Officer since October 2011 and as the Company's President and Chief Operating Officer between 2007 and October 2011. Mr. Grossman has over 20 years of experience in the blood and plasma industry. Prior to founding the Company, Mr. Grossman was the Executive Vice President of National Hospital Specialties at GenesisBPS, a position he held between 1994 and 2011. He has experience in launching new products, building and managing national and international sales forces, managing clinical trials and completing numerous business development transactions. Previously, he worked at MedImmune, Inc., where he worked on marketing teams for RSV and CMV immunoglobulins and at the American Red Cross, where he launched new products with the Biomedical Services division. Mr. Grossman received a B.S. in Business Administration, with a specialization in International Business and Marketing, from American University. Mr. Grossman is the son of Dr. Jerrold B. Grossman, our Vice Chairman and co-founder. Mr. Grossman was chosen to serve on the Board because, as the Company's Chief Executive Officer, he is able to provide the Board with critical insight into the day-to-day operations of the Company.

**Eric I. Richman, 57 - Director**

Mr. Richman has been a director of the Company since 2007 and is currently the Chairman of the Company's Audit Committee and a member of the Company's Compensation Committee and Governance and Nominations Committee. Mr. Richman is a Venture Partner at Brace Pharma Capital, a life science venture capital firm. Mr. Richman served as the President and Chief Executive Officer of PharmAthene, Inc. ("PharmAthene") between October 2010 and March 2015 where he oversaw PharmAthene's Chief Financial Officer and auditor and assisted in the preparation of PharmAthene's SEC filings. Mr. Richman also held other senior executive positions of increasing responsibility at PharmAthene from August 2003 to October 2010. He has also served on PharmAthene's board of directors since May 2010. Prior to joining PharmAthene, Mr. Richman held various commercial and strategic positions of increasing responsibility over a 12 year period at MedImmune, Inc. from its inception and was Director, International Commercialization at that company. Mr. Richman served as director of Lev Pharmaceuticals (subsequently acquired by Viropharma) and Chairman of its Commercialization Committee and served as a director of American Bank (subsequently acquired by Congressional Bancshares). He is currently an independent director of Tyrogenex Inc. and LabConnect and a board observer of F2G, LLC. Mr. Richman received a B.S. in Biomedical Science from the Sophie Davis School of Biomedical Education and an M.B.A. from the American Graduate School of International Management. Mr. Richman was chosen to serve on the Board because of his experience in the development and commercialization of plasma-derived products and experience as an executive officer.

**Vote Required**

Assuming the presence of a quorum at the Annual Meeting, the election of a Class II director requires the affirmative vote of a plurality of the shares present in person, by remote communication, or represented by proxy and entitled to vote. Thus, the three nominees with the greatest number of votes will be elected.

**Board Recommendation**

**After careful consideration, the Board determined that election of each of the nominees for director named above is advisable and in the best interests of ADMA and its stockholders. On the basis of the foregoing, the Board has approved and declared advisable the election of each of the nominees for director named above and recommends that you vote "FOR" the election of each of the nominees for director named above.**

**CLASS III DIRECTORS CONTINUING IN OFFICE UNTIL THE 2019 ANNUAL MEETING**

**Jerrold B. Grossman D.P.S., 70 – *Co-Founder and Vice Chairman***

Dr. Grossman has been a director of the Company since 2007 and has over 35 years of experience in the blood and plasma industry. He served as the Chief Executive Officer of ADMA, on a part-time basis, between 2007 and October 2011. He is the founder and Chief Executive Officer of Technomed, Inc. (formerly National Hospital Specialties), a wholesaler of specialty biological and pharmaceutical products, and has served as Chief Executive Officer of that company since 1980. Additionally, Dr. Grossman is the founder and President of GenesisBPS, a medical device firm specializing in blood collection and processing equipment, and has served as President of that company since 1990. Previously, he has held positions at the New York Blood Center, Immuno-U.S., Inc. and previously served as the Chairman of the Board of Bergen Community Blood Services. Currently, Dr. Grossman is a member of the New Jersey Blood Bank Task Force and a founder and director of the New Jersey Association of Blood Bank Professionals. He was a founder and former director of Pascack Bancorp, Inc. which was acquired by Lakeland Bancorp, Inc. in January 2016 and is currently a member of the Corporate Advisory Council of Lakeland Bancorp Inc. Dr. Grossman has also provided consulting services to various government agencies and international organizations. He received a B.A. in Economics and Finance from Fairleigh Dickinson University, an M.B.A. from Fairleigh Dickinson University, and his D.P.S. in Business Management from Pace University. Dr. Grossman is the father of Adam S. Grossman, our President and Chief Executive Officer and a co-founder. He was chosen to serve on the Board because of his role as our co-founder and past Chief Executive Officer, as well as his more than 35 years of experience serving a variety of companies and associations in the blood and plasma industry.

**Lawrence P. Guiheen, 67 - Director**

Mr. Guiheen has been a director of the Company since July 2012 and is currently the Chairman of the Company's Governance and Nominations Committee and a member of the Company's Audit Committee. Mr. Guiheen has over 25 years of experience in the blood and plasma industry. Since July 2013, Mr. Guiheen has been Chief Commercial Officer of Kedrion BioPharma, Inc., based in Barga, Italy and Fort Lee, New Jersey. Kedrion markets therapies globally for hemophilia, hemolytic disease of the newborn, immune and neurological disorders. Prior to July 2013, Mr. Guiheen was principal of Guiheen and Associates, a consulting group that specialized in biopharmaceutical, pharmaceutical and medical device commercialization. Before July 2011, Mr. Guiheen was with Baxter Healthcare Corporation for over 30 years. Most recently he held the positions of General Manager Global Hemophilia Franchise from December 2010 to July 2011, President of Global BioPharmaceuticals for Baxter Healthcare's BioScience Division from March 2010 to December 2010, and President of BioPharmaceuticals US from January 2004 to March 2010. Mr. Guiheen had been a member of the BioScience Senior Management Team for over 14 years and has extensive experience leading global and domestic commercial organizations in the plasma and recombinant therapies. Mr. Guiheen is past Chairman of the Global Board of Directors for the Plasma Proteins Therapeutics Association (PPTA) and a past member of the Board of Directors of California Healthcare Institute (CHI). Mr. Guiheen holds a B.A. degree in business administration from Rutgers University. Mr. Guiheen was chosen to serve on the Board because of his extensive experience in the plasma and pharmaceutical industries.

**CLASS I DIRECTORS CONTINUING IN OFFICE UNTIL THE 2020 ANNUAL MEETING**

**Dov A. Goldstein, M.D., 50 - Director**

Dr. Goldstein has been a director of the Company since 2007 and is currently the Chairman of the Company's Compensation Committee. Dr. Goldstein is currently a private investor. Dr. Goldstein was the Chief Financial Officer at Schrödinger, LLC from 2017 to 2018. Dr. Goldstein served as a partner at Aisling Capital from 2008 to 2017 and was employed as a principal at Aisling Capital from 2006 to 2008. Dr. Goldstein served as the Chief Financial Officer of Loxo Oncology, Inc. (LOXO) between July 2014 and January 2015, and was its acting Chief Financial Officer from January 2015 to May 2015. From 2000 to 2005, Dr. Goldstein served as Chief Financial Officer of Vicuron Pharmaceuticals, Inc., which was acquired by Pfizer, Inc. in September 2005. Prior to joining Vicuron, Dr. Goldstein was Director of Venture Analysis at HealthCare Ventures. Dr. Goldstein also completed an internship in the Department of Medicine at Columbia-Presbyterian Hospital. Dr. Goldstein serves as a director of Esperion Therapeutics, Inc. Dr. Goldstein received a B.S. from Stanford University, an M.B.A. from Columbia Business School and an M.D. from Yale School of Medicine. ADMA believes that Dr. Goldstein's medical training and his experience in the biopharmaceutical industry as a venture capital investor, as an executive of Vicuron and a member of the boards of directors of other biopharmaceutical companies, as well as his valuable perspective on ADMA's business, give him the qualifications and skills to serve as a director.



**Bryant E. Fong, 45 - Director**

Mr. Fong has been a director of the Company since May 2012 and is currently a member of the Company's Audit Committee, Compensation Committee and Governance and Nominations Committee. Mr. Fong has over 22 years of experience in the life sciences industry. Mr. Fong is a founding Managing Director and General Partner at Biomark Capital Fund ("Biomark Capital"), a life sciences private equity firm formed in 2013. Prior to Biomark Capital, Mr. Fong was a Managing Director and General Partner of Burrill & Company, where he spent almost 16 years investing in and managing investments in private and public companies in the biotechnology industry. Some of Mr. Fong's most notable investments include Pharmasset (VRUS), Novadaq Technologies (NVDQ), Galapagos (GLPG), Ceptaris Therapeutics, Ferrokin Biosciences, WaveTec Vision and JHL Biotech. Prior to joining Burrill & Company, Mr. Fong held positions as a research scientist with two early stage biotechnology companies located in the San Francisco Bay Area. Mr. Fong currently serves on the boards of directors of a number of private and public life science companies. Mr. Fong earned his B.S. with honors in Molecular and Cell Biology-Biochemistry from the University of California, Berkeley. He was nominated by Biomark Capital to serve on the Board because of his extensive experience in the biotechnology industry.

## **THE AUDITOR RATIFICATION PROPOSAL**

Our Audit Committee has appointed CohnReznick LLP as the Company's independent registered public accounting firm for the year ending December 31, 2018. In connection with this appointment, CohnReznick LLP will examine and report to stockholders on the consolidated financial statements of the Company and its subsidiaries for 2018.

Although stockholder ratification of the appointment of our independent registered public accounting firm is not required by our Bylaws or otherwise, the Board has put this proposal before the stockholders because it believes that seeking stockholders' ratification of the Audit Committee's appointment of our independent registered public accounting firm is good corporate practice. This vote is only advisory, however, because the Audit Committee has the sole authority to retain and dismiss our independent registered public accounting firm. If the appointment of CohnReznick LLP is not ratified, the Audit Committee will evaluate the basis for the stockholders' vote when determining whether to continue the firm's engagement. Even if the appointment is ratified, the Audit Committee in its sole discretion may direct the appointment of a different independent registered public accounting firm at any time if it determines that such a change would be in the best interests of the Company and its stockholders.

Representatives of CohnReznick LLP are expected to be present at the Annual Meeting and are expected to be available to respond to appropriate questions from stockholders. They also will have the opportunity to make a statement if they desire to do so.

### **Vote Required**

The Auditor Ratification Proposal requires the affirmative vote of the holders of a majority of the shares of common stock present in person, by remote communication, or represented by proxy at the Annual Meeting and entitled to vote thereon, in order for each such proposal to be approved. This means that the number of votes cast "FOR" must exceed the combined number of votes "AGAINST" and abstentions (which will each have the same effect as an "AGAINST" vote).

### **Board Recommendation**

**After careful consideration, the Board determined that ratification of the Audit Committee's appointment of CohnReznick LLP as our independent registered public accounting firm for 2018 is advisable and in the best interests of ADMA and its stockholders. On the basis of the foregoing, the Board has approved and declared**

**advisable the ratification of the Audit Committee’s appointment of CohnReznick LLP as our independent registered public accounting firm for 2018 and recommends that you vote “FOR” the ratification of the Audit Committee’s appointment of CohnReznick LLP as our independent registered public accounting firm for 2018.**

**Principal Accounting Fees and Services**

The following table summarizes the aggregate fees billed for professional services rendered to us by CohnReznick LLP, our registered independent public accounting firm, during the fiscal years ended December 31, 2016 and 2017. A description of these fees and services follows the table.

	2016	2017
Audit Fees <sup>(1)</sup>	\$198,149	\$595,686
Audit-Related Fees <sup>(2)</sup>	—	—
Tax Fees <sup>(3)</sup>	60,096	17,980
All Other Fees <sup>(4)</sup>	538,118	254,272
<b>TOTAL</b>	<b>\$796,363</b>	<b>\$867,938</b>

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(1) Fees for audit services in 2016 and 2017 consisted of fees billed for professional services rendered for the audit of the Company's consolidated annual financial statements included in our Annual Report on Form 10-K, the review of the interim consolidated financial statements included in our Quarterly Reports on Form 10-Q, the professional services rendered relating to the Company in connection with public offerings of securities, related comfort letters and services that are normally provided by our independent registered public accountants in connection with statutory and regulatory filings or engagements.

(2) Audit-related fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under "Audit Fees."

(3) Tax fees consist of fees billed for services including, but not limited to, assistance with tax compliance and the preparation of tax returns, tax consultation services, assistance in connection with tax audits and tax advice related to mergers, acquisitions and dispositions.

(4) This category includes fees related to (i) due diligence services performed in 2016 and 2017 in connection with the Company's acquisition of certain therapy business related assets of BPC on June 6, 2017 (the "**BPC Transaction**") and (ii) the audit of BPC's therapy business unit in 2016 in connection with the BPC Transaction.

The Audit Committee has considered whether the provision of these services by CohnReznick LLP is compatible with maintaining the independence of CohnReznick LLP. Further, all of the services provided by CohnReznick LLP in 2016 and 2017 were approved in advance in accordance with the Audit Committee's pre-approval policies and procedures described below. The Audit Committee did not rely on the waiver of pre-approval procedures permitted with respect to *de minimis* non-audit services under the applicable rules of the SEC for its approval of any of the services provided by CohnReznick LLP in 2016 and 2017.

#### **Pre-Approval of Audit and Permissible Non-Audit Services**

Our Audit Committee requires pre-approval of all audit and non-audit services in one of two methods. Under the first method, the engagement to render the services would be entered into pursuant to pre-approval policies and procedures established by the Audit Committee, provided (i) the policies and procedures are detailed as to the services to be

performed, (ii) the Audit Committee is informed of each service, and (iii) such policies and procedures do not include delegation of the Audit Committee's responsibilities under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), to the Company's management. Under the second method, the engagement to render the services would be presented to and pre-approved by the Audit Committee (subject to the *de minimis* exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act that are approved by the Audit Committee prior to the completion of the audit). The Chairman of the Audit Committee has the authority to grant pre-approvals of audit and permissible non-audit services by the independent registered public accounting firm, provided that all pre-approvals by the Chairman must be presented to the full Audit Committee at its next scheduled meeting. The Audit Committee considers, among other things, whether the provision of such audit or non-audit services is consistent with applicable regulations regarding maintaining auditor independence, whether the provision of such services would impair the independent registered public accounting firm's independence and whether the independent registered public accounting firm are best positioned to provide the most effective and efficient service.

### **Report of the Audit Committee**

The following Report of the Audit Committee shall not be deemed incorporated by reference into any of our filings under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent we specifically incorporate it by reference therein.

The Audit Committee reviews our financial reporting process on behalf of our Board. Management has the primary responsibility for the financial statements, the reporting process and maintaining our system of internal control over financial reporting. Our independent registered public accounting firm was engaged to audit and express opinions on the conformity of our financial statements to generally accepted accounting principles in the United States.

The Audit Committee of the Board has:

Reviewed and discussed the Company's audited financial statements for the year ended December 31, 2017 with management;

Discussed with CohnReznick LLP the matters required to be discussed by the statement on Auditing Standards No. 61, as amended, as adopted by the Public Company Accounting Oversight Board (PCAOB) in Rule 3200T; and

Received written disclosures and a letter from CohnReznick LLP regarding its independence as required by applicable requirements of the PCAOB regarding CohnReznick LLP's communications with the Audit Committee, and the Audit Committee further discussed with CohnReznick LLP their independence. The Audit Committee also considered the status of pending litigation, taxation matters and other areas of oversight relating to the financial reporting and audit process that the committee determined appropriate.

Based on the Audit Committee's review of the audited financial statements and discussions with management and CohnReznick LLP, the Audit Committee recommended to the Board that the audited financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 for filing with the SEC.

**Submitted by the members of the Audit Committee:**

Eric I. Richman, Chairman

Bryant E. Fong

Lawrence P. Guiheen

## ADMA CORPORATE GOVERNANCE

### Director Independence

Our Board has determined that each of Bryant E. Fong, Dov A. Goldstein, M.D., Lawrence P. Guiheen and Eric I. Richman are independent as that term is defined under the applicable independence listing standards of NASDAQ.

### Nominating Rights

Our Board includes members who are designated nominees of certain of our stockholders. Mr. Fong is currently the designated nominee of Biomark Capital, Steven A. Elms is currently the designated nominee of Aisling Capital, and Dr. Jerrold B. Grossman is currently the designated nominee of Hariden, LLC (“Hariden”), an entity controlled by Adam S. Grossman. In February 2012, we completed a private placement (the “2012 Financing”). As lead investors in the 2012 Financing, each of Biomark Capital, Aisling Capital and Hariden are entitled to designate one nominee to our Board for as long as each such entity owns 50% of the shares of common stock that it owned immediately following the closing of the 2012 Financing.

On June 6, 2017, upon closing of the BPC Transaction, the Company and BPC entered into a Stockholders Agreement (the “Stockholders Agreement”) Pursuant to the Stockholders Agreement, BPC has the right to nominate one Board member and designate one Board observer in its reasonable discretion, each of whom will be accepted by the Board absent a good faith objection for a reasonable and compelling reason. BPC will retain such rights until such time as BPC (and its affiliates) no longer holds 10% of our issued and outstanding capital stock, at which time BPC will cause its director designee to resign. For so long as BPC holds such rights, if (a) the Board is expanded to nine directors or more or (b) BPC participates in one or more equity financings in which it contributes to ADMA aggregate gross proceeds of at least \$15,000,000, then BPC may nominate a second director to the Board in its reasonable discretion, who will be accepted by the Board absent a good faith objection for a reasonable and compelling reason. We may either procure the resignation of an existing director or increase the size of the board to accommodate BPC’s designee(s). On June 6, 2017, pursuant to the Stockholders Agreement, Dr. Bernhard Ehmer was appointed as a director and Michael Ramroth was appointed as a Board observer. On February 15, 2018, we received letters from Dr. Ehmer and Mr. Ramroth that they have resigned as a member and observer, respectively, of the Board, effective immediately. These resignation were precipitated by certain commitments made by Biotest AG and BPC with the Committee on Foreign Investment in the United States in connection with a transaction unrelated to us. There was no disagreement between Dr. Ehmer and us on any matter relating to our operations, policies or practices.

### Board Leadership Structure and Role in Risk Oversight

Our Board evaluates its leadership structure and role in risk oversight on an ongoing basis.

Our Board is composed of seven directors, of whom four are independent in accordance with the applicable NASDAQ independence listing standards. Presently, the Board has the following standing committees: Audit Committee, Compensation Committee, and Governance and Nominations Committee. Each of the standing committees is comprised solely of independent directors. In accordance with NASDAQ rules, our Audit Committee is responsible for overseeing risk management and updates the full Board periodically.

To assure effective and independent oversight of management, our Board currently operates with the roles of President and Chief Executive Officer and Chairman of the Board separated in recognition of the differences between these two roles in the management of the Company. Although our Board does not have a policy as to whether the same individual may serve as both Chairman and President and Chief Executive Officer, or if the roles must be separate, our Board believes that its current leadership structure provides the most effective leadership model for our Company, as it promotes balance between the Board's independent authority to oversee our business and the President and Chief Executive Officer and his management team which manages the business on a day-to-day basis. The President and Chief Executive Officer has overall responsibility for all aspects of our operation, while the Chairman has a greater focus on governance of the Company, including oversight of the Board. We believe this balance of shared leadership between the two positions is a strength for the Company. As our Chairman, Mr. Elms calls and chairs regular and special meetings of the Board, chairs and presides at annual or special meetings of stockholders, provides meaningful input into the agenda of Board meetings, authorizes the retention of outside advisors, consultants and legal counsel who report directly to the Board and consults frequently with committee chairs. Additionally, by permitting more effective monitoring and objective evaluation of the Chief Executive Officer's performance, this structure increases the accountability of the Chief Executive Officer. A separation of the Chief Executive Officer and Chairman roles also prevents the former from controlling the Board's agenda and information flow, thereby reducing the likelihood that the Chief Executive Officer would abuse his power.



The Board, acting primarily through the Audit Committee, is also responsible for oversight of our risk management practices, while management is responsible for the day-to-day risk management processes. This division of responsibilities is the most effective approach for addressing the risks facing the Company, and the Company's board leadership structure supports this approach. Through our President and Chief Executive Officer, and other members of management, the Board receives periodic reports regarding the risks facing the Company. In addition, the Audit Committee assists the Board in its oversight role by receiving periodic reports regarding our risk and control environment.

The Compensation Committee also reviews the Company's compensation practices to confirm that they do not create risks likely to have a material adverse effect on the Company. This review includes comparing the compensation practices of the Company with peer companies in the life sciences sector as well as insuring that the compensation packages of key executives are tied to the long-term success of the Company and therefore correlated to increases in stockholder value.

### **Meetings of the Board and its Committees**

The Board held a total of 13 meetings during the fiscal year ended December 31, 2017. During the fiscal year ended December 31, 2017, no incumbent director attended fewer than 75% of the aggregate of all meetings of the Board held during the period in which he served as a director and the total number of meetings held by the committee on which he served during the period. Members of our Board are invited and encouraged to attend each annual meeting of stockholders, and each director attended the prior annual meeting of stockholders held on May 25, 2017.

### **Board Committees**

Our Board currently has three standing committees: an Audit Committee, a Compensation Committee and a Governance and Nominations Committee. These committees, their principal functions and their respective memberships are described below.

#### ***Audit Committee***

The members of our Audit Committee are Eric I. Richman (Chairman), Bryant E. Fong and Lawrence P. Guiheen. The composition and responsibilities of the Audit Committee, as reflected in its charter, are intended to be in accordance with applicable rules of the SEC for corporate audit committees and listing requirements of

NASDAQ. Our Board has determined that each Audit Committee member meets the definition of an independent director as defined by the applicable NASDAQ listing standards and the additional independence criteria for members of audit committees specified in the NASDAQ listing standards and Rule 10A-3 under the Exchange Act. Our Board has determined that Mr. Richman, the chairman of the Audit Committee, qualifies as an “audit committee financial expert,” as such term is defined by SEC rules.

The Audit Committee was established in accordance with section 3(a)(58)(A) of the Exchange Act. The primary functions of the Audit Committee are to: (i) review the financial reports and other financial information prepared by the Company for submission to any governmental or regulatory body or the public and monitor the integrity of such financial reports; (ii) review the Company’s systems of internal controls established for finance, accounting, legal compliance and ethics; (iii) review the Company’s accounting and financial reporting processes generally and the audits of the financial statements of the Company; (iv) monitor compliance with legal regulatory requirements; (v) monitor the independence and performance of the Company’s registered independent public accounting firm; and (vi) provide effective communication between the Board, senior and financial management and the Company’s registered independent public accounting firm. The Audit Committee meets regularly with o