EXHIBIT A

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In re Affymax, Inc. Shareholder Derivative Litigation, Lead Case No. 113CV243259 (Cal. Super. Ct.-Santa Clara Cnty. May 31, 2013).

I. CORPORATE GOVERNANCE

Provision "A" shall be implemented within 30 days of the Effective Date of the settlement and maintained for a period of not less than five years. All other provisions shall be implemented and maintained for a period of not less than five years if Affymax reintroduces OMONTYS to the market or initiates plans to develop any new drug, medical device, product, or other related venture and Affymax continues to be a publicly traded company.

A. Insider Trading. The Company alludes to an Insider Trading Policy in its Code of Business Conduct and Ethics. Affymax shall publish its Insider Trading Policyon its website within 30 days of final approval of the settlement. To the extent that these provisions do not already exist, Affymax's Insider Trading Policy should be amended to include the following:

1. All directors and executive level employees must adopt a 10b5-1 trading plan prior to engaging in any transaction in Affymax stock, and the Company must publicly announce any material amendments to or terminations of such plans.

2. The Company will maintain a policy prohibiting the Board, senior executive officers, and other employees designated in writing by a member of senior management from holding, directly or indirectly, any Affymax security tied to the performance of Affymax other than Affymax common stock and stock options delivered directly to employees by the Company under the Company's current or future option and incentive plans.

3. The Company will require pre-approval by the Chief Financial Officer (or his or her designees) of any proposed transactions in Company securities by Section 16 officers and directors that are not executed pursuant to a valid Rule 10b5-1 trading plan.

4. The Company will prohibit trading of Company securities by Section 16 officers for the period of time beginning no later than the 15th day of the last month of each quarter and ending no earlier than forty-eight hours after the release of earnings each quarter.

5. During any Company-funded stock buy-back program, no insider shall be permitted to sell stock, except pursuant to a previously established Rule 10b5-1 plan.

6. The Company will adopt necessary policies and take reasonable steps to ensure that all directors and officers file all trading forms required by the SEC concerning trading by directors, officers, and executive employees of the Company.

7. If a determination is made by the Chief Financial Officer or the Board, that an individual has failed to comply with the Company's trading policy the Company will make a determination of whether sanctions are appropriate. Such sanctions may include, but are not required to include, disgorgement by the individual to the Company of all profits from the transaction, termination, or other appropriate disciplinary action.

B. Creation of a Compliance and Risk Management Committee.

1. Establishment and Purpose: The Board shall establish a standing Compliance and Risk Management Committee ("Compliance Committee"). The Compliance Committee shall assist the Board in overseeing the Company's compliance with all FDA and other relevant regulatory agencies' standards and regulations, risk management, and disclosure policies.

2. Membership: The Compliance Committee shall be comprised of at least three members of the Board, all of whom are independent and have experience in the pharmaceutical and/or medical field.

    1. The members of the Compliance Committee will receive annual training regarding relevant FDA rules and regulations.

3. At least one member of the Compliance and Risk Management Committee shall serve concurrently on the Audit Committee.

4. Responsibilities: The Compliance Committee shall:

    a. stay reasonably apprised of all relevant industry regulations and standards;

    b. meet regularly with the Chief Compliance Officer to ensure that all drug development and manufacturing processes are in compliance with the relevant regulations and standards;

    c. work with senior management to establish and implement an appropriate oversight process, including reasonable mechanisms to inform the Board of material FDA meetings and communications, material reports prepared by the Company and provided to the FDA and other relevant regulatory agencies, the status of the Company's new drug applications, material information from the Company's clinical and pre-clinical trials, and forward-looking statements regarding any drug, medical device or product that the

Company develops, the drug development process, and the FDA regulatory process;

d. immediately bring to the attention of the Audit Committee information concerning the Company's operations that may have a material impact on the Company's financial condition and/or potentially require disclosure to shareholders, including, but not limited to, any issues with product safety, efficacy, or marketability that may incur material costs; and

e. perform such other functions and have such other powers as may be necessary for efficient discharge of its duties.

5. Meetings and Procedures:

a. The Compliance Committee shall hold at least four regularly scheduled meetings each year.

b. In discharging its responsibilities, the Compliance Committee shall have authority to, as it deems appropriate, select, retain, and/or replace outside advisors to provide independent advice to the Compliance Committee.

c. The Compliance Committee shall maintain written minutes or other records of its meetings and activities. Minutes of each meeting of the Compliance Committee shall be distributed to each member of the Compliance Committee.

d. The Chair of the Compliance Committee shall report to the Board following meetings of the Compliance Committee, and as otherwise requested by the Board.

6. Formal Annual Review Process

a. The Compliance Committee shall establish, in consultation with the Company's Chief Compliance Officer and Director of Internal Audit (discussed below), a formal annual review of the Company's policies and procedures relating to the public disclosure of material information concerning the Company's products and/or interactions with the FDA, including, but not limited to, material information concerning anticipated or actual NDAs, and material information resulting from the Company's clinical and pre-clinical trials. The Compliance Committee shall specifically review, discuss, and approve the Company's public disclosure policies and procedures to ensure they are designed to comply with all applicable rules and regulations.

C. Creation of Director of Internal Audit Position. The Company shall create the position of Director of Internal Audit. The role may be performed by an employee, consultant and/or independent contractor, including by a current employee, consultant and/or independent contractor. The Company's outside auditor shall not provide this service.

1. Responsibilities:

a. The Director of Internal Audit, who shall be approved by the Board and who will report directly to the Audit Committee at least annually, shall review the Company's internal control environment.

b. The Director of Internal Audit shall be responsible for devising an Internal Audit Plan for each fiscal year that will be presented to the Audit Committee of the Board.

c. The Director of Internal Audit shall prepare a written report for each internal audit performed, describing the internal audit's findings, opinions, and recommendations, if any. These written reports shall be directed to the Chief Executive Officer ("CEO"), Chief Financial Officer, and the Audit Committee for review, and, if necessary, remedial action.

D. Audit Committee Responsibilities. The Audit Committee shall hold executive sessions with the Company's Director of Internal Audit, its independent auditor, and its financial management as a routine item on its agenda for each of its regularly scheduled meetings.

1. The Audit Committee shall review and pre-approve all material press releases relating to the Company’s financial performance, as well as all SEC filings, prior to public release.

2. The Audit Committee of the Board shall establish, in consultation with the Company's Chief Compliance Officer and Director of Internal Audit, a set of guidelines to clarify what types of information are material and set forh the Company’s policies regarding the disclosure of such information.