

# FORM 5

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

| OMB APPROVAL                                   |           |
|--|-----------|
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## ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

- Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
- Form 3 Holdings Reported
- Form 4 Transactions Reported

|  |   |  |
|--|---|--|
| <b>1. Name and Address of Reporting Person*</b><br>YOUNGER WILLIAM H JR<br><br><small>(Last) (First) (Middle)</small><br><br>755 PAGE MILL ROAD, SUITE A-200<br><br><small>(Street)</small><br><br>PALO ALTO, CA 94304-1005<br><br><small>(City) (State) (Zip)</small> | <b>2. Issuer Name and Ticker or Trading Symbol</b><br>THRESHOLD PHARMACEUTICALS INC<br>[THLD] | <b>5. Relationship of Reporting Person(s) to Issuer</b><br>(Check all applicable)<br><input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner<br><input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) |
| <b>3. Statement for Issuer's Fiscal Year Ended</b><br>(Month/Day/Year)<br>12/31/2009   |   | <b>6. Individual or Joint/Group Reporting</b><br>(check applicable line)<br><br><input checked="" type="checkbox"/> Form Filed by One Reporting Person<br><input type="checkbox"/> Form Filed by More than One Reporting Person  |
| <b>4. If Amendment, Date Original Filed</b> (Month/Day/Year)<br>01/19/2010   |   |  |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |            |          | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|----------|--|--|---|
|                                 |                                      |  |                                | Amount  | (A) or (D) | Price    |  |  |   |
| Common Stock                    | 02/23/2009                           |  | G                              | 0   | D          | \$ 0     | 56,255   | I  | By Ltd Partnership (2)                                |
| Common Stock                    | 12/13/2009                           |  | J (3)                          | 306   | A          | \$ 0 (3) | 306  | I  | By Spouse (4)   |
| Common Stock                    |                                      |  |                                |   |            |          | 130,713  | I  | By Profit Sharing Plan Trust (5)                      |
| Common Stock                    |                                      |  |                                |   |            |          | 21,507   | I  | By Trust (6)  |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
 (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned at End of Issuer's Fiscal Year (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|--|---|--|--|
|  |  |                                      |  |                                |   | Date Exercisable   | Expiration Date |   |  |   |  |  |
|  |  |                                      |  |                                | (A) (D)   |  |                 |   |  |   |  |  |

## Reporting Owners

| Reporting Owner Name / Address | Relationships |           |         |       |
|--------------------------------|---------------|-----------|---------|-------|
|                                | Director      | 10% Owner | Officer | Other |
|                                |               |           |         |       |

|   |  |   |  |  |
|---|--|---|--|--|
| YOUNGER WILLIAM H JR<br>755 PAGE MILL ROAD, SUITE A-200<br>PALO ALTO, CA 94304-1005 |  | X |  |  |
|---|--|---|--|--|

## Signatures

|  |  |                     |
|--|--|---------------------|
| Robert Yin, by power of attorney               |  | 02/02/2010          |
| <small>**Signature of Reporting Person</small> |  | <small>Date</small> |

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents gift of limited partnership interests in a limited partnership to other limited partners. The reporting person disclaims beneficial ownership of the shares held by the limited partnership except as to the reporting person's pecuniary interest therein.
  - (2) Shares held by a limited partnership of which the reporting person is the trustee of a trust which is the General Partner. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest therein.
  - (3) To report shares individually owned by spouse.
  - (4) Shares held by the spouse of the reporting person. The reporting person disclaims beneficial ownership in these shares.
  - (5) Shares held by SHV Profit Sharing Plan, a retirement trust, for the benefit of the reporting person.
  - (6) Shares held by a trust of which the reporting person is the trustee. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.