

Radius Health, Inc.
Form PRE 14C
January 31, 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14C

(Rule 14c-101)

INFORMATION REQUIRED IN INFORMATION STATEMENT

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c) of the Securities Exchange Act of 1934

Check the appropriate box:

- Preliminary Information Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14c-5(d)(2))
 Definitive Information Statement

RADIUS HEALTH, INC.

(Name of Registrant As Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required
 Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11
- (1) Title of each class of securities to which transaction applies:
N/A.
- (2) Aggregate number of securities to which transaction applies:
N/A.
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
N/A.
- (4) Proposed maximum aggregate value of transaction:
N/A.
- (5) Total fee paid:
N/A.
- 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.
- (1) Amount Previously Paid:
N/A.

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- (2) Form, Schedule or Registration Statement No.:
N/A.
 - (3) Filing Party:
N/A.
 - (4) Date Filed:
N/A.
-

Radius Health, Inc.

201 Broadway, 6th Floor
Cambridge, MA 02139

INFORMATION STATEMENT NOTICE

**WE ARE NOT ASKING YOU FOR A PROXY AND
YOU ARE REQUESTED NOT TO SEND US A PROXY**

Dear Stockholders:

The purpose of this notice and attached Information Statement is to inform you of the following actions taken by the Board of Directors of Radius Health, Inc. (the Company, we or us) and the majority stockholders of the Company as discussed below, each of which will become effective on or after February 1, 2012, the date that is twenty-one (21) calendar days after the date this Information Statement was first mailed to our stockholders:

1. On January 31, 2012, the Company's Board of Directors (the Board) adopted and approved:

- amendments (collectively, the Charter Amendment) to the Certificate of Designations of the Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock, Series A-3 Convertible Preferred Stock, Series A-4 Convertible Preferred Stock, Series A-5 Convertible Preferred Stock and Series A-6 Convertible Preferred Stock of the Company relating to, among other things, the dividend rights of the Company's Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and Series A-3 Convertible Preferred Stock and the conversion of the Company's preferred stock, all as more specifically set forth in the Charter Amendment;
- an amendment (the Plan Amendment) to the Company's 2011 Equity Incentive Plan (as amended, the 2011 Plan), providing for an increase, effective on the date on which the Company's common stock becomes listed on a national securities exchange, in the number of shares of Common Stock eligible for issuance thereunder from 4,252,953 to 5,002,953, as further described in the Information Statement; and
- the Restated Certificate of Incorporation of the Company (the Restated Certificate) to serve as the certificate of incorporation for the Company from and after the date on which the Company's common stock becomes listed on a national securities exchange, which Restated Certificate will, among other things, (i) authorize the Board to establish the rights, preferences and restrictions on any unissued series of preferred stock, (ii) provide for a classified board of directors, and (iii) require that all stockholder action be taken by a vote of the stockholders at an annual or special meeting and deny the right of stockholders to call a special meeting of stockholders, all as more specifically set forth in the Restated Certificate

2. On February , 2012, we received the written consent, in lieu of a meeting of stockholders, of (i) the holders of shares of the Company's Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and/or Series A-3 Convertible Preferred Stock representing at least 70% of the voting power of the shares of the Company's Series A-1 Convertible

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Preferred Stock, Series A-2 Convertible Preferred Stock and Series A-3 Convertible Preferred Stock then outstanding and (ii) a majority of the outstanding shares of the Company's common stock, on an as-converted basis, approving the Charter Amendment, the Plan Amendment and the Restated Certificate.

A copy of each of the stockholder consent, the Charter Amendment, the 2011 Plan and the Restated Certificate is attached to this Information Statement as Exhibit A, Exhibit B, Exhibit C and Exhibit D, respectively. We anticipate filing a Certificate of Amendment setting forth the Charter Amendment with the Secretary of State of the State of Delaware on or about February 1, 2012. We do not anticipate filing the Restated Certificate with the Secretary of State of the State of Delaware until the date on which the Company's common stock becomes listed on a national securities exchange.

Pursuant to the rules and regulations promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), an Information Statement must be provided to the holders of voting stock of the Company who did not receive a consent solicitation pursuant to section 14(a) of the Exchange Act regarding the actions set forth in the consent. This notice and Information Statement will also be considered the notice required by Section 228(e) of the General Corporation Law of the State of Delaware ("DGCL"). You are encouraged to read the attached Information Statement, including the exhibits, for further information regarding this action.

This Information Statement is solely for your information and does not require or request you to do anything. This is not a notice of a meeting of stockholders and no stockholders' meeting will be held to consider the matters described in the Information Statement.

By Order of the Board of Directors,

Michael S. Wyzga
President and Chief Executive Officer

Cambridge, Massachusetts

February 1, 2012

INFORMATION STATEMENT

Radius Health, Inc. (the Company, we or us) is mailing this Information Statement to you, as a holder of shares of our capital stock, to provide you with information regarding the actions described below that were taken by written consent in lieu of a special meeting of stockholders by the holders of shares of our Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and/or Series A-3 Convertible Preferred Stock representing at least 70% of the voting power of the shares of our Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and Series A-3 Convertible Preferred Stock outstanding (the Senior Majority) and a majority of the outstanding shares of our common stock on an as-converted basis, each of which will become effective on or after February , 2012, the date that is twenty-one (21) calendar days after the date this Information Statement was first mailed to our stockholders.

On January 31, 2012, the Company s Board of Directors (the Board) adopted and approved:

- amendments (collectively, the Charter Amendment) to the Certificate of Designations of the Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock, Series A-3 Convertible Preferred Stock, Series A-4 Convertible Preferred Stock, Series A-5 Convertible Preferred Stock and Series A-6 Convertible Preferred Stock of the Company relating to, among other things, the dividend rights of the Company s Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and Series A-3 Convertible Preferred Stock and the conversion of the Company s preferred stock, als more specifically set forth in the Charter Amendment;
- an amendment (the Plan Amendment) to the Company s 2011 Equity Incentive Plan (as amended, the 2011 Plan), providing for an increase, effective on the date on which the Company s common stock becomes listed on a national securities exchange, in the number of shares of Common Stock eligible for issuance thereunder from 4,252,953 to 5,002,953, as further described in the Information Statement; and
- the Restated Certificate of Incorporation of the Company (the Restated Certificate) to serve as the certificate of incorporation for the Company from and after the date on which the Company s common stock becomes listed on a national securities exchange, which Restated Certificate will, among other things, (i) authorize the Board to establish the rights, preferences and restrictions on any unissued series of preferred stock, (ii) provide for a classified board of directors, and (iii) require that all stockholder action be taken by a vote of the stockholders at an annual or special meeting and deny the right of stockholders to call a special meeting of stockholders, all as more specifically set forth in the Restated Certificate.

On February , 2012, the holders of:

- shares of the Company s Series A-1 Convertible Preferred Stock outstanding on January , 2012 (the Record Date);
-

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- shares of the Company's Series A-2 Convertible Preferred Stock outstanding on the Record Date; and
- shares of the Company's Series A-3 Convertible Preferred Stock outstanding on the Record Date;

representing approximately % of the outstanding shares, as of the Record Date, of the Company's Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and Series A-3 Convertible Preferred Stock outstanding, collectively, and approximately % of the outstanding shares, on the Record Date, of our common stock on an as-converted basis, executed a written consent in accordance with Section 228 of the DGCL and the Company's bylaws approving the Charter Amendment, the Plan Amendment and the Restated Certificate.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

This Information Statement is being mailed on or about February , 2012 to stockholders of record on the Record Date. On the Record Date, there were:

- 675,897 shares of our common stock outstanding; and
- 2,075,488 shares of our Preferred Stock, par value \$0.0001 per share (the Preferred Stock), outstanding, consisting of:
 - 939,612 shares of Series A-1 Convertible Preferred Stock;
 - 983,208 shares of Series A-2 Convertible Preferred Stock;
 - 142,227 shares of Series A-3 Convertible Preferred Stock;
 - 3,998 shares of Series A-4 Convertible Preferred Stock; and
 - 6,443 shares of Series A-5 Convertible Preferred Stock.

Each share of Preferred Stock is convertible into 10 shares of common stock. Under the terms of the DGCL and our certificate of incorporation, the affirmative vote of the holders of at least the Senior Majority and of a majority of our outstanding shares of common stock on an as-converted basis was required to approve the Charter Amendment and the Restated Certificate. Under the terms of the 2011 Plan, the affirmative vote of the holders of a majority of our outstanding shares of common stock on an as-converted basis was required to approve the Plan Amendment and, under the terms of the Internal Revenue Code of 1986, as amended (the Code), the affirmative vote of the holders of a majority of our outstanding shares of common stock on an as-converted basis was required to enable us to grant incentive stock options (as defined in the Code) under the 2011 Plan.

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On the Record Date:

- 1,445,533 shares of Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and/or Series A-3 Convertible Preferred Stock constituted the Senior Majority; and
- 10,715,389 shares of common stock constituted a majority of the outstanding shares of our common stock on an as-converted basis.

This is not a notice of a special meeting of stockholders and no stockholders meeting will be held to consider any matter described in this Information Statement.

The stockholders representing the Senior Majority and holding a majority of the outstanding shares of our common stock on an as-converted basis have voted to approve the Charter Amendment and the Restated Certificate, which vote is sufficient to satisfy the stockholder vote requirement for those actions. The stockholders holding a majority of the outstanding shares of our common stock on an as-converted basis have voted to approve the Plan Amendment, which vote is sufficient to satisfy the stockholder vote requirement for that action. Accordingly, no additional votes will be needed to approve these matters.

ACTION 1 CERTIFICATE OF AMENDMENT TO CERTIFICATE OF DESIGNATIONS

Proposal and Background Information

The Charter Amendment was adopted and approved by the Board on January 31, 2012, and approved by our stockholders on February 1, 2012, as further described above, to:

- specify that dividends on outstanding shares of the Company's Series A-1 Convertible Preferred Stock, Series A-2 Convertible Preferred Stock and Series A-3 Convertible Preferred Stock accrue on a daily basis;
- clarify that the Board has the discretion to pay such accrued dividends in cash or through the issuance of shares of the Company's common stock upon the conversion of the Company's preferred stock; and
- clarify procedural mechanics regarding the conversion of the Company's preferred stock, including the treatment of fractional shares resulting from the application of conversion ratios and the manner in which shares of multiple series of preferred stock surrendered for conversion by a single holder are to be treated.

This description of the Charter Amendment is intended to be a summary only and is qualified in its entirety by the terms of the Charter Amendment attached to this Information Statement as Exhibit B, which is incorporated herein by reference.

Under the terms of the DGCL and our certificate of incorporation, the affirmative vote of the holders of at least the Senior Majority and of a majority of our outstanding shares of common stock on an as-converted basis was required to approve the Charter Amendment.

Reasons for the Charter Amendment

The Charter Amendment effects changes to our certificate of incorporation that are desirable to clarify the application of certain provisions thereof and address potential ambiguities in connection with the conversion of shares of convertible preferred stock.

Effectiveness of Restated Certificate

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The Charter Amendment will become effective upon the filing of a Certificate of Amendment setting forth the Charter Amendment with the Secretary of State of the State of Delaware, which the Company intends to file on or after the date of expiration of the 20-day period commencing on the date of mailing of this Information Statement to our stockholders as required under Rule 14c-2 under the Exchange Act.

ACTION 2 AMENDMENT TO 2011 EQUITY INCENTIVE PLAN

Proposal and Background Information

The Plan Amendment was recommended by our Compensation Committee of the Board and adopted and approved by the Board on January 31, 2012, and approved by our stockholders on February 1, 2012, as further described above, to increase the number of shares of our common stock eligible for issuance thereunder from 4,252,953 to 5,002,953.

This description of the Plan Amendment is intended to be a summary only and is qualified in its entirety by the terms of the 2011 Plan attached to this Information Statement as Exhibit C, which is incorporated herein by reference.

Under the terms of the 2011 Plan, the affirmative vote of the holders of a majority of our outstanding shares of common stock on an as-converted basis was required to approve the Plan Amendment and, under the terms of the Internal Revenue Code of 1986, as amended (the Code), the affirmative vote of the holders of a majority of our outstanding shares of common stock on an as-converted basis was required to enable us to grant incentive stock options (as defined in the Code) under the 2011 Plan.

Reasons for the Plan Amendment

The Plan Amendment will allow the Company to issue additional stock-based awards to employees, consultants and non-employee directors of the Company and its affiliates, allowing the Company to attract and retain qualified individuals to serve in these positions.

Effectiveness of Plan Amendment

The Plan Amendment will become effective upon the later to occur of (i) the date on which the Company's common stock becomes listed on a national securities exchange and (ii) the expiration of the 20-day period commencing on the date of mailing of this Information Statement to our stockholders as required under Rule 14c-2 under the Exchange Act.

ACTION 3 RESTATED CERTIFICATE OF INCORPORATION

Proposal and Background Information

The Restated Certificate was adopted and approved by the Board on January 31, 2012, and approved by our stockholders on February 1, 2012, as further described above, to, among other things, (i) authorize the Board to establish the rights, preferences and restrictions on any unissued series of preferred stock, (ii) provide for a classified board of directors, (iii) establish the vote required for the removal of directors, (iv) require that all stockholder action be taken by a vote of the stockholders at an annual or special meeting and deny the right of stockholders to call a special meeting of stockholders, (v) limit the personal liability of directors to the Company and its stockholders, and (vi) effect certain other changes, all as more specifically described below. Under the terms of the DGCL and our certificate of incorporation, the affirmative vote of the holders of at least the Senior Majority and of a majority of our outstanding shares of common stock on an as-converted basis was required to approve the Restated Certificate.

The Restated Certificate includes several defensive provisions. These defensive measures could have the effect of rendering more difficult or discouraging a merger, tender offer or other takeover attempt that some, or a majority, of the Company's stockholders might believe to be in their best interests or in which stockholders might receive a premium for their stock over the then current market price of such stock. The Company's management is not aware of any current effort to accumulate shares of the Company's common stock or to otherwise obtain control of the Company. Rather, the defensive provisions included in the Restated Certificate are being proposed at this time in order to protect our and our stockholders' interests and preserve the long-term value of the Company.

The following description of the Restated Certificate is intended to be a summary only and is qualified in its entirety by the terms of the Restated Certificate attached to this Information Statement as Exhibit D, which is incorporated herein by reference.

Summary

Common Stock. The Restated Certificate will provide that the holders of the Company's common stock will be entitled to one vote for each share on all matters voted on by stockholders, including elections of directors. However, because of the ability of the Board to designate shares of preferred stock, and to determine the rights of such shares of preferred stock, from time to time, the holders of common stock may in the future share voting power with any shares of any such series of preferred stock, which the Company may designate and issue. The Restated Certificate does not provide for cumulative voting in the election of directors.

Subject to any preferential rights of any outstanding series of the Company's preferred stock created by the Board from time to time, the holders of common stock will be entitled to such dividends as may be declared from time to time by the Board from funds available therefor and upon liquidation will be entitled to receive pro rata all assets available for distribution to such holders. The holders of the Company's common stock will have no preemptive rights.

The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which the Company may designate and issue in the future.

Preferred Stock. The Restated Certificate authorizes the Board to establish one or more series of the Company's preferred stock and to determine, with respect to any series of the Company's preferred stock the terms, rights, preferences and limitations of such series.

The authorized shares of the Company's preferred stock, as well as shares of the Company's common stock, will be available for issuance without further action by the Company's stockholders, unless such action is required by applicable law or the rules of any stock exchange on which the Company's securities may be listed. If the approval of the Company's stockholders is not required for the issuance of shares of preferred stock or common stock, the Board may determine not to seek such stockholder approval.

Although the Board has no intention at the present time of doing so, the Board could issue a series of preferred stock that could, depending on the terms of such series, impede the completion of a merger, tender offer or other takeover attempt. The Board will make any determination to issue such shares based on its judgment as to the best interests of the Company and its stockholders. The Board, in so acting, could issue a series of preferred stock having terms that could discourage an acquisition attempt through which an acquiror may be able to change the composition of the Board, including a tender offer or other transaction that some, or a majority, of the Company's stockholders might believe to be in their best interests or in which stockholders might receive a premium for their stock over the then current market price of such stock.

Bylaws. The Restated Certificate provides that the Board will have the power to adopt, amend, alter or repeal the Company's bylaws. The stockholders may only adopt, amend, alter or repeal the Company's bylaws by the affirmative vote of the holders of at least two-thirds in voting power of the shares of capital stock of the Company entitled to vote thereon.

Board of Directors. The Restated Certificate provides that the number of the Company's directors will be established by the Board. The Company's directors will be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 2012, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 2013 and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 2014, with each director to hold office until his or her successor is duly elected and qualified. Commencing with the 2012 annual meeting of stockholders, directors elected to succeed directors whose terms then expire will be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election, with each director to hold office until such person's successor is duly elected and qualified.

The Restated Certificate provides that, except as otherwise provided for in a certificate of designations setting forth the rights of the holders of any series of the Company's preferred stock, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board resulting from death, resignation, removal or otherwise will be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board, and not by the stockholders. Any director elected in accordance with the preceding sentence will hold office for the remainder of the term and until such director's successor shall have been duly elected and qualified. Subject to the rights of holders of the Company's preferred stock, no director may be removed from office by the stockholders except for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the shares of capital stock of the Company entitled to vote thereon.

These provisions would preclude a third party from removing incumbent directors and simultaneously gaining control of the Board by filling the vacancies created by removal with its own nominees. Under the classified board provisions described above, it would take at least two elections of directors for any individual or group to gain control of the Board. Accordingly, these provisions could discourage a third party from initiating a proxy contest, making a tender offer or otherwise attempting to gain control of the Company. These provisions apply to all elections of directors and not just to elections

following a change of control. As a result, these provisions also have the effect of making it more difficult for stockholders to change a majority of the directors even if the only reason for the change may be the performance of the present directors.

Special Meetings and Stockholder Action by Written Consent. The Restated Certificate provides that any action required or permitted to be taken by the Company's stockholders must be affected at a duly called annual or special meeting of such stockholders and may not be affected by any consent in writing by such stockholders. Special meetings of the Company's stockholders for any purpose or purposes may be called only by the Board, the chairperson of the Board, the chief executive officer or the president, and any power of stockholders to call a special meeting is specifically denied. No business other than that stated in the notice shall be transacted at any special meeting.

Limitation of Liability. The Restated Certificate provides, consistent with the DGCL, that a director of the Company shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent the DGCL prohibits the elimination of limitation of liability of directors for breaches of fiduciary duty. Neither the amendment nor repeal of such provision will eliminate or reduce its effect in respect of any matter, cause of action, suit or claim arising or occurring prior to such amendment or repeal.

Future Changes to Restated Certificate. In the Restated Certificate the Company reserves the right to amend, alter, change or repeal any provision of the Restated Certificate as prescribed by law and the Restated Certificate. The Restated Certificate further provides that the affirmative vote of the holders of at least two-thirds in voting power of the capital stock of the Company entitled to vote thereon is required to amend provisions of the Restated Certificate relating to, among other things, (1) the adoption, amendment, alteration or repeal of the Company's bylaws, (2) the number, election and term of the Company's directors, (3) the nomination of director candidates and the proposal of business by stockholders, (4) the filling of vacancies on the Board of Directors, (5) the removal of directors, (6) action by written consent of stockholders, (7) calling of special meetings, and (8) the selection of the Court of Chancery of the State of Delaware as the exclusive forum for certain legal actions.

Reasons for the Restated Certificate

We believe the Restated Certificate will allow us to more effectively raise additional capital needed for the development of our business, attract and retain qualified candidates to serve as directors, officers and employees of the Company, and otherwise serve our and our stockholders' best interests.

Effectiveness of Restated Certificate

The Restated Certificate will become effective upon filing with the Secretary of State of the State of Delaware, subject to the conversion of all outstanding shares of convertible preferred stock into common stock. The Company intends to file the Restated Certificate with the Secretary of State of the State of Delaware upon the later to occur of (i) the date on which the Company's common stock becomes listed on a national securities exchange and the conversion into common stock of all outstanding preferred stock and (ii) the expiration of 20 days after the mailing of this Information Statement to our stockholders as required under Rule 14c-2 under the Exchange Act.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding beneficial ownership of our common stock as of February 1, 2012 by: (i) each person known by the Company to be the beneficial owner calculated in accordance with Rule 13d-3(d)(1) promulgated under the Exchange Act of more than 5% of the outstanding shares of common stock; (ii) each director and executive officer of the Company; and (iii) all officers and directors as a group. Unless otherwise stated in the table or its footnotes, the person and entities listed below have the sole voting power and investment power with respect to the shares set forth next to one's name. Unless otherwise noted, the address of each stockholder below is c/o Radius Health, Inc., 201 Broadway, 6th Floor, Cambridge, MA 02139.

Name, (Title) and Address	Shares Beneficially Owned	Title of Class	Percentage of Class(1)(a)	Percentage of Converted Common Stock(1)(b)
Michael S. Wyzga (Chief Executive Officer, President and Director)	0		0%	0%
C. Richard Lyttle, Ph.D. (Chief Scientific Officer)	608,009(2)	Common Stock Converted Common Stock	49.9%	2.8%
B. Nicholas Harvey (Senior Vice President, Chief Financial Officer, Treasurer and Secretary)	186,629(3)	Common Stock Converted Common Stock	22.4%	0.9%
Louis Brenner (Senior Vice President and Chief Medical Officer)	0		0%	0%
Gary Hattersley (Vice President of Biology)	89,579(4)	Common Stock Converted Common Stock	11.7%	0.4%
Dr. Ansbert K. Gadicke (Director)	8,397,070(5)	Common Stock	92.6%	
	384,261(6)	Series A-1 Preferred Stock	40.9%	
	402,155(7)	Series A-2 Preferred Stock	40.9%	