

OMEROS CORP  
Form DEF 14A  
April 25, 2017

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 Rule 14a-12  
OMEROS CORPORATION

(Name of the Registrant as Specified In Its Charter)

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

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No fee required.

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3. Filing Party:

4. Date Filed:



April 25, 2017

Dear Fellow Shareholder:

You are cordially invited to attend the 2017 Annual Meeting of Shareholders of Omeros Corporation. The meeting will be held at the World Trade Center Seattle located at 2200 Alaskan Way, Suite 410, Seattle, Washington 98121, on Friday June 16, 2017, at 10:00 a.m. local time.

The attached Notice of Annual Meeting of Shareholders and Proxy Statement contain details of the business to be conducted at the annual meeting.

Whether or not you attend the annual meeting, it is important that your shares be represented and voted. Therefore, please vote as soon as possible by telephone, via the Internet or by completing and mailing the enclosed proxy card. Voting by any of these methods will ensure your representation at the annual meeting. If you decide to attend the annual meeting, you will be able to vote in person even if you have previously submitted your proxy.

On behalf of our board of directors, I would like to express our appreciation for your continued support of Omeros. We look forward to seeing you at the annual meeting.

Sincerely,

GREGORY A. DEMOPULOS, M.D.

Chairman and CEO

OMEROS CORPORATION

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 16, 2017

April 25, 2017

To our Shareholders:

We cordially invite you to the 2017 Annual Meeting of Shareholders, or the 2017 Annual Meeting, of Omeros Corporation, a Washington corporation, to be held on Friday June 16, 2017, at 10:00 a.m. local time at the World Trade Center Seattle, 2200 Alaskan Way, Suite 410, Seattle, Washington 98121, for the following purposes:

- (1) to elect the two Class II director nominees named in this proxy statement to the board of directors, each to serve until the 2020 Annual Meeting of Shareholders;
- (2) to approve an advisory resolution on executive compensation;
  - (3) to conduct an advisory vote on the frequency of future advisory votes on executive compensation;
- (4) to approve the Omeros Corporation 2017 Omnibus Incentive Compensation Plan;
- (5) to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017; and
- (6) to transact such other business as may properly come before the 2017 Annual Meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the proxy statement accompanying this notice.

Shareholders of record at the close of business on April 12, 2017 will be entitled to vote at the 2017 Annual Meeting and at any adjournment or postponement of the meeting.

The proxy statement accompanying this notice is being issued in connection with the solicitation by the board of directors of a proxy on the enclosed form of proxy card for use at the 2017 Annual Meeting.

We look forward to seeing you at the 2017 Annual Meeting.

By Order of the Board of Directors,  
Marcia S. Kelbon

Vice President, Patent

General Counsel and Secretary

YOUR VOTE IS IMPORTANT

Whether or not you plan to attend the 2017 Annual Meeting, we encourage you to vote in advance of the meeting to assure your representation at the meeting. You may vote prior to the 2017 Annual Meeting by mailing the proxy card in the enclosed postage-prepaid envelope, by telephone or via the Internet in accordance with the instructions on your proxy card. Even if you vote in advance of the 2017 Annual Meeting, you may still vote in person if you attend the 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 2017 Annual Meeting, you must obtain from the record holder a proxy card issued in your name.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE  
2017 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 16, 2017

The proxy statement and the 2016 Annual Report to Shareholders are available at: [www.edocumentview.com/OMER](http://www.edocumentview.com/OMER).

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TABLE OF CONTENTS

	Page
<u>INFORMATION CONCERNING PROXY SOLICITATION, VOTING AND THE MEETING</u>	1
<u>PROPOSAL 1 — ELECTION OF DIRECTORS</u>	4
<u>CORPORATE GOVERNANCE</u>	6
<u>NON-EMPLOYEE DIRECTOR COMPENSATION</u>	10
<u>PROPOSAL 2 — APPROVAL OF ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION</u>	11
<u>PROPOSAL 3 — ADVISORY VOTE ON FREQUENCY OF FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION</u>	12
<u>EXECUTIVE COMPENSATION</u>	13
<u>TRANSACTIONS WITH RELATED PERSONS</u>	27
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	28
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	29
<u>PROPOSAL 4 — OMEROS CORPORATION 2017 OMNIBUS INCENTIVE COMPENSATION PLAN</u>	29
<u>PROPOSAL 5 — RATIFICATION OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	36
<u>OTHER BUSINESS</u>	39
<u>APPENDIX A – OMEROS CORPORATION 2017 OMNIBUS INCENTIVE COMPENSATION PLAN</u>	A-1

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OMEROS CORPORATION

The Omeros Building

201 Elliott Avenue West

Seattle, Washington 98119

PROXY STATEMENT FOR 2017 ANNUAL MEETING OF SHAREHOLDERS

INFORMATION CONCERNING PROXY SOLICITATION, VOTING AND THE MEETING

General

The enclosed proxy is solicited on behalf of the board of directors of Omeros Corporation for use at the 2017 Annual Meeting of Shareholders, or the 2017 Annual Meeting, of Omeros Corporation to be held on Friday, June 16, 2017 at 10:00 a.m., local time, or at any adjournment or postponement thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting of Shareholders. The 2017 Annual Meeting will be held at the World Trade Center Seattle, 2200 Alaskan Way, Suite 410, Seattle, Washington 98121.

This proxy statement, the enclosed proxy and the 2016 Annual Report to Shareholders, which includes audited financial statements as of and for the year ended December 31, 2016, were mailed on or about April 25, 2017 to all shareholders entitled to vote at the 2017 Annual Meeting.

Record Date and Quorum

Shareholders of record at the close of business on April 12, 2017, which we refer to as the record date, are entitled to notice of and to vote their shares at the 2017 Annual Meeting. At the record date, 43,938,655 shares of Omeros' common stock, \$0.01 par value per share, were issued and outstanding. Holders of shares of common stock are entitled to cast one vote per share on all matters to be voted upon at the 2017 Annual Meeting. The presence in person or by proxy of the holders of record of a majority of the outstanding shares of common stock entitled to vote is required to constitute a quorum for the transaction of business at the 2017 Annual Meeting.

Abstentions and broker non-votes (which occur when a broker indicates on a proxy card that it is not voting on a matter) are considered shares present at the 2017 Annual Meeting for the purpose of determining a quorum. The inspector of elections, Computershare Inc., will determine whether or not a quorum is present at the 2017 Annual Meeting.

Proposals at the 2017 Annual Meeting

Shareholders are being asked to vote on the following proposals:

- Proposal 1. The election of the two Class II director nominees named in this proxy statement to the board of directors, each to serve until our 2020 Annual Meeting of Shareholders;
- Proposal 2. The approval of an advisory resolution on executive compensation;
- Proposal 3. An advisory vote on the frequency of future advisory votes on executive compensation;
- Proposal 4. The approval of the Omeros Corporation 2017 Omnibus Incentive Compensation Plan;
- Proposal 5. The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017; and
- Any other business that may properly come before the 2017 Annual Meeting or any adjournment or postponement of the meeting.



Our board of directors recommends you vote:

- ✦ FOR the election of each of the Class II director nominees named in this proxy statement;
- ✦ FOR the approval of the advisory resolution on executive compensation;
- ✦ For THREE YEARS as the frequency of future advisory votes on executive compensation;
- ✦ FOR the approval of the Omeros Corporation 2017 Omnibus Incentive Compensation Plan; and
- ✦ FOR the ratification of the appointment of Ernst & Young as our independent registered public accounting firm for the fiscal year ending December 31, 2017.

1

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## Votes Required

### Proposal 1: Election of Directors

The two candidates for director who receive the highest number of affirmative votes will be elected. Shareholders are not entitled to cumulate votes for the election of directors.

### Proposal 2: Approval of Advisory Resolution on Executive Compensation

We are asking shareholders to approve a non-binding advisory resolution with respect to the compensation of our named executive officers as described in this proxy statement. We will consider this proposal to be approved if the number of votes cast in favor of this proposal exceeds the number of votes cast against the proposal. Although the vote is non-binding, the board of directors values shareholders' opinions and the compensation committee will consider the outcome of this advisory vote when making future executive compensation decisions.

### Proposal 3: Advisory Vote on Frequency of Future Advisory Votes on Executive Compensation

We are seeking a non-binding advisory vote from our shareholders regarding the frequency (every one, two or three years) of future advisory votes with respect to the compensation of our named executive officers. We will consider the alternative receiving the greatest number of votes – one year, two years, or three years – to be the frequency that shareholders approve. Although the vote on this proposal is non-binding, the board of directors will consider the outcome of this advisory vote when making its determination with respect to the frequency of future advisory votes on the compensation of our named executive officers.

### Proposal 4: Omeros Corporation 2017 Omnibus Incentive Compensation Plan

Approval of the Omeros Corporation 2017 Omnibus Incentive Compensation Plan will occur if the number of votes cast in favor of this proposal exceeds the number of votes cast against this proposal.

### Proposal 5: Ratification of Appointment of Independent Registered Public Accounting Firm

Ratification of the appointment of Ernst & Young as our independent registered public accounting firm will occur if the number of votes cast in favor of this proposal exceeds the number of votes cast against this proposal.

## Abstentions and Broker Non-Votes

Abstentions will not be counted as votes cast for or against any of the proposals. Accordingly, abstentions will not affect (i) the determination of the directors who have received the highest number of affirmative votes, (ii) whether the votes cast in favor of Proposals 2, 4 or 5 exceed those cast against the proposal or (iii) the determination of the frequency of future advisory votes with respect to the compensation of our named executive officers.

Brokers and other intermediaries who hold shares for the accounts of their clients may vote such shares either as directed by their clients or, in the case of "uninstructed shares," in their own discretion if permitted by the stock exchange or other organization of which they are members. Certain types of proposals are considered "non-discretionary" under stock exchange regulations, however, and brokers who have received no instructions from their clients do not have discretion to vote such uninstructed shares on those items. Uninstructed shares for which brokers or other intermediaries lack voting discretion are referred to as "broker non-votes." If your shares are held by a broker on your behalf and you do not instruct the broker as to how to vote your shares on Proposals 1, 2, 3 or 4, the broker may not exercise discretion to vote on these proposals. Broker non-votes will not be counted as votes cast with respect to these proposals. With respect to Proposal 5, the ratification of our independent registered public accounting firm for the fiscal year ending December 31, 2017, brokers may exercise discretion to vote for or against that proposal

in the absence of your instruction. Brokers will have similar discretion to vote on any other routine proposals that are brought before the 2017 Annual Meeting.

#### How to Vote

If your shares are registered directly in your name with our transfer agent, Computershare Inc., you are considered the registered shareholder of those shares. Registered shareholders may cast their vote by:

- (1) signing, dating and promptly mailing the proxy card in the enclosed postage-paid envelope;
- (2) calling 1-800-652-VOTE (8683) using a touch-tone telephone;

2

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- (3) accessing the Internet website [www.envisionreports.com/OMER](http://www.envisionreports.com/OMER); or
- (4) completing a ballot at the 2017 Annual Meeting.

If your shares are held in the name of a brokerage firm or bank or other similar organization, you are considered the beneficial shareholder with respect to those shares. If you are a beneficial shareholder, please refer to your proxy card or the information forwarded by your broker, bank or other holder of record to see what options are available to you to cast your vote. A beneficial shareholder may not vote shares in person at the 2017 Annual Meeting unless he or she obtains a “legal proxy” from the broker, bank or other holder of record that holds his or her shares.

Whether or not you plan to attend the 2017 Annual Meeting, we encourage you to vote in advance of the meeting to assure your representation at the meeting. Votes cast by proxy or in person at the 2017 Annual Meeting will be tabulated by the inspector of elections appointed for the meeting.

#### Revoking a Proxy

A registered shareholder can revoke his or her proxy before the time of voting at the 2017 Annual Meeting by any of the following:

- (1) mailing a revised proxy card dated later than the prior proxy card;
- (2) submitting a new vote by telephone;
- (3) submitting a new vote via the Internet;
- (4) voting in person at the 2017 Annual Meeting; or
- (5) notifying our corporate secretary in writing that he or she is revoking the proxy. The revocation must be received before the start of the 2017 Annual Meeting to be effective.

Any beneficial shareholder may change or revoke his or her voting instructions by contacting the broker, bank or other nominee holding the shares or by obtaining a proxy from such institution and voting in person at the 2017 Annual Meeting.

#### Attending the 2017 Annual Meeting

Only shareholders as of the close of business on April 12, 2017 (the record date), or holders of a valid proxy for the meeting, are entitled to attend the 2017 Annual Meeting. In order to gain admittance to the meeting, you may be asked to present photo identification, such as a driver’s license or passport, and proof of stock ownership as of the record date, such as a brokerage statement or letter from a bank or broker indicating beneficial ownership on the record date. We will be unable to admit anyone who does not present acceptable identification or ownership information upon request or refuses to comply with our admittance and security procedures. The use of cameras, recording devices and other electronic devices is prohibited at the meeting.

#### How to Obtain Directions to Attend the 2017 Annual Meeting

The 2017 Annual Meeting will be held on Friday, June 16, 2017, at 10:00 a.m., local time, at the World Trade Center Seattle, 2200 Alaskan Way, Suite 410, Seattle, Washington 98121. If you need directions to the meeting, please call Omeros’ investor relations department at (206) 676-5000. Information on how to vote in person at the 2017 Annual Meeting is discussed above.

#### Proxy Solicitation

This proxy statement is furnished in connection with the solicitation of your vote by the board of directors. We pay the costs of soliciting proxies from our shareholders. We may reimburse brokerage firms and other persons representing beneficial shareholders for their expenses in forwarding the voting materials to the beneficial shareholders. Directors, officers and regular employees may solicit proxies on our behalf personally, by telephone or by other electronic means without additional compensation. We also have retained Georgeson Inc. for a fee of \$10,000 to assist us in the

solicitation of proxies, plus customary costs and expenses.

“Householding” of Proxy Materials

A copy of our 2016 Annual Report to Shareholders, including our 2016 Annual Report on Form 10-K, accompanies this proxy statement. If you are a beneficial shareholder, your bank or broker may deliver a single proxy statement and 2016 Annual Report to Shareholders, along with individual proxy cards or voting instruction forms, to any household at which two or more beneficial shareholders reside unless you have provided instructions to the contrary. This procedure, referred to as householding, reduces the

volume of duplicate materials shareholders receive and reduces mailing expenses. If you would like to revoke your consent to householding and in the future receive your own set of proxy materials, or if your household is currently receiving multiple copies of the same items and you would like in the future to receive only a single copy at your address, you should contact your bank, broker or other nominee. Alternatively, you may also contact our corporate secretary at (206) 676-5000 or send a written request to our corporate secretary at The Omeros Building, 201 Elliott Avenue West, Seattle, Washington 98119 to revoke your consent to householding or to receive a separate proxy statement and 2016 Annual Report to Shareholders.

#### Shareholder Proposals for 2018 Annual Meeting

Under Rule 14a-8 under the Securities Exchange Act of 1934, or the Exchange Act, we must receive shareholder proposals intended for inclusion in our proxy statement for our 2018 Annual Meeting of Shareholders, or the 2018 Annual Meeting, at our principal executive offices at The Omeros Building, 201 Elliott Avenue West, Seattle, Washington 98119, by the close of business on December 26, 2017. However, if the date of the 2018 Annual Meeting changes by more than 30 days from the date of the 2017 Annual Meeting, notice by a shareholder of a proposal must be received a reasonable time before we begin to print and send the proxy materials for the 2018 Annual Meeting.

We must receive shareholder proposals submitted for consideration at the 2018 Annual Meeting, but not for inclusion in our proxy statement for the 2018 Annual Meeting under Exchange Act Rule 14a-8, and director nominations at our principal executive offices at The Omeros Building, 201 Elliott Avenue West, Seattle, Washington 98119, by the close of business on December 26, 2017. However, if the date of the 2018 Annual Meeting changes by more than 30 days from the date of the 2017 Annual Meeting, notice by a shareholder of a proposal or a director nomination must be received no later than the close of business on the later of (1) 120 calendar days in advance of the 2018 Annual Meeting and (2) 10 calendar days following the date on which public announcement of the date of the 2018 Annual Meeting is first made.

In addition, notice of any shareholder proposal or director nomination must be given in accordance with our bylaws and the applicable requirements of Rule 14a-8 under the Exchange Act. If a shareholder fails to give notice of a proposal as required by our bylaws or other applicable requirements, then the proposal will not be included in the proxy statement for the 2018 Annual Meeting and the shareholder will not be permitted to present the proposal for a vote at the 2018 Annual Meeting.

#### PROPOSAL 1 — ELECTION OF DIRECTORS

In accordance with our bylaws, our board of directors has set its size at seven members. Our board is divided into three classes serving staggered three-year terms. The terms of our directors will expire as set forth in the following table:

Omeros Board of Directors	Term Expires
Class II Directors	
Thomas J. Cable	2017
Peter A. Demopulos, M.D., FACC, FSCAI	2017
Class III Directors	
Gregory A. Demopulos, M.D.	2018
Leroy E. Hood, M.D., Ph.D.	2018

Class I Directors