

AERIE PHARMACEUTICALS INC

Form DEF 14A

April 29, 2016

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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  
(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 Pursuant to Section 240.14a-12

Aerie Pharmaceuticals, 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.

Title of each class of securities to which transaction applies:

(1)

Aggregate number of securities to which transaction applies:

(2)

Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth (3) the amount on which the filing fee is calculated and state how it was determined):

Proposed maximum aggregate value of transaction:

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Total fee paid:

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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.

Amount Previously Paid:

(1)

Form, Schedule or Registration Statement No.:

(2)

Filing Party:

(3)

Date Filed:

(4)

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April 29, 2016

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Aerie Pharmaceuticals, Inc., which will be held on Wednesday June 8, 2016, at 8:00 a.m., Eastern Time, at The St. Regis New York, located at Two East 55th Street, New York, N.Y., 10022.

The attached Notice of the Annual Meeting of Stockholders and proxy statement describes the formal business that we will transact at the Annual Meeting.

The Board of Directors of Aerie Pharmaceuticals, Inc. has determined that an affirmative vote on each matter that calls for an affirmative vote is in the best interest of Aerie Pharmaceuticals, Inc. and its stockholders and unanimously recommends a vote "FOR" all such matters considered at the Annual Meeting.

We have elected to take advantage of the rules of the U.S. Securities and Exchange Commission that allow us to furnish our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the "Notice"), rather than a full paper set of the proxy materials, unless you previously requested to receive printed copies. The Notice contains details regarding the date, time and location of the meeting and the business to be conducted, as well as instructions on how to access our proxy materials on the Internet and for voting over the Internet.

Whether or not you plan to attend the Annual Meeting, please vote your shares promptly by following the voting instructions that you have received. Your vote is important regardless of the number of shares you own. Voting by proxy will not prevent you from voting in person at the Annual Meeting, but will assure that your vote is counted if you cannot attend.

On behalf of the Board of Directors and the employees of Aerie Pharmaceuticals, Inc., we thank you for your continued support and look forward to seeing you at the Annual Meeting.

Sincerely yours,

Vicente Anido, Jr., Ph.D.  
Chief Executive Officer and Chairman of the Board

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AERIE PHARMACEUTICALS, INC.

2030 Main Street, Suite 1500

Irvine, California 92614

(949) 526-8700

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

DATE June 8, 2016

TIME 8:00 A.M. Eastern Time

PLACEThe St. Regis New York

Two East 55<sup>th</sup> Street

New York, N.Y. 10022

ITEMS OF BUSINESS

- (1) Election of the two nominees named in the attached proxy statement as Directors to serve on the Board of Directors for a three-year term, or until their successors are duly elected and qualified;
- (2) Ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016; and
- (3) Consideration of any other business properly brought before the meeting and any adjournment or postponement thereof.

RECORD DATE

The record date for the Annual Meeting is April 15, 2016. Only stockholders of record at the close of business on that date may vote at the meeting or any adjournment thereof.

PROXY VOTING

You are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, please vote your shares promptly by following the instructions that you have received. Submitting a proxy or voting instructions will not prevent you from attending the Annual Meeting and voting in person. 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 meeting, you must obtain a proxy issued in your name from that record holder.

By Order of the Board of Directors

Richard J. Rubino

Chief Financial Officer and Secretary

Irvine, California

April 29, 2016

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON JUNE 8, 2016:

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The Notice of Meeting, Proxy Statement and 2015 Annual Report, which includes our annual report on Form 10-K for the year ended December 31, 2015, are available free of charge on the Investors section of our website ([www.aeriepharma.com](http://www.aeriepharma.com)) or at [www.proxyvote.com](http://www.proxyvote.com).

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PROXY STATEMENT FOR THE  
2016 ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON JUNE 8, 2016

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

Why has Aerie Pharmaceuticals, Inc. prepared this proxy statement?

We have prepared proxy materials in connection with the solicitation by the Board of Directors, or Board, of Aerie Pharmaceuticals, Inc. of proxies to be voted at our 2016 Annual Meeting of Stockholders, or Annual Meeting. The Notice of 2016 Annual Meeting to Stockholders is being mailed starting April 29, 2016. As used in this proxy statement, the “Company,” “we,” “us” and “our” refer to Aerie Pharmaceuticals, Inc. The term “Annual Meeting,” as used in the proxy statement, includes any adjournment or postponement of such meeting.

Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

In accordance with rules of the U.S. Securities and Exchange Commission, or SEC, we use the Internet as the primary means of furnishing proxy materials to stockholders. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the “Notice”) to our stockholders with instructions on how to access the proxy materials over the Internet (or request a printed copy of the materials) and for voting over the Internet. The proxy materials are also available at [www.aeriepharma.com](http://www.aeriepharma.com). The inclusion of our website address here and elsewhere in this proxy statement does not include or incorporate by reference the information on our website into this proxy statement. Stockholders may follow the instructions in the Notice to elect to receive future proxy materials in print by mail or electronically by email.

Who can vote at the Annual Meeting?

Only stockholders of record as of the close of business on April 15, 2016, will be entitled to vote at the Annual Meeting. On this date, there were 26,528,694 shares of common stock issued and outstanding and entitled to vote.

Stockholder of Record: Shares Registered in Your Name

If on April 15, 2016, your shares were registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, LLC, then you are a stockholder of record and the Notice was sent directly to you. As a stockholder of record, you may vote in person at the meeting or vote by proxy.

Beneficial Owner: Shares Registered in the Name of a Broker, Bank or Other Nominee

If on April 15, 2016, your shares were held, not in your name, but rather in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in “street name” and the Notice is being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to instruct your broker, bank or other nominee how to vote your shares. See “How do I Vote?”

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding at least a majority of our outstanding shares entitled to vote at the Annual Meeting are present at the Annual Meeting in person or represented by proxy.

Your shares will be counted towards the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote in person at the meeting or vote by proxy over the telephone or the Internet as instructed below. Ballots or proxies marked “abstain” or “withheld” on a matter and “broker non-votes” will be counted towards the quorum requirement. If there is no quorum, the chairperson of the meeting or the holders of a majority of shares present at the meeting in person or represented by proxy may adjourn the meeting to another date.



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What am I voting on and how many votes are needed to approve each proposal?

Proposal 1: Election of Directors. Directors will be elected by a plurality of the votes cast at the Annual Meeting by the holders of shares present in person or represented by proxy and entitled to vote on the election of directors.

Proposal 2: Ratification of Appointment of Independent Registered Public Accounting Firm. The ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016, will require “FOR” votes from a majority of the votes cast at the Annual Meeting by the holders of shares present in person or represented by proxy and entitled to vote on this proposal.

Abstentions and broker non-votes will not be counted as votes cast and will have no effect on the voting on the proposals referenced above.

What are broker non-votes?

Broker non-votes occur when a beneficial owner of shares held in “street name” does not give instructions to the broker, bank or other nominee holding the shares as to how to vote on matters deemed “non-routine.” Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker, bank or other nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker, bank or other nominee may vote the shares with respect to matters that are considered to be “routine,” but may not vote the shares with respect to “non-routine” matters. The election of directors (Proposal 1) is considered a “non-routine” matter under applicable rules. The ratification of the appointment of our independent registered public accounting firm (Proposal 2) is considered a “routine” matter under applicable rules.

How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock you own as of April 15, 2016.

What does it mean if I receive more than one Notice?

You may receive more than one Notice if your shares are registered in more than one name or are registered in different accounts. Please vote in the manner described below under “How do I vote?” for each Notice to ensure that all of your shares are voted.

How does the Board recommend that I vote my shares?

The Board’s recommendation is set forth together with the description of each proposal in this proxy statement. The Board recommends a vote:

•“FOR” the election of the two nominees to the Board; and

•“FOR” the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016.

With respect to any other matter that properly comes before the Annual Meeting, the proxies will vote as recommended by the Board or, if no recommendation is given, in their own discretion in the best interest of the Company and its stockholders. As of the date of this proxy statement, the Board had no knowledge of any business other than that described herein that would be presented for consideration at the Annual Meeting.

How do I vote?

You may vote (1) "FOR ALL," to vote for all of the nominees to the Board; (2) "WITHHOLD ALL," to withhold your vote from all of the nominees to the Board; or (3) "FOR ALL EXCEPT," to vote for all of the nominees to the Board except for any nominee that you specify in the space provided. An instruction to withhold authority to vote for one or more of the nominees will result in those nominees receiving fewer votes, but will not count as a vote against the nominees. For the other matter to be voted on, you may vote "FOR" or "AGAINST," or you may "ABSTAIN" from voting. The procedures for voting are as follows:

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Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may (a) vote in person at the Annual Meeting or (b) vote by proxy. Whether or not you plan to attend the meeting, we urge you to fill out and return a proxy card by mail or vote by proxy over the telephone or the Internet as instructed below to ensure your vote is counted. You may still attend the meeting and vote in person even if you have already voted by proxy, as described under “May I change my vote after submitting my proxy card?” below.

To vote in person, come to the Annual Meeting and we will give you a ballot when you arrive.

If you requested printed copies of the proxy materials, you will receive a proxy card. To vote by proxy, simply complete, sign and date the enclosed proxy card and return it promptly in the envelope provided. If you return your signed proxy card to us before the Annual Meeting, the designated proxy holders will vote your shares as you direct. Mailed proxy cards must be received no later than June 7, 2016, to be counted.

To vote over the telephone, dial toll-free 1-800-690-6903 using a touch-tone phone and follow the recorded instructions. You will be asked to provide the company number and account number from the proxy card you received if you requested printed copies of the proxy materials. Your vote must be received by 11:59 P.M., Eastern Time on June 7, 2016, to be counted.

To vote on the Internet, go to [www.proxyvote.com](http://www.proxyvote.com) to complete an electronic proxy card. You will be asked to provide the company number and account number from the enclosed Notice. Your vote must be received by 11:59 P.M., Eastern Time on June 7, 2016, to be counted.

If you return a proxy but do not make specific choices, your proxy will vote your shares “FOR” each of the nominees to the Board, and “FOR” the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm.

If any other matter is presented, the proxies will vote as recommended by the Board or, if no recommendation is given, in their own discretion in the best interest of the Company and its stockholders. As of the date of this proxy statement, we know of no other matters that may be presented at the Annual Meeting, other than those listed in the Notice.

Beneficial Owner: Shares Registered in the Name of a Broker, Bank or Other Nominee

If you are a beneficial owner of shares registered in the name of your broker, bank or other nominee, you should have received voting instructions with the Notice from that organization rather than from us. You may submit voting instructions to your broker, bank or other nominee. In most instances, you will be able to do this over the Internet, by telephone or by mail. Please refer to information from your broker, bank or other nominee on how to submit voting instructions. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank or other nominee. Follow the instructions from your broker, bank or other nominee included with these proxy materials, or contact your broker, bank or other nominee to request a proxy form.

How can I attend the Annual Meeting?

You are entitled to attend the Annual Meeting only if you were a stockholder of record as of April 15, 2016 or you hold a valid proxy for the Annual Meeting as described in the previous question. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. You should be prepared to present photo identification for

admittance. If you are not a stockholder of record but hold shares as a beneficial owner, you should provide proof of beneficial ownership as of April 15, 2016, such as your most recent account statement prior to April 15, 2016, a copy of the voting instruction card provided by your broker, bank or other nominee, or other similar evidence of ownership. You may contact us via the Internet or by telephone at (908) 470 - 4320 to obtain directions to vote in person at the Annual Meeting.

May I change my vote after submitting my vote?

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the stockholder of record of your shares, you may revoke your proxy in any one of the following four ways:

• send a timely written revocation of the proxy to our Secretary;

• submit a signed proxy card bearing a later date;

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enter a new vote over the Internet or by telephone; or

attend and vote in person at the Annual Meeting.

If you are a beneficial owner of shares but not the record holder, you may submit new voting instructions by contacting your broker, bank or other nominee. You will need the appropriate documentation from the stockholder of record to vote personally at the Annual Meeting. If your shares are held by your broker, bank or another party as a nominee or agent, you should follow the instructions provided by such party.

Your personal attendance at the Annual Meeting does not revoke your proxy, unless you vote in person. Your last vote, prior to or at the Annual Meeting, is the vote that will be counted.

Who will bear the expense of soliciting proxies?

We will bear the cost of solicitation of proxies. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares of our common stock beneficially owned by others to forward to such beneficial owners. We may reimburse persons representing beneficial owners of our common stock for their costs of forwarding solicitation materials to such beneficial owners. Original solicitation of proxies by mail may be supplemented by solicitation by telephone, via the Internet or in person by our directors, officers or other regular employees. No additional compensation will be paid to directors, officers or other regular employees for such services.

How can I find the voting results from the Annual Meeting?

Preliminary voting results will be announced at our Annual Meeting. Final voting results will be published in a Current Report on Form 8-K that we expect to file no later than four business days after the Annual Meeting. If final voting results are not available by the time we file the Form 8-K, we will disclose the preliminary results in the Form 8-K and, within four business days after the final voting results are known to us, file an amended Form 8-K to disclose the final voting results.

Who will count the votes?

A representative of American Election Services will act as the inspector of elections and count the votes.

Obtaining an Annual Report on Form 10-K

We will provide a copy of our 2015 Annual Report on Form 10-K without charge, upon written request, to any registered or beneficial owner of common stock entitled to vote at the Annual Meeting. Requests can be made by email, [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com), or in writing addressed to Richard J. Rubino, Secretary, Aerie Pharmaceuticals, Inc., 2030 Main Street, Suite 1500, Irvine, CA 92614. Please include your control number with your request. The SEC also maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports, proxy statements and other information regarding registrants, including our company.



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## PROPOSAL 1

## ELECTION OF DIRECTORS

Our Board currently comprises eight directors. Our amended and restated certificate of incorporation provides for a classified Board consisting of three classes of directors, each of which shall consist, as nearly as may be possible, of one-third of the total number of directors. Currently, two classes consist of three directors and one class consists of two directors. Each class serves a staggered three-year term. At each annual meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following their election. The terms of our Class III directors, Gerald D. Cagle, Ph.D. and Richard Croarkin, will expire at the Annual Meeting, and the terms of our Class I directors and Class II directors will expire at the annual meeting of stockholders to be held in 2017 and 2018, respectively.

## Nominees for Election as Directors

Upon the recommendation of the nominating and corporate governance committee, our Board has nominated Dr. Cagle and Mr. Croarkin for re-election as Class III directors at the Annual Meeting.

There are no arrangements or understanding between any director, or nominee for directorship, pursuant to which such director or nominee was selected as a director or nominee. We know of no reason why any nominee may be unable to serve as a director. If any nominee is unable to serve, your proxy may vote for another nominee proposed by the Board. If for any reason these nominees prove unable or unwilling to stand for election, the Board will nominate alternates or reduce the size of the Board to eliminate the vacancy. The Board has no reason to believe that its nominees would prove unable to serve if elected. Proxies cannot be voted for a greater number of persons than the number of nominees named in this proxy statement.

Set forth below are the names, ages, principal occupations, and business experience, as well as their prior service on the Board, for the nominees for election as directors at the Annual Meeting. Unless otherwise indicated, principal occupations shown for each director have extended for five or more years. If the nominees listed below are elected, they will hold office until the annual meeting of stockholders to be held in 2019 or until their successors have been duly elected and qualified.

Name	Age (1)	Position(s) Held	Director Since
Gerald D. Cagle, Ph.D.	71	Director	2013
Richard Croarkin	61	Director	2015

(1) Age as of April 15, 2016.

Gerald D. Cagle, Ph.D. has served as a member of our Board since September 2013. Dr. Cagle was appointed Senior Vice President of Research & Development at Alcon Laboratories Inc. in 1997, a position he held until 2009. From 2009 until his retirement in 2013, Dr. Cagle held the position of Chief Operating Officer at Cognoptix, a company focused on the diagnosis of Alzheimer's disease. Dr. Cagle also serves on the board of directors of GrayBug, Inc, Clearside Biomedical, Inc. and Novaliq GmbH and donates time to Foundation Fighting Blindness.

He received his B.S. from Wayland College; earned both his M.S. and Ph.D. from the University of North Texas and completed the Program for Management Development at Harvard Business School. We believe that Dr. Cagle's scientific background and experience provides him with the qualifications and skills to serve as a member of our Board.

Richard Croarkin has served as a member of our Board since May 2015. Mr. Croarkin previously served as Chief Financial Officer of Nestle Health Science, a division of Nestle focused on medicalized nutrition solutions for chronic medical conditions, from December 2010 to February 2013. During his tenure, he was responsible for financial strategy in support of the R&D pipeline including multiple transactions ranging from minority stakes and JV's, to

outright acquisitions. Prior to this, Mr. Croarkin was Senior Vice President, Chief Financial Officer, and Corporate Strategy Officer at Alcon, which had annual sales of \$7.1 billion and was the world's leading ophthalmic pharmaceutical and medical device company before its acquisition by Novartis for \$50 billion. Previously, he was Executive Vice President and Chief Financial Officer of Nestle Waters North America, overseeing the finances of a business unit that grew to \$4.4 billion in sales. Before joining Nestle, Mr. Croarkin worked for Pepsico Incorporated, where he served in a number of senior financial positions around the world, including as Chief Financial Officer of Pepsi Latin America and Pepsi Canada. He started his career with AMAX, Inc. where he worked in treasury, corporate development and planning. Mr. Croarkin was a director on the supervisory board of the German publicly traded company, WaveLight A.G., which manufactures and globally markets laser and diagnostic systems for refractive eye surgery. Mr. Croarkin currently serves as a member of the board of directors of Clearside Biomedical, a company advancing eye disease therapies by delivering drugs to the suprachoroidal space via a proprietary microinjector. He also serves on



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occasion as a panelist on the NASDAQ Listing Qualifications Panel. Mr. Croarkin received his B.A. degree in economics from Georgetown University and his MBA in finance from the University of Connecticut. We believe that Mr. Croarkin's pharmaceutical industry and business experience provides him with the qualifications and skills to serve as a member of our Board.

## Vote Required

Directors are elected by a plurality of the votes cast at the meeting by the holders of shares present in person or represented by proxy and entitled to vote on the election of directors. Shares represented by proxies will be voted, unless otherwise specified, for the election of the two nominees named above. If any nominee becomes unavailable for election as a result of an unexpected occurrence, your shares will be voted for the election of a substitute nominee proposed by our Board.

## Our Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" EACH OF THE NOMINEES SET FORTH ABOVE.

## Directors Continuing in Office

Set forth below are the names, ages, principal occupations, and business experience, as well as their prior service on the Board, for the remaining members of our Board whose terms continue beyond the Annual Meeting. Unless otherwise indicated, principal occupations shown for each director have extended for five or more years.

Name	Age (1)	Term Expires (2)	Position(s) Held	Director Since
Vicente Anido, Jr., Ph.D.	63	2017	Chief Executive Officer and Chairman of the Board	2013
Michael M. du Toit	63	2018	Director	2015
Geoffrey Duyk, M.D., Ph.D.	57	2018	Director	2005
Murray A. Goldberg	71	2018	Director	2013
Benjamin F. McGraw, III, Pharm.D	67	2017	Director	2014
Julie McHugh	51	2017		