

ACCELERON PHARMA INC
Form DEF 14A
April 12, 2019
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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 under §240.14a-12

ACCELERON PHARMA 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.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
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 - (4) Proposed maximum aggregate value of transaction:
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 - (1) Amount Previously Paid:
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(3) Filing Party:

(4) Date Filed:

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Acceleron Pharma Inc.
128 Sidney Street
Cambridge, MA 02139

NOTICE OF 2019 ANNUAL MEETING OF STOCKHOLDERS

The 2019 Annual Meeting of Stockholders of Acceleron Pharma Inc. (the "Company" or "Acceleron") will be held on June 6, 2019, at 8:30 a.m. local time, at Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199, for the purpose of considering the following three company-sponsored proposals:

1. To elect Tom Maniatis, Ph.D., Richard F. Pops, and Joseph S. Zakrzewski as Class III directors, each for a three-year term.
2. To approve, on an advisory basis, the compensation paid to our named executive officers as described in this proxy statement.
3. To ratify the selection of Ernst & Young LLP as the independent registered public accounting firm for the Company for the fiscal year ending December 31, 2019.

We will also consider and act upon any other matters that properly come before the Annual Meeting or any adjournment or postponement thereof.

Our Board of Directors recommends that you vote "for" each of the nominees for Class III director (proposal no. 1), "for" approval, on an advisory basis, of the compensation paid to our named executive officers as described in this proxy statement (proposal no. 2), and "for" ratification of the proposed independent registered public accounting firm (proposal no. 3).

Each outstanding share of the Company's common stock (Nasdaq: XLRN) entitles the holder of record at the close of business on April 9, 2019, to receive notice of and to vote at the Annual Meeting or any adjournment or postponement of the Annual Meeting.

Whether or not you expect to attend the meeting, we urge you to vote your shares by following the instructions in the Important Notice Regarding the Availability of Proxy Materials that you received by mail and submit your proxy by Internet, by telephone or by signing, dating and returning the proxy card included in these materials in order to ensure the presence of a quorum. If you choose to attend the Annual Meeting, you may still vote your shares in person, even if you have previously voted or returned your proxy by any of the methods described in our proxy statement. If your shares are held in a bank or brokerage account, please refer to the materials provided by your bank or broker for voting instructions.

All stockholders are extended a cordial invitation to attend the meeting.

By Order of the Board of Directors

Habib J. Dable
Chief Executive Officer, President and Director
April 12, 2019

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Acceleron Pharma Inc.
128 Sidney Street
Cambridge, MA 02139

PROXY STATEMENT FOR 2019 ANNUAL MEETING OF STOCKHOLDERS

To Be Held On Thursday, June 6, 2019 at 8:30 am ET

This proxy statement, along with the accompanying Notice of 2019 Annual Meeting of Stockholders, contains information about the 2019 Annual Meeting of Stockholders of Acceleron Pharma Inc., which we refer to as the Annual Meeting, including any adjournments or postponements of the Annual Meeting. We are holding the Annual Meeting at 8:30 a.m. local time, at Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199. In this proxy statement, we refer to Acceleron Pharma Inc. as "Acceleron," "the Company," "we" and "us."

This proxy statement relates to the solicitation of proxies by our Board of Directors for use at the Annual Meeting.

On or about April 12, 2019, we made available this proxy statement and the attached Notice of 2019 Annual Meeting of Stockholders to all stockholders entitled to vote at the Annual Meeting, and we began sending the proxy card and the Important Notice Regarding the Availability of Proxy Materials to all stockholders entitled to vote at the Annual Meeting. Although not part of this proxy statement, we have also made available with this proxy statement our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (the "Annual Report"), which includes our financial statements for the fiscal year ended December 31, 2018.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON JUNE 6, 2019

This proxy statement and our Annual Report are available for viewing, printing and downloading at www.proxyvote.com. To view these materials, please have your 16-digit control number(s) available that appears on your proxy card.

Additionally, you can find a copy of our Annual Report on the website of the Securities and Exchange Commission, or the SEC, at www.sec.gov, or in the "Annual Meeting" tab of the "Investors/Media" section of our website at www.acceleronpharma.com. You may also obtain a printed copy of our Annual Report, free of charge, by sending a written request to: Acceleron Pharma Inc., 128 Sidney Street, Cambridge, MA 02139, Attention: Secretary. Exhibits, if any, will be provided upon written request and payment of an appropriate processing fee.

IMPORTANT INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Why is the Company soliciting my proxy?

The Board of Directors of Acceleron Pharma Inc. is soliciting your proxy to vote at the 2019 Annual Meeting of Stockholders to be held at 8:30 a.m. local time on June 6, 2019, at Ropes & Gray LLP, Prudential Tower, 800 Boylston Street, Boston, MA 02199, and any adjournments of the meeting, which we refer to as the Annual Meeting. The proxy statement along with the accompanying Notice of 2019 Annual Meeting of Stockholders summarizes the purposes of the meeting and the information you need to know to vote at the Annual Meeting.

We have made available to you on the Internet or have sent you this proxy statement, the Notice of 2019 Annual Meeting of Stockholders, the proxy card and a copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 because you owned shares of Acceleron Pharma Inc. common stock on the record date. When were this proxy statement and the accompanying materials sent to stockholders?

On or about April 12, 2019, we began sending the Important Notice Regarding the Availability of Proxy Materials to all stockholders entitled to vote at the Annual Meeting.

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When is the record date for the Annual Meeting?

The Company's Board of Directors has fixed the record date for the Annual Meeting as of the close of business on April 9, 2019. Only stockholders who owned our common stock at the close of business on April 9, 2019 are entitled to vote at the Annual Meeting.

How many votes can be cast by all stockholders?

A total of 52,684,282 shares of common stock of the Company were outstanding on April 9, 2019 and are entitled to be voted at the meeting. Each share of common stock is entitled to one vote on each matter.

How do I vote?

If you are a stockholder of record and your shares are registered directly in your name, you may vote:

• **By Internet.** You may vote by proxy via the Internet at www.proxyvote.com by following the instructions provided on the Important Notice Regarding the Availability of Proxy Materials or the proxy card.

• **By Telephone.** If you live in the United States or Canada, you may vote by proxy by calling toll-free 1-800-690-6903 and by following the instructions provided on the proxy card. You must have the 16-digit control number that is on either the notice or the proxy card when voting.

• **By Mail.** Complete and mail your proxy card in the postage prepaid envelope you receive, and return the proxy card to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. Your proxy will be voted in accordance with your instructions. If you sign and return the enclosed proxy but do not specify how you want your shares voted, they will be voted as recommended by our Board of Directors and according to the discretion of the proxy holder named in the proxy card upon any other business that may properly be brought before the meeting and at all adjournments and postponements thereof.

• **In Person at the Meeting.** If you attend the meeting, be sure to bring a form of personal picture identification with you, and you may deliver your completed proxy card in person, or you may vote by completing a ballot, which will be available at the meeting.

If your shares of common stock are held in street name (held for your account by a broker or other nominee):

• **By Internet or By Telephone.** You will receive instructions from your broker or other nominee if you are permitted to vote by Internet or telephone.

• **By Mail.** You will receive instructions from your broker or other nominee explaining how to vote your shares.

• **In Person at the Meeting.** If you attend the meeting, in addition to picture identification, you should both bring an account statement or a letter from the record holder indicating that you owned the shares as of the record date, and contact the broker or other nominee who holds your shares to obtain a broker's proxy card and bring it with you to the meeting.

What are the Board's recommendations on how to vote my shares?

The Board of Directors recommends a vote:

Proposal 1: FOR election of Tom Maniatis, Ph.D., Richard F. Pops, and Joseph S. Zakrzewski as Class III directors.

Proposal 2: FOR approval, on an advisory basis, of the compensation paid to our named executive officers as described in this proxy statement.

Proposal 3: FOR ratification of selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019.

Who pays the cost for soliciting proxies?

Acceleron will bear the cost of solicitation of proxies. This includes the charges and expenses of brokerage firms and others for forwarding solicitation material to beneficial owners of our outstanding common stock. Acceleron may solicit proxies by mail, personal interview, telephone or via the Internet through its officers, directors and other management employees, who will receive no additional compensation for their services.

Can I change my vote?

You may revoke your proxy at any time before it is voted by notifying the Secretary in writing, by returning a signed proxy with a later date, by transmitting a subsequent vote over the Internet or by telephone prior to the close of the Internet voting

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facility or the telephone voting facility, or by attending the meeting and voting in person. If your stock is held in street name, you must contact your broker or nominee for instructions as to how to change your vote.

How is a quorum reached?

The presence, in person or by proxy, of holders of at least a majority of the total number of outstanding shares entitled to vote is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and "broker non-votes" (i.e., shares represented at the meeting held by brokers, bankers or other nominees as to which instructions have not been received from the beneficial owners or persons entitled to vote such shares and, with respect to one or more but not all issues, such brokers or nominees do not have discretionary voting power to vote such shares), if any, will be counted for purposes of determining whether a quorum is present for the transaction of business at the meeting.

What vote is required to approve each item?

Proposal 1: Elect Directors

For the election of the three Class III director nominees, each director nominee presented must be elected by a majority of the votes cast. Director nominees are elected by a majority vote for uncontested director elections, and because the number of director nominees properly nominated does not exceed the number of positions on the Board of Directors to be filled by election, this election of directors is uncontested. To elect a director nominee to the Board of Directors, the votes cast FOR the director nominee must exceed the votes cast AGAINST. Only FOR and AGAINST votes will affect the outcome. Abstentions will have no effect on this Proposal 1. Proposal 1 is a non-routine matter. Therefore, brokerage firms do not have authority to vote customers' unvoted shares held by the firms in street name for the election of directors. As a result, any shares not voted by a customer will be treated as a broker non-vote. Such broker non-votes will have no effect on the results of this vote.

Proposal 2: Approve, on an Advisory Basis, the Compensation Paid to Our Named Executive Officers

For the advisory vote on executive compensation, the votes cast FOR must exceed the votes cast AGAINST to approve, on an advisory basis, the compensation of our named executive officers as described in this proxy statement. Only FOR and AGAINST votes will affect the outcome. Abstentions will have no effect on the voting of Proposal 2. Proposal 2 is a non-routine matter. Therefore, brokerage firms do not have authority to vote customers' unvoted shares held by the firms in street name on this proposal. As a result, any shares not voted by a customer will be treated as a broker non-vote. Such broker non-votes will have no effect on the results of this vote. Although the advisory vote is non-binding, the Compensation Committee and the Board of Directors will review the voting results and consider them when making future decisions regarding executive compensation.

Proposal 3: Ratify Selection of our Independent Registered Public Accounting Firm

For the ratification of the selection of our independent registered public accounting firm for our 2019 fiscal year, the votes cast FOR must exceed the votes cast AGAINST. Only FOR and AGAINST votes will affect the outcome. Abstentions will have no effect on the results of this vote. Proposal 3 is a routine matter. Therefore, brokerage firms have authority to vote customers' unvoted shares held by the firms in street name on this proposal. If a broker does not exercise this authority, such broker non-votes will have no effect on the results of this vote. We are not required to obtain the approval of our stockholders to select our independent registered public accounting firm. However, if our stockholders do not ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019, the Audit Committee of the Board of Directors will reconsider its selection.

If there are insufficient votes to approve these proposals, your proxy may be voted by the persons named in the proxy card to adjourn the Annual Meeting in order to solicit additional proxies in favor of the approval of such proposal(s). If the Annual Meeting is adjourned or postponed for any purpose, at any subsequent reconvening of the meeting, your

proxy will be voted in the same manner as it would have been voted at the original convening of the Annual Meeting unless you withdraw or revoke your proxy.

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Could other matters be decided at the Annual Meeting?

We do not know of any other matters that may be presented for action at the Annual Meeting. Should any other business come before the meeting, the persons named on the enclosed proxy will have discretionary authority to vote the shares represented by such proxies in accordance with their best judgment. If you hold shares through a broker, bank or other nominee as described above, they will not be able to vote your shares on any other business that comes before the Annual Meeting unless they receive instructions from you with respect to such matter.

What happens if the meeting is postponed or adjourned?

Your proxy may be voted at the postponed or adjourned meeting. You will still be able to change your proxy until it is voted.

What does it mean if I receive more than one proxy card or voting instruction form?

It means that you have multiple accounts at the transfer agent or with brokers. Please complete and return all proxy cards or voting instruction forms to ensure that all of your shares are voted.

Who should I call if I have any additional questions?

If you hold your shares directly, please call the Secretary of the Company at (617) 649-9200. If your shares are held in street name, please contact the telephone number provided on your voting instruction form or contact your broker or nominee holder directly.

Electronic Delivery of Company Stockholder Communications

Most stockholders can elect to view future proxy materials and annual reports over the Internet instead of receiving paper copies in the mail. You can choose this option and save us the cost of producing and mailing these documents by following the instructions provided when you vote over the Internet.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information as of March 31, 2019 (unless otherwise specified), with respect to the beneficial ownership of our common stock by each person who is known to own beneficially more than 5% of the outstanding shares of common stock, each person currently serving as a director, each nominee for director, each named executive officer (as set forth in the Summary Compensation Table below), and all directors and executive officers as a group.

Shares of common stock subject to options, restricted stock units or other rights to purchase which are now exercisable or are exercisable within 60 days after March 31, 2019 are to be considered outstanding for purposes of computing the percentage ownership of the persons holding these options or other rights but are not to be considered outstanding for the purpose of computing the percentage ownership of any other person. As of March 31, 2019, there were 52,542,118 shares of common stock outstanding. Unless otherwise indicated, the address for each beneficial owner is c/o Acceleron Pharma Inc., 128 Sidney Street, Cambridge, MA 02139.

Name	Number of shares beneficially owned	Percentage of shares beneficially owned	
FMR LLC and affiliates(1)	6,928,539	13.2	%
Celgene Corporation(2)	6,863,664	13.1	%
T. Rowe Associates, Inc.(3)	5,115,667	9.5	%
Blackrock, Inc. and subsidiaries(4)	4,428,894	8.4	%
The Vantage Group(5)	3,520,628	6.7	%
Directors and named executive officers:			
Habib J275,002		*	
Dable(6) J57,500		*	
M.			

George(7)			
Terrence			
52,165	*		
Kearney(8)			
Tom			
199,284	*		
Ph.D.(9)			
Thomas			
30,900	*		
McCourt(10)			
Francois			
58,076	*		
M.D.(11)			
Richard			
98,750	*		
Pops(12)			
Karen			
L.			
10,520	*		
M.D.,			
Ph.D.(13)			
Joseph			
80,250	*		
Zakrzewski(14)			
Sujay			
19,218	*		
Kango(15)			
Kevin			
104,641	*		
McLaughlin(16)			
John			
D.			
165,107	*		
J.D.,			
Ph.D.(17)			
Robert			
K.			
812	*		
Zeldin,			
M.D.(18)			
All			
executive			
officers			
and			
directors,			
1,319,634	2.5	%	
as			
a			
group			
(14			
persons)(19)			

* Represents beneficial ownership of less than

one percent of our outstanding common stock.

(1) This information is based solely on a Schedule 13G/A filed jointly by FMR LLC ("FMR") and Abigail P. Johnson on February 13, 2019, reporting ownership as of December 31, 2018. According to this Schedule 13G/A, Ms. Johnson is a Director, the Chairman and the Chief Executive Officer of FMR. Members of the Johnson family, including Abigail P. Johnson, are the predominant owners, directly or through trusts, of Series B voting common shares of FMR, representing 49% of the voting power of FMR. The Johnson family group and all other Series B shareholders have entered into a shareholders' voting agreement under which all Series B voting common shares will be voted in accordance with the majority vote of Series B voting common shares. Accordingly, through their ownership of voting common shares and the execution of the shareholders' voting agreement, members of the Johnson family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR. FMR exercises

sole voting authority over 1,165,973 shares of our common stock, and FMR and Ms. Johnson each exercise sole dispositive authority over 6,928,539 shares of our common stock. The address of FMR and Ms. Johnson is 245 Summer Street, Boston, Massachusetts 02210.

(2) This information is based solely on a Schedule 13D/A filed by Celgene Corporation ("Celgene") on January 22, 2019, reporting ownership as of January 18, 2019. According to this Schedule 13D/A, these shares include 38,979 shares of common stock that can be acquired upon the exercise of warrants to purchase shares of our common stock, and Celgene exercises sole voting and sole dispositive authority over all of these shares. The address of Celgene is 86 Morris Avenue, Summit, NJ 07901.

(3) This information is based solely on a Schedule 13G/A filed by T. Rowe Price Associates, Inc. ("T. Rowe") on February 14, 2019, reporting ownership as of December 31, 2018. According to this Schedule 13G/A, T. Rowe exercises sole voting power over 824,449 shares of our common stock and sole dispositive power over

5,015,667 shares of our
common stock. The
address of T. Rowe is
100 E. Pratt Street,
Baltimore, Maryland
21202.

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(4) This information is based solely on a Schedule 13G/A filed by Blackrock, Inc. ("Blackrock") on February 4, 2019, reporting ownership as of December 31, 2018 for Blackrock and its subsidiaries. According to this Schedule 13G/A, Blackrock exercises sole voting power over 4,349,173 shares of our common stock, and sole dispositive power over 4,428,894 shares of our common stock. The address of Blackrock is 55 East 52nd Street, New York, New York 10055.

(5) This information is based solely on a Schedule 13G/A filed by The Vanguard Group ("Vanguard") on February 11, 2019, reporting ownership as of December 31, 2018. According to this Schedule 13G, Vanguard exercises sole voting power

over 72,970 shares of our common stock, shared voting power over 5,000 shares of our common stock, sole dispositive power over 3,448,358 shares of our common stock and shared dispositive power over 74,270 shares of our common stock. The address of Vanguard is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.

(6) Includes 252,200 shares of common stock that can be acquired upon the exercise of options exercisable within 60 days of March 31, 2019 held by Mr. Dable.