

BIOVERIS CORP  
Form DEF 14A  
July 28, 2006  
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

Filed by the Registrant  X

Filed by a Party other than the Registrant  o

Check the appropriate box:

- o Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- X Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

**BioVeris 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):

- X No fee required.
- o 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):

\_\_\_\_\_

4) Proposed maximum aggregate value of transaction:

\_\_\_\_\_

Edgar Filing: BIOVERIS CORP - Form DEF 14A

5) Total fee paid:

---

- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

---

2) Form, Schedule or Registration Statement No.:

---

3) Filing Party:

---

4) Date Filed:

---

**BioVeris Corporation**

**16020 Industrial Drive**

**Gaithersburg, Maryland 20877**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON SEPTEMBER 12, 2006**

To The Stockholders of BioVeris Corporation:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders (the Annual Meeting ) of BioVeris Corporation ( BioVeris or the Company ) will be held on September 12, 2006 at 10:00 a.m. local time at The Four Seasons Hotel, 2800 Pennsylvania Avenue, N.W., Washington, D.C. 20007, for the following purposes:

1. To elect two Class III directors for a three-year term (Proposal 1);
2. To ratify the appointment by the Board of Directors of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the fiscal year ending March 31, 2007 (Proposal 2); and
3. To consider such other business as may properly come before the meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Pursuant to the Company s by-laws, the Board of Directors has fixed the close of business on July 28, 2006 as the record date for the Annual Meeting. Only holders of record of the Company s common stock at the close of business on that date will be entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement thereof. A complete list of stockholders entitled to vote at the Annual Meeting will be open for examination by any stockholder for any purpose germane to the meeting.

By Order of the Board of Directors

George V. Migausky

*Secretary*

Gaithersburg, Maryland

August 3, 2006

**ALL STOCKHOLDERS ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING IN PERSON. IF YOU ATTEND THE MEETING IN PERSON, YOU MAY NEED TO PRESENT PROOF OF IDENTIFICATION FOR ADMISSION TO THE MEETING. IF YOUR SHARES ARE HELD IN THE NAME OF A BROKER, BANK OR OTHER NOMINEE, YOU MAY BE ASKED TO PRESENT PROOF OF IDENTIFICATION AND A STATEMENT FROM YOUR BROKER, BANK OR OTHER NOMINEE, REFLECTING YOUR BENEFICIAL OWNERSHIP OF BIOVERIS CORPORATION COMMON STOCK AS OF JULY 28, 2006, AS WELL AS A PROXY FROM THE RECORD-HOLDER TO YOU. PLEASE BE PREPARED TO PROVIDE THIS DOCUMENTATION IF REQUESTED. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE TO ENSURE YOUR REPRESENTATION AT THE ANNUAL MEETING. A RETURN ENVELOPE (WHICH IS POSTAGE PREPAID IF MAILED IN THE UNITED STATES) IS ENCLOSED FOR THAT PURPOSE. EVEN IF YOU HAVE GIVEN YOUR PROXY, YOU MAY STILL VOTE IN PERSON IF YOU ATTEND THE ANNUAL MEETING. PLEASE NOTE, HOWEVER, THAT IF YOUR SHARES ARE HELD OF RECORD BY A BROKER, BANK OR OTHER NOMINEE AND YOU WISH TO VOTE AT THE ANNUAL MEETING, YOU MUST OBTAIN FROM THE RECORD HOLDER A PROXY ISSUED IN YOUR NAME.**

---

**BioVeris Corporation**

**16020 Industrial Drive**

**Gaithersburg, Maryland 20877**

**PROXY STATEMENT**

**ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON SEPTEMBER 12, 2006**

This Proxy Statement is being furnished to the stockholders of BioVeris Corporation, a Delaware Corporation (the Company), as part of the solicitation of the enclosed proxy by its board of directors (the "Board of Directors" or "Board") from holders of the outstanding shares of the Company's common stock, par value \$0.001 per share ("Common Stock"), for use at the Annual Meeting of Stockholders currently scheduled to be held on September 12, 2006, at 10:00 a.m. local time, at The Four Seasons Hotel, 2800 Pennsylvania Avenue, N.W., Washington, D.C. 20007 (the "Annual Meeting") or at any adjournment or postponement thereof for the purposes set forth herein and in the accompanying Notice of Annual Meeting. The Annual Meeting will be held for the purposes set forth herein and in the accompanying Notice of Annual Meeting. The Company expects to first mail this Proxy Statement, the accompanying Proxy Card and the Company's Annual Report for the fiscal year ended March 31, 2006 to all stockholders entitled to vote at the Annual Meeting on or about August 3, 2006. In the event there are not sufficient votes for a quorum or to approve any proposal at the Annual Meeting, the Annual Meeting may be adjourned in order to permit the further solicitation of proxies.

**GENERAL INFORMATION**

**Voting**

Each outstanding share of Common Stock entitles the holder to one vote on all matters as to which a vote is taken at the Annual Meeting. The Board of Directors has fixed the close of business on July 28, 2006 as the record date (the "Record Date") for determination of stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. The presence, in person or by proxy, of holders of a majority of the shares of Common Stock outstanding on the Record Date is necessary to constitute a quorum at the Annual Meeting. Abstentions and broker non-votes will be treated as shares that are present and entitled to vote for purposes of determining a quorum but are not counted for any purpose in determining whether a matter is approved. Under the rules of the National Association of Securities Dealers, brokers holding stock for the accounts of their clients who have not been given specific voting instructions as to the proposals set forth on the notice to stockholders by their clients may vote their clients' proxies at their own discretion. As of July 28, 2006, the number of shares of Common Stock outstanding was 27,238,969.

**Votes Required to Approve Each Item**

## Edgar Filing: BIOVERIS CORP - Form DEF 14A

The following votes are required to approve each item of business at the meeting. As of the date of this Proxy Statement, the Board of Directors does not know of any other matters to present for action by the stockholders at the Annual Meeting. If, however, any other matters not now known are properly brought before the Annual Meeting, it is the intention of the persons named in the accompanying proxy to vote on such matters in accordance with their best judgment.

1

---

Election of Directors (Proposal 1): The two candidates receiving the highest number of affirmative votes cast at the meeting in person or by proxy will be elected directors of the Company. Proxies may not be voted for a greater number of persons than the number of nominees named.

Other Items: A majority of the votes cast at the meeting in person or by proxy is required to ratify the appointment of PricewaterhouseCoopers LLP, as the Company's independent registered public accounting firm for fiscal year ending March 31, 2007 (Proposal 2) and to approve any other items of business that may properly come before the meeting.

At the Annual Meeting, stockholder votes will be tabulated by one or more persons appointed to act as inspectors of election. The inspectors of election will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

All proxies in the enclosed form of proxy that are properly executed and returned to the Company prior to commencement of voting at the Annual Meeting will be voted at the Annual Meeting or any adjournments or postponements thereof in accordance with the instructions thereon. *Executed but unmarked proxies will be voted **FOR** all proposals set forth in this Proxy Statement.*

#### **Solicitation**

This solicitation of proxies is made on behalf of the Company and its Board of Directors. The Company will bear the entire cost of solicitation of proxies including preparation, assembly, printing and mailing of this Proxy Statement, the proxy and any additional information furnished to stockholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares of Common Stock beneficially owned by others to forward to such beneficial owners. The Company may, but is not required to, reimburse persons representing beneficial owners of Common Stock for their costs of forwarding solicitation materials to such beneficial owners. Original solicitation of proxies by mail may be supplemented by telephone, electronic communications or personal solicitation by directors, officers or other regular employees of the Company. No additional compensation will be paid to directors, officers or other regular employees for such services. The Company may engage a professional proxy solicitation firm to assist it with the solicitation of proxies prior to the Annual Meeting. If the Company does engage such a firm, it does not expect to pay more than \$15,000 plus expenses for its services.

#### **Revocability of Proxies**

Any person giving a proxy pursuant to this solicitation has the power to revoke such proxy at any time before it is exercised. A proxy may be revoked by filing with the Secretary of the Company at the Company's principal executive office, 16020 Industrial Drive, Gaithersburg, Maryland 20877, a written notice of revocation or a duly executed proxy bearing a later date, or it may be revoked by attending the Annual Meeting and voting in person. Attendance at the Annual Meeting will not, by itself, revoke a proxy.





**ELECTION OF DIRECTORS****(Proposal 1)**

The Board of Directors currently consists of six directors divided into three classes designated as Class I, Class II and Class III. The term of office of the Class III directors will expire at the Annual Meeting and Class III directors will be elected for a three-year term. The terms of office of the Class I directors and Class II directors will expire at the annual meetings of stockholders in 2007 and 2008, respectively, and their successors will be elected for a three-year term. The Governance and Nominating Committee of the Board of Directors has recommended the nominees listed below, each of whom is currently a Class III director of the Company.

It is the intention of the persons named in the proxy to vote the shares represented by each properly executed proxy for the election as director of the persons named below as nominees, if authority to do so is not withheld. The Company believes that each nominee will stand for election and will serve if elected as director. If a person nominated by the Board of Directors fails to stand for election or will be unable to accept election, the proxies will be voted for the election of such other person as the Company's Board of Directors may propose. **The Board of Directors recommends a vote in favor of the named nominees.**

**Information as to the Nominees and Continuing Directors**

The following table sets forth, as of July 28, 2006, the names and certain other information regarding the nominees for election as director and those directors who will continue to serve after the Annual Meeting.

Set forth below is certain biographical information regarding the directors of the Company.

<b>Nominees for a Three-year Term</b>	<b>Class</b>	<b>Age</b>	<b>Director Since</b>	<b>Expiration of Term</b>	<b>Positions Held With the Company</b>
William J. Crowley, Jr.	III	60	2004	2009	Director
Samuel J. Wohlstadter	III	64	2003	2009	Chairman, Chief Executive Officer and Director
<b><u>Continuing Directors</u></b>					
Richard J. Massey, Ph.D.	I	59	2003	2007	Director
John Quinn	I	59	2004	2007	Director
Anthony Rees	II	62	2003	2008	Director
Joop Stermans	II	63	2003	2008	Director

Each of Messrs. Crowley, Quinn, Rees and Stermans has been determined by the Board of Directors to be an independent director as defined in Rule 4200(a)(15) of the National Association of Securities Dealers' ( NASD ) listing standards.

**Nominees for a Three-Year Term**

*Class III (term expires 2009)*

3

---

*William J. Crowley, Jr.* has served as a director since May 2004. He is a certified public accountant and is an independent business advisor to companies. Prior to his retirement in 2002, Mr. Crowley had a 32 year career with Arthur Andersen LLP, most recently serving for seven years as Managing Partner of the Baltimore, Maryland office. Mr. Crowley is also a director and a member of the audit committee of Provident Bancshares Corporation, a position he has held since June 2003, and is a director and chairman of the audit committee of Foundation Coal Holdings, Inc., a position he has held since December 2004.

*Samuel J. Wohlstadter* is the Company's Chairman of the Board and Chief Executive Officer. He was one of the founders of IGEN International, Inc. ( IGEN ) and, from IGEN's formation in 1982 until its merger with Roche Holdings, Ltd. ( Roche ), he was IGEN's Chairman of the Board and Chief Executive Officer. Mr. Wohlstadter has been a venture capitalist for more than 25 years and has experience in founding, supporting and managing high technology companies, including Amgen Inc., a biotechnology company, and Applied Biosystems, Inc., a medical and biological research products company. Mr. Wohlstadter is also Chief Executive Officer of Hyperion Catalysis International, an advanced materials company, which he founded in 1981; of Wellstat Therapeutics Corporation, a drug discovery company, which he founded in 1985; of Proteinix Corporation, a development stage company organized to conduct research in intracellular metabolic processes, which he founded in 1988; of Wellstat Biologics Corporation, a drug discovery company, which commenced operations in 1994; and of Advanced Vision Therapies, Inc., a biotech company focused on the application of gene transfer technology to the treatment and cure of major sight threatening eye diseases, which commenced operations in 2003.

#### **Continuing Directors**

##### *Class I (term expires 2007)*

*Richard J. Massey, Ph.D.*, the Company's former President and Chief Operating Officer, retired from his position as an officer of the Company effective August 1, 2005. He was one of the founders of IGEN and, from February 1992 until IGEN's merger with Roche, he was IGEN's President and Chief Operating Officer. He served as Senior Vice President of IGEN from 1985 to 1992. From 1981 until he joined IGEN in 1983, Dr. Massey was a faculty member in the Microbiology and Immunology Department at Rush Medical Center in Chicago. Prior to that, he was Senior Research Scientist at the Frederick Cancer Research Center/National Cancer Institute.

*John Quinn* has served as a director since May 2004. He is President and Chief Executive Officer of Excel Polymers, LLC, an international polymer services company headquartered in Ohio. Previously, Mr. Quinn was Group Vice President of the Elastomers and Performance Additives business of PolyOne Corporation from 2000 until August 2004, at which time that division of PolyOne Corporation was sold to private equity investors. Mr. Quinn was President of M.A. Hanna Rubber Compounding Group from 1998 until its merger with the Geon Company in 2000, which resulted in the formation of PolyOne Corporation. Mr. Quinn was with the General Electric Company, Plastics Group, from 1993 to 1998, most recently as General Manager of the Noryl Resins Business.

##### *Class II (term expires 2008)*

*Anthony Rees, D. Phil.* has served as a director since September 2003. Prior to the completion of the merger between IGEN and Roche, he served as a director of IGEN since 2000. He serves as Chief Executive Officer of MIP Technologies in Lund, Sweden, a private biotechnology company founded in 2000. Previously, Professor Rees was Director of Science at Syntem, a biopharmaceutical company, a position he held from January 2000 until August 2003. From 1997 to the end of 1999, he served as a non-executive director of Syntem. Professor Rees has held faculty

positions at the University of Oxford from 1980 to 1990 and the

4

---

University of Bath where, from 1990 to 1993, he was Head of the Biochemistry Department and from 1993 to 1997 he was Head of the School of Biology and Biochemistry. He now holds an Emeritus Professorship. In 1989, he co-founded and in 1994, he took public Oxford Molecular PLC, a British software company. Professor Rees received his doctoral degree from Oxford University.

*Joop Sijstermans* has served as a director since September 2003. Prior to the completion of the merger between IGEN and Roche, he served as a director of IGEN since 1999. He is also Chairman, Advisory Council for Science and Technology Policy to the Dutch Government and Parliament, a position he has held since January 1, 2003. In addition, Mr. Sijstermans has been Chairman, Supervisory Board of ZuidZorg (Netherlands), a public organization for homecare formed as a result of the merger between Homecare Eindhoven and Homecare Kempenstreek, a position he has held since 2004. From 2000 until 2004 Mr. Sijstermans was the chairman of Homecare Kempenstreek. He also is a Supervisory Board member of the University of Twente, the Netherlands, a position he has held since 1997, and of the Maastricht School of Management, the Netherlands, a position he has held since 2001. Mr. Sijstermans has served on the Boards of Directors of United Biomedical Inc., Hauppauge, NY, since 1999; of the Bio Primate Research Centre, Rijswijk, the Netherlands from 1997 to 2004; and of Keygene N.V. in Wageningen, the Netherlands, since 2002. He was Vice Chairman of the Framework Programme Expert Advisory Group of the European Commission for Innovative Products, Processes and Organisations in Brussels, Belgium, from 1998 until 2003. From 1999 to 2000, Mr. Sijstermans served as Executive Vice President of Origin International B.V., a member company of the Philips Electronics Group of Companies based in the Netherlands. Mr. Sijstermans was employed by Akzo Nobel from 1974 to 1999, and was a member of the Executive Council and Executive Vice President responsible for Strategy and Technology from 1994 until 1999. Mr. Sijstermans is also a member of the Innovation Platform under the Chairmanship of the Prime Minister of the Netherlands.

**CORPORATE GOVERNANCE AND OTHER MATTERS**

During the fiscal year ended March 31, 2006, the Board of Directors held 6 meetings. Each incumbent director attended at least 75% of the aggregate of (1) the total number of meetings of the Board of Directors held and (2) the total number of meetings held by all committees of the Board of Directors on which he served.

The following table sets forth information on the membership, functions and number of meetings of each committee of the Board of Directors.

Name of Committee and Members	Functions of the Committee	Number of Meetings in fiscal 2006
<b>AUDIT</b>	Monitors the Company's auditing, accounting, financial reporting and internal control functions and recommends to the Board the appointment of the independent registered public accounting firm;	13
William J. Crowley, Jr.	Reviews and is responsible for the independence and performance of, and pre-approves the scope and fees of all services of the independent registered public accounting firm;	
Anthony Rees	Meets with the Company's independent registered public accounting firm to review and discuss the Company's financial statements, the quarterly reporting process and results of the annual audit;	
Joop Sistermans	Meets with management to review the Company's major financial risk exposures and monitor steps taken to control such exposures; Reviews the adequacy of the Company's system of internal controls; and Reviews and approves all related-party transactions and provides oversight for the Board with respect to related-party transactions.	
<b>EXECUTIVE COMPENSATION</b>	Establishes the Company's compensation programs for executive officers;	3
John Quinn	Reviews and approves executive salaries and incentive compensation; and	
Joop Sistermans	Awards stock based compensation to executive officers under the Company's stock option plans.	



**GOVERNANCE and  
NOMINATING**

William J. Crowley, Jr.

Establishes criteria for selecting new members of the Company's Board of Directors;

John Quinn

Leads the search for individuals qualified to become members of the Board of Directors and recommends individuals to the Board for selection as director nominees;

Anthony Rees

Reviews the Board of Directors' committee structure and recommends to the Board, for its approval, directors to serve as members of each Board committee; and

Develops and recommends to the Board, and annually reviews, corporate governance guidelines.

**NON-OFFICER STOCK  
OPTION**

Samuel J. Wohlstadter

Reviews and approves the grant of stock options to persons who are not, at the time of the grant of the option, executive officers of the Company subject to Section 16 of the Securities and Exchange Act of 1934, as amended (the Exchange Act).

Richard J. Massey

The Audit Committee was established in accordance with the rules, regulations and listing standards of the U.S. Securities and Exchange Commission (the SEC) and the National Association of Securities Dealers (NASD). Each member of the Audit Committee is an independent director as defined in Rule 4200(a)(15) of the NASD listing standards. The Board of Directors has determined that each of William J. Crowley, Jr. and Joop Siermans qualifies as an audit committee financial expert as defined in Item 401 of Regulation S-K under the Securities Act of 1933, as amended (the Securities Act). The Board of Directors has adopted a written charter for the Audit Committee, an amended copy of which is filed herewith and which is available on the Company's website at [www.bioveris.com](http://www.bioveris.com).

Each member of the Executive Compensation Committee is a "non-employee director" and an "outside director" as defined in the rules promulgated by the SEC and Section 162(m) of the Internal Revenue Code (the "Code"), as well as an independent director as defined in Rule 4200(a)(15) of the NASD listing standards. The BioVeris Board of Directors has established a written charter for the Executive Compensation Committee which is available on the Company's website at [www.bioveris.com](http://www.bioveris.com).

On May 28, 2004, BioVeris established a Governance and Nominating Committee, each member being an independent director as defined in Rule 4200(a)(15) of the NASD's marketplace rules and Section 10A of the Securities Exchange Act. The BioVeris Board of Directors has established a written charter for the Governance and Nominating Committee that is available on the Company's website at [www.bioveris.com](http://www.bioveris.com).

BioVeris's by-laws permit stockholders eligible to vote for the election of directors at the Annual Meeting to make nominations for directors, but only if such nominations are made pursuant to timely notice in writing to its Secretary. BioVeris's by-laws also permit stockholders to propose other business brought before an annual meeting, provided that such proposals are made pursuant to timely notice to the Secretary. To be timely, notice must generally be delivered to BioVeris's principal executive offices no later than the close of business on the 120th calendar day prior to the first anniversary of the preceding year's annual meeting. See [Stockholder Proposals](#). Candidates recommended by the stockholders of the Company are evaluated on the same basis as other candidates (other than directors standing for re-election) recommended by the Company's directors, executive officers, third party search firms or other sources.





The minimum qualifications, skills, and attributes that the Governance and Nominating Committee looks for in nominees may include the following: (a) integrity, competence, and judgment essential to effective decision making, (b) ability and willingness to commit the necessary time and energy to prepare for, attend and participate in meetings of the Board and one or more of its standing committees, (c) freedom from other outside involvements that would materially interfere with the individual's responsibilities as a director of the Company, (d) background and experience that compliments or supplements the background and experience of other Board members, (e) freedom from interests that would present the appearance of being adverse to, or in conflict with, the interests of the Company, and (f) a proven record of accomplishment through demonstrated leadership in business, education, government service, finance, manufacturing or other relevant experiences that would tend to enhance the Board's effectiveness.

The evaluation process may include a comprehensive background and reference check, a series of personal interviews by, at a minimum, the Chairman of the Board and at least one member of the Governance and Nominating Committee, and a thorough review by the Governance and Nominating Committee of the nominee's qualifications and other relevant characteristics, taking into consideration the criteria set forth above. If the Committee determines that a candidate should be nominated for election to the Board, it will present its findings and recommendation to the full Board for approval.

The Company has adopted a Corporate Code of Conduct and Business Ethics that meets the requirements of a code of ethics as defined by Item 406 of Regulation S-K under the Securities Act and a code of conduct as defined by the qualitative listing requirements of The Nasdaq National Market. The Corporate Code of Conduct and Business Ethics applies to all of the Company's directors, officers and employees, including the Company's Chief Executive Officer, Chief Financial Officer and Controller, and persons performing similar functions. A current copy of the Company's Corporate Code of Conduct and Business Ethics is available on the Company's website at [www.bioveris.com](http://www.bioveris.com) and may be obtained by any person, without charge, upon request directed to: BioVeris Corporation, Attention: Secretary, 16020 Industrial Drive, Gaithersburg, Maryland 20877.

Stockholders and other parties interested in communicating directly with any of the individuals who are directors of the Company or the Board of Directors as a group may do so by writing to Investor Relations, BioVeris Corporation, 16020 Industrial Drive, Gaithersburg, Maryland 20877. The Chief Financial Officer will review all such communications and will relay all relevant communications to such individual or to the Board of Directors, as applicable.

#### **Attendance at the Annual Meeting**

The Company strongly encourages each of its directors to attend the Annual Meeting of Stockholders. Each of the Company's directors attended the 2005 Annual Meeting of Stockholders.

#### **Compensation of Directors**

The following information relates to the Company's compensation and reimbursement practices during fiscal 2006 for directors who were not officers or employees of the Company. In fiscal 2006, the aggregate compensation paid to non-employee directors (consisting of all directors other than Mr. Wohlstadter) was \$167,000. In addition, non-employee directors collectively received 9,366 shares of the Company's common stock and 20,000 stock options to purchase the Company's common stock. In fiscal 2006, each non-employee director:

received an annual retainer of \$36,000, paid quarterly in advance, and did not receive meeting attendance fees, effective with the 2005 Annual Meeting of Stockholders - prior to the 2005 Annual



## Edgar Filing: BIOVERIS CORP - Form DEF 14A

Meeting of Stockholders, each non-employee director received an annual retainer of \$10,000 and an attendance fee of \$1,000 for each meeting of the BioVeris Board of Directors that he attended;

that served on the audit committee received an annual retainer of \$12,000, paid quarterly in advance, and did not receive meeting attendance fees, effective with the 2005 Annual Meeting of Stockholders - prior to the 2005 Annual Meeting of Stockholders, each non-employee director that served on the audit committee received an annual retainer of \$10,000 plus an attendance fee of \$1,000 for each meeting of the audit committee he attended;

that served on the executive compensation committee did not receive a retainer or meeting attendance fees, effective with the 2005 Annual Meeting of Stockholders; prior to the 2005 Annual Meeting of Stockholders, each non-employee director that served on the executive compensation committee received an annual retainer of \$5,000 plus an attendance fee of \$1,000 for each meeting of the executive compensation committee he attended.

Effective with the 2005 Annual Meeting of Stockholders, directors had the option to receive compensation in cash or common stock of the Company.

The Company maintains a policy for reimbursing all expenses incurred by members of the Board of Directors in connection with attendance at Board meetings.

Under the Company's 2003 stock incentive plan, on the day following each annual meeting of stockholders, each non-employee director shall be entitled to receive a grant of options to purchase 4,000 shares of the Company's common stock and any person who is appointed or elected as a non-employee director at any other time shall be entitled to receive an option to purchase 4,000 shares of the Company's common stock on the date of such appointment or election. In fiscal 2006, pursuant to its 2003 stock incentive plan, the Company granted an option to purchase 4,000 shares of its common stock to each of William J. Crowley Jr., Richard Massey, John Quinn, Anthony Rees and Joop Sistermans. Each grant has an exercise price equal to fair market value on the date of grant and will vest in full on the first anniversary of the grant date.

### **IDENTIFICATION OF EXECUTIVE OFFICERS**

Set forth below is certain information regarding the position and business experience of George Migausky, who is an executive officer but not a director of the Company. The background description of Samuel J. Wohlstadter, Chairman and Chief Executive Officer, is set forth above under the heading Information as to the Nominees and Continuing Directors .

George V. Migausky has served as the Company's Vice President and Chief Financial Officer since September 2003. From 1985 until the completion of IGEN's merger with Roche, he was IGEN's Vice President and Chief Financial Officer. Between 1985 and 1992, in addition to serving as IGEN's Chief Financial Officer on a part-time basis, Mr. Migausky also served as financial advisor to several other privately held companies. Prior to joining IGEN in 1985, he spent nine years in financial management and public accounting positions, most recently as a Manager with the High Technology Group of Deloitte & Touche.



**RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**(Proposal 2)**

The Audit Committee of the Board of Directors is seeking ratification of its appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2007. PricewaterhouseCoopers LLP acted as the Company's independent registered public accounting firm for the fiscal year ended March 31, 2006. Representatives of PricewaterhouseCoopers LLP are expected to attend the Annual Meeting and they will be available to respond to appropriate questions from stockholders and, if they desire, to make a statement.

Stockholder ratification of the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm is not required by the Company's by-laws or otherwise. The Board is submitting the selection of PricewaterhouseCoopers LLP to the stockholders for ratification as a matter of good corporate practice. If a majority of the stockholders voting at the Annual Meeting do not approve the selection of PricewaterhouseCoopers LLP, the selection of independent registered public accounting firm may be reconsidered by the Audit Committee and the Board of Directors. Even if the selection is ratified, the Board, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Board determines that such a change would be in the best interests of the Company and its stockholders. **The Board of Directors recommends a vote in favor of the ratification of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2007.**

**REPORT OF THE AUDIT COMMITTEE**

The Audit Committee has prepared the following report on its activities with respect to the Company's audited financial statements for the year ended March 31, 2006.

The Company's management is responsible for the preparation, presentation and integrity of the Company's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting practices and policies as well as internal controls and procedures designed to provide reasonable assurance that the Company is in compliance with accounting standards and applicable laws and regulations.

The independent registered public accounting firm is responsible for planning and performing an independent audit of the Company's financial statements and internal control over financial reporting in accordance with the standards of the Public Accounting Oversight Board (United States). The independent registered public accounting firm is responsible for expressing an opinion on the conformity of those audited financial statements with accounting principles generally accepted in the United States.

In this context, the Audit Committee has reviewed and discussed the audited financial statements for the year ended March 31, 2006 with management and PricewaterhouseCoopers LLP, the Company's independent registered public accounting firm. The Audit Committee has also discussed with PricewaterhouseCoopers LLP the matters required to be discussed by Statement of Audit Standards No. 61 (Communications with Audit Committees), as amended. PricewaterhouseCoopers LLP has provided the Audit Committee with the written disclosures and the letter that is required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees) and the Audit Committee has discussed with the independent registered public accounting firm that firm's independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements referred to above be included in the Company's Annual Report on Form 10-K for the year ended March 31, 2006.

From the members of the Audit Committee of the Board of Directors of BioVeris Corporation:

William J. Crowley, Jr. (Chair) Anthony Rees

Joop Sijm

Date: June 15, 2006

**Principle Accounting Fees and Services**

## Edgar Filing: BIOVERIS CORP - Form DEF 14A

The aggregate fees billed by PricewaterhouseCoopers LLP for fiscal years 2006, 2005 and 2004 were as follows:

*Audit Fees* for the audit of the Company's annual financial statements and review of the financial statements included in the Company's Quarterly Reports on Form 10-Q for fiscal years 2006, 2005 and 2004 were \$616,000, \$751,000 and \$432,000, respectively.

*Audit-Related Fees* for assurance and related services rendered that are related to the performance of the annual audit and quarterly reviews of the financial statements that are not reported under Audit Fees above were \$29,000, \$104,000 and \$247,000 in fiscal years 2006, 2005 and 2004, respectively. These



## Edgar Filing: BIOVERIS CORP - Form DEF 14A

fees relate primarily to consultative services provided regarding the Company's application of generally accepted accounting principles.

*Tax Fees* for tax compliance, tax advice and tax planning services were \$64,980 and \$45,400 in fiscal years 2006 and 2005, respectively.

*All Other Fees* for professional services rendered to the Company were \$4,500, \$1,500 and \$2,400 in fiscal years 2006, 2005 and 2004, respectively.

PricewaterhouseCoopers LLP did not provide any services related to financial information systems design and implementation during fiscal years 2006, 2005 and 2004. The Audit Committee's policy is to pre-approve all services and fees for the independent accountants, and it has considered whether, and determined that, the provision of services described in *All Other Fees*, above, is consistent with maintaining the independence of PricewaterhouseCoopers LLP.

The aggregate fees billed by the Company's former independent auditor, Deloitte & Touche LLP, for fiscal years 2005 and 2004 were as follows:

*Audit Fees* for professional services rendered for fiscal years 2005 and 2004 were \$21,200 and \$997,700, respectively. For fiscal year 2004, \$627,000 of the \$997,700 related to the merger and related transactions between IGEN and Roche, including review of the Company's Registration Statement on Form S-4.

*Audit-Related Fees* for assurance and related services rendered that are related to the performance of the annual audit and quarterly reviews of the financial statements that are not reported under Audit Fees above were \$5,500 and \$301,000 in fiscal years 2005 and 2004, respectively. These fees relate primarily to consultative services provided regarding the Company's application of generally accepted accounting principles.

*Tax Fees* for tax compliance, tax advice and tax planning services in fiscal year 2004 were \$75,000.

In addition, the Company reimbursed MSD (as defined below) for audit fees of \$49,000 and \$31,000 for fiscal years 2005 and 2004, respectively.

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

The following table sets forth, as of July 28, 2006 (except as otherwise indicated in the footnote below), certain information regarding the ownership of the Company's common stock of: (i) each current director, including the nominees; (ii) each of the named executive officers; (iii) each person known by the Company to be the beneficial owner of more than 5% of its outstanding common stock; and (iv) all of the Company's executive officers and directors as a group.

<b>Name<sup>(1)</sup></b>	<b>Number of Shares</b>	<b>Percent of Total</b>
Samuel J. and Nadine Wohlstadter <sup>(2)</sup>	5,265,437	19.3%
Royce & Associates <sup>(3)</sup>	2,709,400	9.9%
Gem Partners, LP <sup>(4)</sup>	1,458,801	5.4%
Richard J. Massey, Ph.D. <sup>(5)</sup>	1,132,395	4.2%
George V. Migausky <sup>(6)</sup>	240,303	*
Joop Siermans <sup>(5)</sup>	32,000	*
Anthony Rees <sup>(5)</sup>	20,600	*
William J. Crowley, Jr. <sup>(5)</sup>	19,338	*
John Quinn <sup>(5)</sup>	16,661	*
All directors and executive officers as a group <sup>(7)</sup> (7 persons)	6,726,734	24.6%

\* Less than 1%

1. This table is based upon information supplied by officers, directors and principal stockholders. Unless otherwise indicated in the notes to this table and subject to the community property laws where applicable, each of the stockholders named in this table has sole voting and investment power with respect to the shares shown as beneficially owned by him.
2. Samuel J. and Nadine Wohlstadter's address is: c/o BioVeris Corporation, 16020 Industrial Drive, Gaithersburg, MD 20877. Includes 301,523 shares of restricted stock that are subject to the right of the Company to repurchase all or part of such shares at their issue price. Does not include shares held by Mr. Wohlstadter's adult children.
3. Royce & Associates' address is 1414 Avenue of the Americas, New York, New York 10019. Information as to the address and holding of Royce & Associates is as of March 31, 2006 and is based on information provided by a third party market data provider.