

Otonomy, Inc.
Form S-8
March 18, 2015

As filed with the Securities and Exchange Commission on March 18, 2015

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

OTONOMY, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

6275 Nancy Ridge Drive, Suite 100

26-2590070
(I.R.S. Employer

Identification No.)

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San Diego, California 92121

(Address of principal executive offices, including zip code)

2014 Equity Incentive Plan

2014 Employee Stock Purchase Plan

(Full title of the plan)

David A. Weber, Ph.D.

President and Chief Executive Officer

Otonomy, Inc.

6275 Nancy Ridge Drive, Suite 100

San Diego, California 92121

(858) 242-5200

(Name, address and telephone number, including area code, of agent for service)

Copies to:

Kenneth A. Clark

Tony Jeffries

Daniel R. Koeppen

Wilson Sonsini Goodrich & Rosati, P.C.

650 Page Mill Road

Palo Alto, California 94304

Paul E. Cayer

Chief Financial and Business Officer

Otonomy, Inc.

6275 Nancy Ridge Drive, Suite 100

San Diego, California 92121

(858) 242-5200

(650) 493-9300

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act (Check one).

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered ⁽¹⁾	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$0.001 par value per share, reserved for issuance pursuant to the 2014 Equity Incentive Plan	1,058,663 (2)	\$38.17 (4)	\$40,409,167	\$4,696
Common Stock, \$0.001 par value per share, reserved for issuance pursuant to the 2014 Employee Stock Purchase Plan	317,599 (3)	\$32.45 (5)	\$10,306,087	\$1,198
TOTAL:	1,376,262		\$50,715,254	\$5,894

- (1) Pursuant to Rule 416(a) of the Securities Act of 1933, as amended, this Registration Statement shall also cover any additional shares of the Registrant's common stock that become issuable under the 2014 Equity Incentive Plan (the **2014 Plan**) and the 2014 Employee Stock Purchase Plan (the **2014 ESPP**) by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without receipt of consideration that increases the number of the Registrant's outstanding shares of common stock.
- (2) The 2014 Plan provides for an annual increase in the number of shares reserved and available for issuance under the 2014 Plan as follows: the number of shares available for issuance under the 2014 Plan will be increased on the first day of each fiscal year beginning with the 2015 fiscal year, in an amount equal to the least of (i) 2,500,000 shares, (ii) five percent (5%) of the outstanding shares on the last day of the immediately preceding fiscal year or (iii) such number of shares determined by the Registrant's board of directors. The 1,058,663 shares of common stock registered hereunder were authorized as of January 1, 2015 pursuant to the annual increase provisions described above.

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- (3) The 2014 ESPP provides for an annual increase in the number of shares reserved and available for issuance under the 2014 ESPP as follows: the number of shares available for issuance under the 2014 ESPP will be increased on the first day of each fiscal year beginning with the 2015 fiscal year, in an amount equal to the least of (i) 800,000 shares of common stock, (ii) one and a half percent (1.5%) of the outstanding shares on the last day of the immediately preceding fiscal year, or (iii) such number of shares determined by the Registrant's board of directors. The 317,599 shares of common stock registered hereunder were authorized as of January 1, 2015 pursuant to the annual increase provisions described above.
- (4) Estimated in accordance with Rule 457(h) solely for the purpose of calculating the registration fee on the basis of \$38.17 per share, which represents the average of the high and low selling prices per share of the Registrant's common stock on March 17, 2015 as reported by The NASDAQ Global Select Market.
- (5) Estimated in accordance with Rule 457(h) solely for the purpose of calculating the registration fee on the basis of 85% of \$38.17, which represents the average of the high and low selling prices per share of the Registrant's common stock on March 17, 2015 as reported by The NASDAQ Global Select Market. Pursuant to the 2014 ESPP, the purchase price of the shares of common stock reserved for issuance thereunder will be 85% of the lower of the fair market value of the common stock on (i) the first trading day of the offering period or (ii) the exercise date.

PART I

INFORMATION REQUIRED IN THE PROSPECTUS

The information specified in Item 1 and Item 2 of Part I of Form S-8 is omitted from this Registration Statement in accordance with the provisions of Rule 428 under the Securities Act of 1933, as amended (the Securities Act), and the introductory note to Part I of Form S-8. The documents containing the information specified in Part I of Form S-8 will be delivered to the participants in the equity benefit plans covered by this Registration Statement as specified by Rule 428(b)(1) under the Securities Act.

PART II

INFORMATION REQUIRED IN REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

Registrant hereby incorporates by reference into this Registration Statement the following documents previously filed with the Securities and Exchange Commission (the Commission):

- (1) The Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, filed with the Commission on March 18, 2015 pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act);
- (2) All other reports filed with the Commission pursuant to Sections 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the Registrant's Annual Report referred to in (1) above; and
- (3) The description of the Registrant's Common Stock contained in the Company's Registration Statement on Form 8-A (File No. 001-36591) filed with the Commission on August 5, 2014, pursuant to Section 12(b) of the Exchange Act, including any amendment or report filed for the purpose of updating such description.

All documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act on or after the date of this Registration Statement and prior to the filing of a post-effective amendment to this Registration Statement that indicates that all securities offered have been sold or that deregisters all securities then remaining unsold shall be deemed to be incorporated by reference in this Registration Statement and to be part hereof from the date of filing of such documents; *provided, however*, that documents or information deemed to have been furnished and not filed in accordance with the rules of the Commission shall not be deemed incorporated by reference into this Registration Statement. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any subsequently filed document which also is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

The validity of the issuance of the shares of the Registrant's common stock offered hereby has been passed upon by Wilson Sonsini Goodrich & Rosati, P.C. ("WSGR"). Certain members of, and investment partnerships comprised of members of, and persons associated with WSGR own 17,268 shares of the Registrant's capital stock.

Item 6. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law authorizes a corporation's board of directors to grant, and authorizes a court to award, indemnity to officers, directors and other corporate agents.

As permitted by Section 102(b)(7) of the Delaware General Corporation Law, the Registrant's amended and restated certificate of incorporation and amended and restated bylaws contain provisions that limit the liability of its directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, the Registrant's directors will not be personally liable to the Registrant or its stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for the following:

any breach of their duty of loyalty to the Registrant or its stockholders;

acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;

unlawful payment of dividends or unlawful stock repurchases or redemptions; and

any transaction from which the director derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the Delaware General Corporation Law is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of the Registrant's directors will be further limited to the greatest extent permitted by the Delaware General Corporation Law.

The Registrant has entered into indemnification agreements with each of its directors and executive officers, in addition to the indemnification provided for in its amended and restated certificate of incorporation and amended and restated bylaws, and intends to enter into indemnification agreements with any new directors and executive officers in the future. These agreements provide for the indemnification of directors and officers for certain expenses and liabilities incurred in connection with any action, suit, proceeding or alternative dispute resolution mechanism, or hearing, inquiry or investigation that may lead to the foregoing, to which they are a party, or are threatened to be made a party, by reason of the fact that they are or were a director, officer, employee, agent or fiduciary of the Registrant, or any of its subsidiaries, by reason of any action or inaction by them while serving as an officer, director, agent or fiduciary, or by reason of the fact that they were serving at the request of the Registrant as a director, officer, employee, agent or fiduciary of another entity. In the case of an action or proceeding by or in the right of the Registrant or any of its subsidiaries, no indemnification will be provided for any claim where a court determines that the indemnified party is prohibited from receiving indemnification.

The Registrant has purchased and intends to maintain insurance on behalf of each and any person who is or was a director or officer of the Registrant against any loss arising from any claim asserted against him or her and incurred by him or her in any such capacity, subject to certain exclusions.

See also the undertakings set out in response to Item 9 herein.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

See Exhibit Index immediately following the Signature Pages.

Item 9. Undertakings.

A. The undersigned Registrant hereby undertakes that:

- (1) It will file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
 - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

Provided, however, that paragraphs (A)(1)(i) and (A)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(2) For the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) It will remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in San Diego, California, on the 18th day of March 2015.

OTONOMY, INC.

By: /s/ David A. Weber
 David A. Weber, Ph.D.
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints David A. Weber, Ph.D. and Paul E. Cayer, and each of them, as his true and lawful attorney-in-fact and agent with full power of substitution, for him in any and all capacities, to sign any and all amendments to this registration statement on Form S-8 (including post-effective amendments), and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact, proxy and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully for all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact, proxy and agent, or his substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement on Form S-8 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ David A. Weber David A. Weber, Ph.D.	President, Chief Executive Officer and Director <i>(Principal Executive Officer)</i>	March 18, 2015
/s/ Paul E. Cayer Paul E. Cayer	Chief Financial and Business Officer, and Secretary <i>(Principal Financial and Accounting Officer)</i>	March 18, 2015
/s/ Peter Bisgaard Peter Bisgaard	Chairman of the Board of Directors	March 18, 2015
/s/ Vickie Capps Vickie Capps	Director	March 18, 2015
/s/ Brian Dovey Brian Dovey	Director	March 18, 2015
/s/ Chau Q. Khuong Chau Q. Khuong	Director	March 18, 2015

/s/ Jay Lichter
Jay Lichter, Ph.D.

Director

March 18, 2015

Signature	Title	Date
/s/ John P. McKearn John P. McKearn, Ph.D.	Director	March 18, 2015
/s/ Heather Preston Heather Preston, M.D.	Director	March 18, 2015

INDEX TO EXHIBITS

Exhibit		Incorporated by Reference			
Number	Description	Form	File No.	Exhibit	Filing Date
4.1	Specimen common stock certificate of the Registrant	S-1/A	333-197365	4.2	7/28/2014
4.2	2014 Equity Incentive Plan, as amended, and forms of agreements thereunder	S-1/A	333-197365	10.3	8/1/2014
4.3	2014 Employee Stock Purchase Plan, and form of agreement thereunder	S-1/A	333-197365	10.4	8/1/2014
5.1	Opinion of Wilson Sonsini Goodrich & Rosati, Professional Corporation				
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm				
23.2	Consent of Wilson Sonsini Goodrich & Rosati, Professional Corporation (contained in Exhibit 5.1 hereto)				
24.1	Power of Attorney (contained on signature page hereto)				