

ARENA PHARMACEUTICALS INC  
Form PRE 14A  
April 13, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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 Pursuant to §240.14a-12

Arena Pharmaceuticals, Inc.

(Name of Registrant as Specified In Its Charter)

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

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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ARENA PHARMACEUTICALS, INC.

[            ], 2017

Dear Arena Stockholder:

You are cordially invited to attend the 2017 Annual Meeting of Stockholders of Arena Pharmaceuticals, Inc., a Delaware corporation. The Annual Meeting will be held on Tuesday, June 13, 2017, at 9:00 a.m. (Pacific Time), at our offices located at 6154 Nancy Ridge Drive, San Diego, California 92121. Details regarding admission to the meeting and the business to be conducted are more fully described in the Notice of Annual Meeting of Stockholders and proxy statement.

Your vote is very important. Whether or not you attend the annual meeting, we hope you will vote as soon as possible. There are three ways that you can cast your ballot without attending the meeting – by telephone, by Internet or by returning your signed and completed proxy card. Please review the instructions included in the proxy statement.

On behalf of Arena's employees and Board of Directors, I would like to express our appreciation for your support and continued interest in Arena.

Sincerely,

Amit D. Munshi

President, Chief Executive Officer and Director

6154 Nancy Ridge Drive, San Diego, CA 92121

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PRELIMINARY PROXY STATEMENT, SUBJECT TO COMPLETION

Notice of Annual Meeting of Stockholders

To be held on June 13, 2017

ARENA PHARMACEUTICALS, INC.

6154 Nancy Ridge Drive

San Diego, CA 92121

[            ], 2017

To the Stockholders of Arena Pharmaceuticals, Inc.:

The Annual Meeting of Stockholders of Arena Pharmaceuticals, Inc., a Delaware corporation, will be held on Tuesday June 13, 2017, at 9:00 a.m. (Pacific Time), at our offices located at 6154 Nancy Ridge Drive, San Diego, California 92121, for the following purposes, which are more fully described in the proxy statement accompanying this notice:

1. To elect the nine nominees for director named herein to our Board of Directors to serve until the next annual meeting of stockholders and until their respective successors are elected and qualified or until their earlier resignation or removal (Proposal 1);
2. To approve, on an advisory basis, the compensation of our named executive officers, as disclosed in the proxy statement accompanying this notice (Proposal 2);
3. To indicate, on an advisory basis, the preferred frequency of stockholder advisory votes on the compensation of our named executive officers (Proposal 3);
4. To approve a series of alternate amendments to our Amended and Restated Certificate of Incorporation to effect, at the option of the Board of Directors, a reverse stock split of our common stock at a reverse stock split ratio ranging from one-for-six (1:6) to one-for-ten (1:10), inclusive, with the effectiveness of one of such amendments and the abandonment of the other amendments, or the abandonment of all amendments, to be determined by the Board of Directors prior to the date of our 2018 Annual Meeting of Stockholders (Proposal 4);
5. To approve a series of alternate amendments to our Amended and Restated Certificate of Incorporation to effect, if and only if Proposal 4 is both approved and implemented, a reduction in the total number of authorized shares of our common stock as illustrated in the table under the caption "Effects of Authorized Shares Reduction" in the section of the accompanying proxy statement entitled "Approval of Reduction in the Number of Authorized Shares of Common Stock" (Proposal 5);
6. To approve the Arena Pharmaceuticals, Inc., 2017 Long-Term Incentive Plan (Proposal 6);
7. To ratify the appointment of KPMG LLP, an independent registered public accounting firm, as our independent auditors for the fiscal year ending December 31, 2017 (Proposal 7); and
8. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The record date for the Annual Meeting is April [•], 2017. Only stockholders of record at the close of business on April [•], 2017, are entitled to notice of and to vote at the Annual Meeting and at any adjournment or postponement thereof.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on June 13, 2017 at 9:00 a.m. (Pacific Time) at 6154 Nancy Ridge Drive, San Diego, California 92121.

The proxy statement and annual report to stockholders

are available at on the home page of our website at [www.arenapharm.com](http://www.arenapharm.com).

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Whether or not you expect to attend the meeting in person, we urge you to submit your proxy on the Internet or by telephone or, if applicable, complete, sign, date and return the enclosed proxy card or proxy mailed to you at your earliest convenience, in order to ensure your representation at the meeting. Promptly submitting your vote will save us the expense and work of additional solicitation. If you received a printed copy of these materials by mail, you may return your proxy card in the enclosed envelope, which does not require postage if mailed in the United States. You may also vote on the Internet or by telephone pursuant to the instructions that accompanied your proxy card or were included in the Internet Notice. Sending in your proxy card or voting on the Internet or by telephone will not prevent you from voting at the meeting if you desire to do so, as your proxy may be cancelled at your option. Please note, however, that if your shares are held of record by a bank, broker or other agent and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder.

By Order of our Board of Directors

Steven W. Spector

Executive Vice President, General Counsel and

Secretary

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In this proxy statement, “Arena Pharmaceuticals,” “Arena,” “we,” “us,” “our” and the “Company” each refers to Arena Pharmaceuticals, Inc., unless the context otherwise provides.

ARENA PHARMACEUTICALS, INC.

6154 Nancy Ridge Drive

San Diego, CA 92121

## PROXY STATEMENT FOR ANNUAL MEETING

### OF STOCKHOLDERS

To Be Held On Tuesday, June 13, 2017, at 9:00 a.m. (Pacific Time)

### GENERAL INFORMATION

Important Notice Regarding the Availability of Proxy Materials for the Stockholders' Meeting to Be Held on June 13, 2017

We have elected to provide access to our proxy materials over the Internet under the “notice and access” rules of the Securities and Exchange Commission, or SEC. On or about [ ], 2017, we intend to mail to beneficial owners of our stock a Notice of Internet Availability of Proxy Materials, or Internet Notice, containing instructions on how to access our 2017 Proxy Statement and annual report and vote online. In addition, on or about [ ], 2017, we intend to send a printed copy of our proxy materials to our stockholders of record as of April [•], 2017, or Record Date. Our proxy statement and annual report are available on the home page of our website at [www.arenapharm.com](http://www.arenapharm.com).

### Information Concerning Solicitation and Voting

#### 1. Why am I receiving these materials?

We have provided you these proxy materials because our Board of Directors (sometimes referred to as the “Board”) is soliciting your proxy to vote at our 2017 Annual Meeting of Stockholders, or 2017 Annual Meeting, which is to be held on Tuesday, June 13, 2017, at 9:00 a.m. (Pacific Time), or at any adjournments or postponements thereof, for the purposes set forth in this proxy statement. You are invited to attend our 2017 Annual Meeting to vote on the proposals described in this proxy statement. However, you do not need to attend the meeting to vote your shares.

If you have received a printed copy of these materials by mail, you may complete, sign and return the enclosed proxy card or follow the instructions below to submit your proxy on the Internet or by telephone. If you did not receive a printed copy of these materials by mail and are accessing them on the Internet, you may submit your proxy on the Internet or by telephone, as described below.

#### 2. Why did I receive a Notice Regarding the Availability of Proxy Materials?

In accordance with rules and regulations adopted by the SEC, we make our proxy materials available to our stockholders on the Internet. We are sending certain of our stockholders an Internet Notice. If you received the Internet Notice, such notice will instruct you how you may access and review all of the important information contained in the proxy materials. The Internet Notice also instructs you how you may submit your proxy on the Internet. If you would like to receive a printed copy of the proxy materials, including a proxy card, you should follow the instructions for requesting such materials included in the Internet Notice.

We may also send you a proxy card, along with a second Internet Notice, on or after [ ], 2017.

#### 3. How can I attend our 2017 Annual Meeting?

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Our 2017 Annual Meeting will be held on Tuesday, June 13, 2017, at 9:00 a.m. (Pacific Time) at our offices located at 6154 Nancy Ridge Drive, San Diego, California 92121. Directions to our 2017 Annual Meeting may be found at [www.arenapharm.com](http://www.arenapharm.com), where you will find a map and directions under “contact us.” For further information about our 2017 Annual Meeting, please call 858.453.7200 and ask for Investor Relations. Information on how to vote in person at our 2017 Annual Meeting is described below.

Backpacks, packages, suitcases, briefcases, bags, personal communication devices (e.g., cell phones, smartphones and tablets), cameras, recording equipment and other electronic devices will not be permitted in the meeting, and attendees will be subject to a security inspection.

ARENA PHARMACEUTICALS, INC. 2017 Proxy Statement 1

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4. Who can vote at our 2017 Annual Meeting?

Each person who owns or has the right to vote shares of our common stock as of the Record Date has the right to vote at our 2017 Annual Meeting. As of the Record Date, there were [\_\_\_\_\_] shares of our common stock outstanding, and each of such shares is entitled to one vote.

Stockholder of Record: Shares Registered in Your Name.

If on the Record Date your shares of common stock were registered directly in your name with our transfer agent, Computershare, then you are a stockholder of record. As a stockholder of record, you may vote by proxy or vote in person at our 2017 Annual Meeting. Whether or not you plan to attend our 2017 Annual Meeting, we urge you to vote by proxy on the Internet or by telephone as instructed below or to complete, sign, date and return a proxy card to ensure your vote is counted.

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

If on the Record Date your shares of common stock were held in an account by a bank, broker or other agent, then you are the beneficial owner of shares held in "street name" and these proxy materials or the Internet Notice are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at our 2017 Annual Meeting. As a beneficial owner, you have the right to direct your bank, broker or other agent on how to vote the shares in your account. You are also invited to attend our 2017 Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at our 2017 Annual Meeting unless you obtain a legal proxy from your bank, broker or other agent.

5. What is a proxy?

If you vote on the Internet or by telephone or return a signed and dated proxy card, you will be appointing Amit D. Munshi, our Chief Executive Officer, and Steven W. Spector, our Secretary, as your representatives at our 2017 Annual Meeting and authorizing them, or each of them, to vote your shares at the meeting as indicated by you. This way, you can vote your shares whether or not you attend the meeting.

6. What am I voting on?

We are asking you to vote on the following proposals:

1. Election of the nine nominees for director named herein to our Board of Directors to serve until the next annual meeting of stockholders and until their respective successors are elected and qualified or until their earlier resignation or removal (Proposal 1);
2. Advisory approval of the compensation of our named executive officers, as disclosed in this proxy statement in accordance with rules of the SEC (Proposal 2);
3. Advisory indication of the preferred frequency of stockholder advisory votes on the compensation of our named executive officers (Proposal 3);
4. Approval of a series of alternate amendments to our Amended and Restated Certificate of Incorporation to effect a reverse stock split, or Reverse Stock Split, of our common stock at a ratio ranging from one-for-six (1:6) to one-for-ten (1:10), inclusive, with the effectiveness of one of such amendments and the abandonment of the other amendments, or the abandonment of all amendments, to be determined by the Board of Directors prior to the date of our 2018 Annual Meeting of Stockholders (Proposal 4);
5. Approval of a series of alternate amendments to our Amended and Restated Certificate of Incorporation to effect, if and only if Proposal 4 is both approved and implemented, a reduction in the total number of authorized shares of our common stock, or Authorized Shares Reduction, with the specific number of authorized shares determined by a formula that is based on the ratio utilized for the Reverse Stock Split (Proposal 5);
6. Approval of the Arena Pharmaceuticals, Inc., 2017 Long-Term Incentive Plan (Proposal 6);

7. Ratification of the appointment of KPMG LLP, an independent registered public accounting firm, as our independent auditors for the fiscal year ending December 31, 2017 (Proposal 7); and