

AmpliPhi Biosciences Corp
Form DEF 14A
July 10, 2015

**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 x
Filed by a Party other than the Registrant o
Check the appropriate box:

- o Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material under §240.14a-12

AMPLIPHI BIOSCIENCES CORPORATION

(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):

- x No fee required.
 - o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:
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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

TABLE OF CONTENTS

July 9, 2015

Dear Shareholder:

You are cordially invited to attend our Annual Meeting of Shareholders on Monday, August 3, 2015 at 8:00 a.m., local time, at the DoubleTree Hotel Olympia, 415 Capitol Way North, Olympia, Washington, 98501.

Only shareholders who owned common stock at the close of business on July 2, 2015 can vote at the Meeting or any adjournment that may take place. At the Annual Meeting, the shareholders will:

1. Elect two Class III directors to serve until the annual meeting of shareholders in 2018;
2. Amend our 2013 Stock Incentive Plan to increase the number of shares of common stock authorized for issuance under the plan from 40,000,000 shares to 66,000,000 shares;
3. Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015;
4. Authorize an amendment to our Amended and Restated Articles of Incorporation allowing our Board, in its discretion at any time prior to June 30, 2016, to effect a reverse stock split of our outstanding common stock at a ratio of at least five-for-one and up to fifty-for-one;
5. Authorize an amendment to our Amended and Restated Articles of Incorporation to increase the number of authorized shares of common stock from 445,000,000 shares to 670,000,000 shares; and
6. Transact any other business properly brought before the Annual Meeting.

You can find more information about each of these items, including the nominees for directors, in the attached Proxy Statement.

The Board of Directors recommends that you vote in favor of each of the five proposals outlined in the attached Proxy Statement.

All shareholders are cordially invited to attend the Annual Meeting in person. Enclosed are a Notice of Annual Meeting of Shareholders and Proxy Statement describing the formal business to be conducted at the meeting. We are also providing proxy material access to our shareholders via the Internet. Accordingly, you can access the proxy materials and vote at www.edocumentview.com/APHB. Please give the proxy materials your careful attention.

After reading the Proxy Statement, please promptly mark, sign, and return the enclosed proxy in the prepaid envelope to assure that your shares will be represented. You may also vote via the Internet or by telephone by following the instructions on your proxy card. In order to vote via the Internet or by telephone, you must have the shareholder identification number which is provided in your Notice. If you attend the Annual Meeting, you may vote in person even if you have previously returned your proxy card or have voted via the Internet or by telephone. Please review the instructions for each voting option described in this Proxy Statement. Your prompt cooperation will be greatly appreciated.

Sincerely,

M. Scott Salka
Chief Executive Officer

TABLE OF CONTENTS

TABLE OF CONTENTS

| | |
|--|----|
| <u>NOTICE OF ANNUAL MEETING OF SHAREHOLDERS</u> | 1 |
| <u>PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS</u> | 3 |
| <u>GENERAL INFORMATION ABOUT THE MEETING, SOLICITATION AND VOTING</u> | 3 |
| <u>PROPOSAL NO. 1 ELECTION OF DIRECTORS</u> | 7 |
| <u>Vote Required and Board of Directors Recommendation</u> | 9 |
| <u>Board Meetings and Committees</u> | 10 |
| <u>Director Nominations</u> | 12 |
| <u>Board of Directors Leadership Structure</u> | 14 |
| <u>Shareholder Communications with Directors</u> | 14 |
| <u>Code of Ethics</u> | 14 |
| <u>Board of Directors Member Independence</u> | 14 |
| <u>Risk Oversight</u> | 15 |
| <u>PROPOSAL NO. 2 INCREASE IN AUTHORIZED NUMBER OF SHARES UNDER 2013 STOCK INCENTIVE PLAN</u> | 16 |
| <u>PROPOSAL NO. 3 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u> | 20 |
| <u>Overview</u> | 20 |
| <u>Vote Required and Board of Directors Recommendation</u> | 21 |
| <u>PROPOSAL NO. 4 AUTHORIZATION OF REVERSE STOCK SPLIT</u> | 22 |
| <u>Purpose and Background of the Reverse Stock Split</u> | 23 |
| <u>The Reverse Stock Split May Not Result in an Increase in the Per Share Price of Our Common Stock; There Are Other Risks Associated with the Reverse Stock Split</u> | 24 |
| <u>Principal Effects of the Reverse Stock Split on Market for our Common Stock</u> | 24 |
| <u>Principal Effects of the Reverse Stock Split on Common Stock; No Fractional Shares</u> | 24 |
| <u>Principal Effects of the Reverse Stock Split on Outstanding Options and Warrants</u> | 25 |
| <u>Principal Effects of the Reverse Stock Split on Outstanding Preferred Stock</u> | 25 |
| <u>Principal Effects of the Reverse Stock Split on Legal Ability to Pay Dividends</u> | 25 |
| <u>Accounting Matters</u> | 25 |
| <u>Potential Anti-Takeover Effect</u> | 25 |
| <u>Procedure for Effecting the Reverse Stock Split; Exchange of Stock Certificates</u> | 26 |
| <u>No Dissenters Rights</u> | 26 |
| <u>Federal Income Tax Consequences of the Reverse Stock Split; Rule 144</u> | 26 |
| <u>Required Approval</u> | 27 |
| <u>PROPOSAL NO. 5 AMENDMENT TO AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO INCREASE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK</u> | 28 |
| <u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u> | 30 |
| <u>EXECUTIVE COMPENSATION</u> | 32 |
| <u>Executive Officers and Significant Employees</u> | 32 |
| <u>Summary Compensation Table</u> | 33 |

TABLE OF CONTENTS

| | |
|---|-----------|
| <u>Grants of Plan-Based Awards</u> | <u>33</u> |
| <u>Outstanding Equity Awards at Fiscal Year End</u> | <u>34</u> |
| <u>Option Exercises and Stock Vested</u> | <u>35</u> |
| <u>Pension Benefits</u> | <u>35</u> |
| <u>Non-Qualified Deferred Compensation</u> | <u>35</u> |
| <u>Non-Executive Director Compensation</u> | <u>35</u> |
| <u>Certain Relationships and Related Party Transactions</u> | <u>36</u> |
| <u>Section 16(a) Beneficial Ownership Reporting Compliance</u> | <u>36</u> |
| <u>COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION</u> | <u>36</u> |
| <u>REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS</u> | <u>37</u> |
| <u>AUDIT COMMITTEE</u> | <u>37</u> |
| <u>SHAREHOLDER PROPOSALS TO BE PRESENTED AT NEXT ANNUAL MEETING</u> | <u>38</u> |
| <u>WHERE YOU CAN FIND MORE INFORMATION</u> | <u>38</u> |
| <u>TRANSACTION OF OTHER BUSINESS</u> | <u>39</u> |

TABLE OF CONTENTS

AMPLIPHI BIOSCIENCES CORPORATION
800 East Leigh Street, Suite 209
Richmond, Virginia 23219

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held August 3, 2015

The 2015 Annual Meeting of Shareholders of AmpliPhi Biosciences Corporation will be held on Monday, August 3, 2015 at 8:00 a.m., local time, at the DoubleTree Hotel Olympia, 415 Capitol Way North, Olympia, Washington, 98501, for the following purposes, as more fully described in the proxy statement accompanying this notice:

- To elect two Class III directors to our Board of Directors, with the Class III directors to serve for a three-year term expiring at the annual meeting of shareholders in 2018 or until their successors are duly elected and qualified;
- To amend the 2013 Stock Incentive Plan to increase the number of shares of common stock authorized for issuance under the plan from 40,000,000 shares to 66,000,000 shares;
- To ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015;
- To authorize an amendment to our Amended and Restated Articles of Incorporation allowing our Board, in its discretion at any time prior to June 30, 2016, to effect a reverse stock split of our outstanding common stock at a ratio of at least five-for-one and up to fifty-for-one;
- To authorize an amendment to our Amended and Restated Articles of Incorporation to increase the number of authorized shares of common stock from 445,000,000 shares to 670,000,000 shares; and
- To transact any other business as may properly come before the Annual Meeting and any adjournments or postponements thereof.

Our Board of Directors has fixed the close of business on July 2, 2015 as the record date for the Annual Meeting. Only holders of record of our stock on the record date are entitled to notice of and to vote at the Annual Meeting and any adjournments or postponements thereof.

Your vote is very important. You may vote your shares via the Internet or by telephone by following the instructions on your proxy card and on www.edocumentview.com/APHB, or by signing, voting and returning the proxy card to Computershare, P.O. Box 30170, College Station, TX 77842-3170. For specific instructions on how to vote your shares, please review the instructions for each of these voting options as detailed in your Notice and in this Proxy Statement. If you attend the Annual Meeting, you may vote in person even if you have previously voted via the Internet, by telephone or by returning your proxy card.

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE PROMPTLY COMPLETE YOUR PROXY AS INDICATED ABOVE IN ORDER TO ENSURE REPRESENTATION OF YOUR SHARES. PLEASE REVIEW THE INSTRUCTIONS FOR EACH OF YOUR VOTING OPTIONS DESCRIBED IN THIS PROXY STATEMENT AND THE ENCLOSED PROXY CARD.

TABLE OF CONTENTS

The approximate date of mailing the proxy statement and the accompanying proxy card is July 13, 2015. This Proxy Statement and the form of proxy were first made available to shareholders on or about July 9, 2015.

By order of the Board of Directors,

Jeremy Curnock Cook
Chairman
Richmond, Virginia
July 9, 2015

2

TABLE OF CONTENTS

AMPLIPHI BIOSCIENCES CORPORATION
800 East Leigh Street, Suite 209
Richmond, Virginia 23219

PROXY STATEMENT
FOR
2015 ANNUAL MEETING OF SHAREHOLDERS

This proxy statement is being furnished to holders of shares of common stock of AmpliPhi Biosciences Corporation, a Washington corporation, in connection with the solicitation of proxies by our Board of Directors (the Board or Board of Directors) for use at our 2015 Annual Meeting of Shareholders, and at any adjournments or postponements thereof.

We will hold the Annual Meeting on Monday, August 3, 2015, at 8:00 a.m., local time, at the DoubleTree Hotel Olympia, 415 Capitol Way North, Olympia, Washington, 98501. This proxy statement and the accompanying proxy card are first being mailed to shareholders entitled to vote at the Annual Meeting on or about July 13, 2015.

**GENERAL INFORMATION ABOUT THE MEETING,
SOLICITATION AND VOTING**

What is the purpose of the annual meeting?

There are five proposals scheduled to be voted on at the Annual Meeting of Shareholders:

1. To elect two Class III directors to each serve a term of three years expiring at the 2018 Annual Meeting of Shareholders;
2. To amend the 2013 Stock Incentive Plan to increase the number of shares of common stock authorized for issuance under the plan from 40,000,000 shares to 66,000,000 shares;
3. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm;
4. To authorize an amendment to our Amended and Restated Articles of Incorporation allowing our Board, in its discretion at any time prior to June 30, 2016, to effect a reverse stock split of our outstanding common stock at a ratio of at least five-for-one and up to fifty-for-one; and
5. To authorize an amendment to our Amended and Restated Articles of Incorporation to increase the number of our authorized shares of common stock from 445,000,000 shares to 670,000,000 shares.

Who is entitled to vote?

Shareholders as of the close of business on July 2, 2015 (the Record Date) may vote at the Annual Meeting of Shareholders. You have one vote for each share of common stock you held on the Record Date. The holders of the Series B Convertible Preferred Stock are entitled to that number of votes equal to the number of shares of the common stock into which the Series B Convertible Preferred Stock may be converted as of the date such vote is held. Shares entitled to vote include shares held as of the Record Date that are:

Held directly in your name as shareholder of record (also referred to as registered shareholder); and Held for you in an account with a broker, bank or other nominee (shares held in street name). Street name holders generally cannot vote their shares directly and must instead instruct the brokerage firm, bank or nominee how to vote their shares.

What constitutes a quorum?

A majority of the outstanding shares entitled to vote, present in person or represented by proxy, constitutes a quorum for the Annual Meeting of Shareholders. Abstentions are counted as present and entitled to vote for purposes of determining a quorum. Broker non-votes (described below) are also counted as present and entitled to vote for purposes of determining a quorum. As of the Record Date, 285,344,172 shares of AmpliPhi common stock were outstanding and entitled to vote and 8,290,353 shares of Series B Convertible Preferred Stock, each which is convertible into 10 shares of common stock, were outstanding and entitled to vote. The holders of the Series B Convertible Preferred Stock are entitled to the number of votes equal to the number of shares of the common stock into which the Series B Convertible Preferred Stock may be converted as of the date such vote is held.

TABLE OF CONTENTS

How many votes are required to approve each proposal?

Proposal No. 1: The two Class III directors who receive the greatest number of affirmative votes cast at the Annual Meeting, in person or by proxy, will be elected to the Board of Directors. You are not entitled to cumulate votes in electing directors.

Proposal No. 2: The affirmative vote of the holders of shares representing a majority of the votes cast at the Annual Meeting, in person or by proxy, is required to amend the 2013 Stock Incentive Plan to increase the number of shares of common stock authorized for issuance under the plan from 40,000,000 shares to 66,000,000 shares.

Proposal No. 3: The affirmative vote of the holders of shares representing a majority of the votes cast at the Annual Meeting, in person or by proxy, is required to ratify the selection of Ernst & Young LLP as our independent registered public accounting firm.

Proposal No. 4: The affirmative vote of the holders of a majority of the outstanding shares is required to authorize an amendment to our Amended and Restated Articles of Incorporation allowing our Board, in its discretion at any time prior to June 30, 2016, to effect a reverse stock split of our outstanding Common Stock at a ratio at least five-for-one and up to fifty-for-one.

Proposal No. 5: The (i) affirmative vote of the holders of a majority of the outstanding shares of the Corporation and (ii) affirmative vote of the holders of a majority of the outstanding shares of the Corporation's Common Stock, voting as a class, is required to authorize an amendment to our Amended and Restated Articles of Incorporation to increase the number of authorized shares of common stock from 445,000,000 shares to 670,000,000 shares.

How are votes counted and who are the proxies?

You may either vote **FOR** or **WITHHOLD** authority to vote for each nominee for the Board of Directors. Shares present or represented and not so marked as to withhold authority to vote for a particular nominee will be voted in favor of a particular nominee and will be counted toward such nominee's achievement of a plurality. Shares present at the meeting or represented by proxy where the shareholder properly withholds authority to vote for such nominee in accordance with the proxy instructions and **broker non-votes** will not be counted toward such nominee's achievement of plurality.

You may vote **FOR**, **AGAINST** or **ABSTAIN** on the amendment to the 2013 Stock Incentive Plan to increase the number of shares of common stock authorized for issuance under the plan from 40,000,000 shares to 66,000,000 shares. If you abstain from the amendment to the 2013 Stock Incentive Plan, it will have the same effect as a vote against the proposal. **Broker non-votes** will not be counted and will have the same effect as a vote against the proposal.

You may vote **FOR**, **AGAINST** or **ABSTAIN** on the ratification of Ernst & Young LLP. If you abstain from voting on the proposal to ratify Ernst & Young LLP, it will have no effect on the voting of the proposal. Brokers, bankers and other nominees have discretionary voting power on this routine matter and, accordingly, **broker non-votes** will have no effect on the ratification.

You may vote **FOR**, **AGAINST** or **ABSTAIN** on the amendment to our Amended and Restated Articles of Incorporation authorizing the Board to effect a reverse stock split. If you abstain from the amendment to our Amended and Restated Articles of Incorporation, it will have the same effect as a vote against the proposal. **Broker non-votes** will not be counted and will have the same effect as a vote against the proposal.

You may vote **FOR**, **AGAINST** or **ABSTAIN** on the amendment to our Amended and Restated Articles of Incorporation to increase the number of authorized shares of common stock from 445,000,000 shares to 670,000,000 shares. If you abstain from the amendment to the Amended and Restated Articles of Incorporation to increase the

number of shares of common stock authorized for issuance, it will have the same effect as a vote against the proposal.
Broker non-votes will not be counted and will have the same effect as a vote against the proposal.

4

TABLE OF CONTENTS

The persons named as attorneys-in-fact in the proxies, Jeremy Curnock Cook and David E. Boshier, were selected by the Board of Directors and are officers of AmpliPhi. All properly executed proxies submitted in time to be counted at the Annual Meeting will be voted by such persons at the Annual Meeting. Where a choice has been specified on the proxy with respect to the foregoing matters, the shares represented by the proxy will be voted in accordance with the specifications.

What is a broker non-vote?

If you hold your shares in street name and do not provide voting instructions to your broker, your shares will not be voted on any proposal on which your broker does not have discretionary authority to vote (a broker non-vote). Shares held by brokers who do not have discretionary authority to vote on a particular matter and who have not received voting instructions from their customers are counted as present for the purpose of determining whether there is a quorum at the Annual Meeting of Shareholders, but are not counted or deemed to be present or represented for the purpose of determining whether shareholders have approved that matter. Pursuant to applicable rules, brokers will have discretionary authority to vote on the proposal to ratify the appointment of Ernst & Young LLP.

How does the Board of Directors recommend that I vote?

Our Board of Directors recommends that you vote your shares:

FOR each of the nominees to the Board of Directors;

FOR the amendment of the 2013 Stock Incentive Plan;

FOR the ratification of the appointment of Ernst & Young LLP as AmpliPhi's independent registered public accounting firm for fiscal year ending December 31, 2015;

FOR the authorization of the amendment to our Amended and Restated Articles of Incorporation allowing our Board, in its discretion at any time prior to June 30, 2016, to effect a reverse stock split of our outstanding Common Stock at a ratio of at least five-for-one and up to fifty-for-one; and

FOR the authorization of the amendment to our Amended and Restated Articles of Incorporation to increase the number of shares of authorized common stock from 445,000,000 shares to 670,000,000 shares.

How do I vote my shares without attending the meeting?

If you are a shareholder of record, you may vote by granting a proxy. For shares held in street name, you may vote by submitting voting instructions to your broker or nominee. In any circumstance, you may vote:

By Mail You may vote by mail by signing and dating your proxy card and mailing it in the envelope provided. You should sign your name exactly as it appears on the proxy card. If you are signing in a representative capacity (for example, as guardian, executor, trustee, custodian, attorney or officer of a corporation), you should indicate your name and title or capacity.

By Internet or Telephone You may vote by Internet or telephone by following the voting instructions on the proxy card and on www.edocumentview.com/APHB or as directed by your broker or other nominee. In order to vote via the Internet or by telephone, you must have the shareholder identification number which is provided in your Notice.

Internet and telephone voting facilities will close at 11:59 p.m., Eastern Standard Time, on August 2, 2015.

TABLE OF CONTENTS

How do I vote my shares in person at the meeting?

If you are a shareholder of record (also referred to as registered shareholder) and prefer to vote your shares in person at the meeting, bring proof of identification and request a ballot to vote at the meeting. You may vote shares held in street name only if you obtain a signed proxy from the record holder (broker or other nominee) giving you the right to vote the shares.

Even if you plan to attend the meeting, we encourage you to vote in advance by Internet, telephone or mail so that your vote will be counted even if you are unable to attend the meeting.

What does it mean if I receive more than one proxy card?

It generally means you hold shares registered in more than one account. To ensure that all your shares are voted, vote according to the instructions for each proxy card you receive.

May I change my vote?

Yes. Whether you have voted by Internet, telephone or mail you may change your vote and revoke your proxy by:

Sending a written statement to that effect to the Corporate Secretary of AmpliPhi;

Voting by Internet or telephone at a later time;

Submitting a properly signed proxy card with a later date; or

Voting in person at the Annual Meeting of Shareholders.