

CESCA THERAPEUTICS INC.
Form DEF 14A
April 04, 2014

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

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant 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 Pursuant to Section 240.14a-11(c) or Section 240.14a-12

CESCA THERAPEUTICS INC.
(Formerly ThermoGenesis Corp.)
(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:
- 2) Aggregate number of securities to which transaction applies:
- 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):
- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

- o Fee paid previously with preliminary materials.
- o 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:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:
- 4) Date Filed:



Cesca Therapeutics Inc.
2711 Citrus Road
Rancho Cordova, CA 95742

Telephone (916) 858-5100

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD APRIL 25, 2014

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Cesca Therapeutics Inc. (the "Company" or "Cesca"), a Delaware corporation, will be held at the Sacramento Marriott, Rancho Cordova, located at 11211 Point East Drive, Rancho Cordova, California 95742, on Friday, April 25, 2014, at 9:00 a.m. (PDT) for the following purposes:

1. To elect six (6) directors to hold office until the next Annual Meeting of Stockholders or until their successors are elected and qualified;
2. To approve an amendment to our bylaws to clarify certain administrative functions, including changing the name to Cesca Therapeutics Inc. and providing of notice and stockholder records electronically;
3. To approve an amendment to our bylaws to allow the number of directors to be set by the board;
4. To approve an amendment to our bylaws to eliminate stockholder action by written consent;
5. To approve an amendment to our bylaws to provide for a forum for adjudication of disputes;
6. To approve amendments to the 2006 Equity Incentive Plan;
7. To approve, on an advisory basis, the compensation of the Company's named executive officers as disclosed in this Proxy Statement;
8. To recommend by a non-binding advisory vote the frequency of future non-binding advisory votes on the compensation of the Company's named executive officers;
9. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the 2014 fiscal year; and
10. To transact such other business as may properly come before the meeting, including adjournment.

These items are described more fully in the proxy statement to this notice. Please give your careful attention to all of the information in the proxy statement.

The Board of Directors of the Company has fixed the close of business on March 7, 2014, as the record date for determining those stockholders who will be entitled to vote at the meeting or any postponement or adjournment thereof. Stockholders are invited to attend the meeting in person.

By Order of the Board of Directors

/s/ David C. Adams
Corporate Secretary

April 4, 2014
Rancho Cordova, California

YOUR VOTE IS IMPORTANT

EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON, WE REQUEST THAT YOU VOTE BY SUBMITTING YOUR PROXY AS EARLY AS POSSIBLE BY FOLLOWING THE INSTRUCTIONS ON PAGE 5 TO ENSURE THAT YOUR SHARES WILL BE REPRESENTED AT THE ANNUAL MEETING IF FOR ANY REASON YOU ARE UNABLE TO ATTEND. IF YOU DO ATTEND THE ANNUAL MEETING AND WISH TO VOTE IN PERSON, YOU MAY WITHDRAW YOUR PROXY AND VOTE IN PERSON.

TABLE OF CONTENTS

	<u>PAGE</u>
<u>QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND PROCEDURAL MATTERS</u>	1
<u>STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF CESCA THERAPEUTICS INC.</u>	6
<u>PROPOSAL 1 - ELECTION OF DIRECTORS</u>	7
<u>General Information</u>	7
<u>Nominees for Director</u>	7
<u>Biographies</u>	8
<u>CORPORATE GOVERNANCE AND BOARD OF DIRECTORS MATTERS</u>	10
<u>General</u>	10
<u>Board Operating and Governance Guidelines</u>	10
<u>Board Leadership Structure</u>	10
<u>Risk Oversight</u>	10
<u>Governance and Nominating Committee</u>	10
<u>Audit Committee</u>	11
<u>Compensation Committee</u>	11
<u>Compensation Committee Interlocks and Insider Participation</u>	11
<u>Nominations to the Board of Directors</u>	11
<u>Board and Committee Meetings and Attendance</u>	12
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	12
<u>Code of Ethics</u>	12
<u>COMPENSATION OF DIRECTORS</u>	13
<u>Director Compensation Table</u>	13
<u>EXECUTIVE OFFICERS</u>	14
<u>Biographies</u>	14
<u>COMPENSATION COMMITTEE REPORT</u>	15

<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	16
<u>COMPENSATION OF NAMED EXECUTIVE OFFICERS</u>	20
<u>Summary Compensation Table</u>	20
<u>Grants of Plan-Based Awards for 2013</u>	21
<u>Outstanding Equity Awards at Fiscal Year-End</u>	21
<u>Potential Payments upon Termination or Change in Control</u>	22
<u>EQUITY COMPENSATION PLANS</u>	26
<u>REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS</u>	26
<u>Fees of Independent Registered Public Accounting Firm</u>	28
<u>GENERAL INFORMATION REGARDING PROPOSALS 2, 3, 4, and 5</u>	28

PROPOSAL 2 - APPROVAL OF AMENDMENT TO OUR BYLAWS FOR CLARIFYING CERTAIN ADMINISTRATIVE FUNCTIONS, INCLUDING CHANGING THE NAME TO CESCA THERAPEUTICS INC. 29 AND PROVIDING OF NOTICE AND STOCKHOLDER RECORDS ELECTRONICALLY

PROPOSAL 3 - APPROVAL OF AMENDMENT TO OUR BYLAWS TO ALLOW THE NUMBER OF DIRECTORS TO BE SET BY THE BOARD 30

PROPOSAL 4 - APPROVAL OF AMENDMENT TO OUR BYLAWS TO ELIMINATE STOCKHOLDER ACTION BY WRITTEN CONSENT 31

PROPOSAL 5 - APPROVAL OF AMENDMENT TO OUR BYLAWS TO PROVIDE FOR A FORUM FOR ADJUDICATION OF DISPUTES 32

PROPOSAL 6 - APPROVAL TO AMEND AND RESTATE THE 2006 EQUITY INCENTIVE PLAN 33

PROPOSAL 7 - ADVISORY VOTE ON EXECUTIVE COMPENSATION 34

PROPOSAL 8 - ADVISORY VOTE ON THE FREQUENCY OF THE ADVISORY VOTE ON EXECUTIVE COMPENSATION 35

PROPOSAL 9 - RATIFICATION OF ERNST & YOUNG LLP 36

STOCKHOLDER PROPOSALS TO BE PRESENTED AT THE NEXT CESCA THERAPEUTICS INC. ANNUAL MEETING 37

ADDITIONAL INFORMATION 38

TRANSACTIONS OF OTHER BUSINESS AT THE CESCA THERAPEUTICS INC. ANNUAL MEETING 39

Appendix A - Proposed Amended and Restated Bylaws of Cesca Therapeutics Inc.

Appendix B - Proposed Amended And Restated Cesca Therapeutics Inc. 2006 Equity Incentive Plan

ii

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING
AND PROCEDURAL MATTERS

Q: Why am I receiving these materials?

A: The Board of directors of Cesca Therapeutics Inc. is making this proxy statement available to by delivering a paper copy of this proxy statement to you by mail in connection with the solicitation of proxies for use at Cesca Therapeutics' Annual Meeting of Stockholders (the "Annual Meeting") to be held on Friday, April 25, 2014 at 9:00 a.m., Pacific Time, and any adjournment or postponement of the Annual Meeting. The Annual Meeting will be held at Sacramento Marriott, located at 11211 Point East Drive, Rancho Cordova, CA 95742, for the purpose of considering and acting on the matters set forth in this proxy statement.

These proxy materials and the accompanying annual report were first made available or mailed on April 4, 2014 to all Cesca stockholders entitled to vote at the Annual Meeting. Cesca's website is www.cescatherapeutics.com.

Q: What proposals will be voted on at the Annual Meeting?

A: Cesca stockholders are being asked to vote on the following matters at the Annual Meeting:

1. To elect six (6) directors to hold office until the next Annual Meeting of Stockholders or until their successors are elected and qualified;
2. To approve an amendment to our bylaws to clarify certain administrative functions, including changing the name to Cesca Therapeutics Inc. and providing of notice and stockholder records electronically;
3. To approve an amendment to our bylaws to allow the number of directors to be set by the board;
4. To approve an amendment to our bylaws to provide advance notice for director nominations;
5. To approve an amendment to our bylaws to provide for a forum for adjudication of disputes;
6. To approve the amendment of the 2006 Equity Incentive Plan;
7. To approve, on an advisory basis, the compensation of the Company's named executive officers as disclosed in this Proxy Statement;
8. To recommend by a non-binding advisory vote the frequency of future non-binding advisory votes on the compensation of the Company's named executive officers;
9. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the 2014 fiscal year; and
10. To transact such other business as may properly come before the meeting, including adjournment.

Q: Who is entitled to vote at the Annual Meeting?

A: Cesca's Board of Directors set March 7, 2014 as the record date for the Annual Meeting. If you owned Cesca common stock at the close of business on March 7, 2014, you may attend and vote at the meeting. As of March 7, 2014, there were 32,612,101 shares of Cesca common stock outstanding.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: If your shares are registered directly in your name with Cesca's transfer agent, Computershare Investor Services LLC, you are considered the "stockholder of record" with respect to those shares, and the notice or these proxy materials have been sent directly to you by Cesca.

Some Cesca stockholders hold their shares through a broker, bank or other nominee, rather than directly in their own names. If your shares are held in a brokerage account or by a bank or another nominee, you are considered the "beneficial owner" of those shares held in street name, and the notice or these proxy materials have been forwarded to

you by your broker, bank or nominee who is considered, with respect to those shares, the stockholder of record.

1

Table of Contents

Q: How many votes do I have?

A: You are entitled to one vote for each share of Cesca common stock you owned at the close of business on the record date, provided that those shares are either held directly in your name as the stockholder of record or were held for you as the beneficial owner through a broker, bank or other nominee.

Q: What should I do if I receive more than one notice or set of voting materials?

A: You may receive more than one notice or set of voting materials, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate notice or voting instruction card for each brokerage account in which you hold shares. If you are a stockholder of record and your shares are registered in more than one name, you will receive more than one notice or proxy card. Please vote by telephone or the Internet with respect to each notice that you receive, or complete, sign, date and return each proxy card and voting instruction card that you receive, to ensure that all of your shares are voted at the Annual Meeting.

Q: How can I vote my shares in person at the Annual Meeting?

A: If you are the stockholder of record of shares of Cesca common stock, you have the right to vote in person at the Annual Meeting with respect to those shares.

If you are the beneficial owner of shares of Cesca common stock, you are invited to attend the Annual Meeting. However, if you are not the stockholder of record, you may not vote these shares in person at the Annual Meeting, unless you obtain a legal proxy from your broker, bank or nominee giving you the right to vote the shares at the Annual Meeting.

Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy card or voting instructions as described in the next Q&A so that your vote will be counted if you later decide not to attend the Annual Meeting.

Q: How can I vote my shares without attending the Annual Meeting?

A: If you are the stockholder of record, you may instruct the proxy holders how to vote your shares by using the Internet voting site or the toll-free telephone number provided on the website to which the notice directs you or, if you have requested paper copies of the proxy materials, by completing, signing, dating and returning a requested proxy card in the provided, postage pre-paid envelope or by using the Internet voting site or the toll-free telephone number listed on the proxy card. Specific instructions for using the Internet and telephone voting systems are on the website and proxy card (and repeated in the box below). The Internet and telephone voting systems for stockholders of record will be available until 1:00 a.m., Central Time, on April 25, 2014 (the morning of the Annual Meeting).

If you are the beneficial owner of shares of Cesca common stock held in street name, you have the right to direct your broker, bank or nominee on how to vote your shares. Your broker, bank or nominee has provided a notice that directs you to a website with Internet and toll-free telephone voting instructions (repeated in the boxes below) or, if you have requested paper copies of the proxy materials, enclosed is a voting instruction card for you to use in directing the broker, bank or nominee regarding how to vote your shares.

Table of Contents

VOTE BY INTERNET

Shares Held of Record:
www.envisionreports.com/KOOL

Shares Held Through Broker, Bank or Nominee:
Internet: www.proxyvote.com

24 hours a day/7 days a week
Through 1:00 am Central Time, April 25, 2014

INSTRUCTIONS:

Read this Proxy Statement.

Go to the applicable website listed above.

Have your availability of proxy materials, proxy card or voting instruction card in hand (including the control number specified on that notice or card) and follow the instructions.

VOTE BY TELEPHONE

Shares Held of Record:
1-800-652-VOTE (8683)

Shares Held Through Broker, Bank or Nominee:
1-800-579-1639

Toll-free 24 hours a day/7 days a week
Through 1:00 am Central Time, April 25, 2014

INSTRUCTIONS:

Read this Proxy Statement.

Call the applicable toll-free number above.

Have your proxy materials, proxy card or voting instruction card in hand (including the control number specified on that notice or card) and follow the instructions.

Q: Can I change or revoke my vote after I return a proxy card or voting instruction card?

A: If you are the stockholder of record, you may revoke your proxy or change your vote by:

delivering to the Corporate Secretary of Cesca Therapeutics Inc., prior to your shares being voted at the Annual Meeting, a written notice of revocation or a duly executed proxy card, in either case dated later than the prior proxy card relating to the same shares (such written notice should be hand delivered to Cesca's Assistant Corporate Secretary or should be sent so as to be delivered to Cesca Therapeutics Inc., 2711 Citrus Road, Rancho Cordova, CA 95742, Attention: Corporate Secretary);

attending the Annual Meeting and voting in person; or

making a timely and valid later Internet or telephone vote, as the case may be, if you have previously voted on the Internet or by telephone in connection with the Annual Meeting.

If you are the beneficial owner of shares held in street name, you may change your vote by:

·submitting new voting instructions to your broker, bank or other nominee in a timely manner; or

·attending the Annual Meeting and voting in person, if you have obtained a legal proxy from the broker, bank or nominee that holds your shares giving you the right to vote the shares.

3

Table of Contents

Q: Can I attend the Annual Meeting?

A: All Cesca stockholders as of the record date, March 7, 2014, or their duly appointed proxies, may attend the Annual Meeting. If you are the beneficial owner of Cesca shares held in street name, please bring proof of ownership such as a brokerage statement or letter from the broker, bank or other nominee that is the owner of record of the shares.

Q: How many votes must be present or represented to conduct business at the Annual Meeting?

A: The presence of a majority of the shares eligible to vote at the Annual Meeting is necessary to constitute a quorum at the Annual Meeting. Presence is determined by the stockholder entitled to vote the shares being present at the Annual Meeting or having properly submitted a proxy with respect to the shares. In compliance with Delaware General Corporate Law, abstentions and broker “non-votes” will be counted as present and entitled to vote at the Annual Meeting and are thereby included for purposes of determining whether a quorum is present at the Annual Meeting.

A broker “non-vote” occurs when a broker, bank or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker, bank or nominee does not have discretionary voting power with respect to that proposal and has not received instructions from the beneficial owner.

If sufficient votes to constitute a quorum are not received by the date of the Annual Meeting, the persons named as proxies in this proxy statement may propose one or more adjournments of the meeting to permit further solicitation of proxies. Adjournment would require the affirmative vote of the holders of a majority of the outstanding shares of Cesca common stock present in person or represented by proxy at the Annual Meeting. The persons named as proxies in this proxy statement would generally exercise their authority to vote in favor of adjournment.

Q: What is the voting requirement to approve each of the proposals?

A: A plurality of the voting power of the shares present in person or represented by proxy at the Annual Meeting is required for the election of directors (Proposal 1). Thus, the nominees for director receiving the highest number of affirmative votes will be elected as members of Cesca’s Board of Directors to serve until Cesca’s next Annual Meeting of Stockholders. There is no cumulative voting in the election of directors.

The affirmative vote of a majority of the shares of common stock present in person or represented by proxy is required to approve Proposals 2 – 10.

Q: How are votes counted?

A: With respect to the election of directors, you may vote “FOR” or “WITHHOLD” on each of the five nominees.

With respect to other proposals, you may vote “FOR”, “AGAINST” or “ABSTAIN” on each proposal. Abstentions are deemed to be votes cast and thereby have the same effect as a vote against the proposal. Broker non-votes are not deemed to be votes cast and thereby do not affect the outcome of the voting on the proposal.

Q: What happens if one or more of the director nominees is unable to stand for election?

A: The Board of Directors may reduce the number of directors or select a substitute nominee. In the latter case, if you have submitted your proxy via the internet or by telephone or completed and returned your proxy card or voting instruction card, Matthew Plavan or Dan Bessey as proxy holders, will have the discretion to vote your shares for the substitute nominee.

Q: Where can I find the voting results of the Annual Meeting?

A: Elana McVay, Cesca's Assistant Corporate Secretary, will tabulate the votes and act as the inspector of election. We intend to announce preliminary voting results at the Annual Meeting. We will provide final results on a Form 8-K within four business days of the Annual Meeting.

Q: Who pays for the proxy solicitation process?

A: Cesca will bear the cost of soliciting proxies, including the cost of preparing, posting and mailing proxy materials. In addition to soliciting stockholders by mail and through its regular employees, Cesca will request brokers, banks and other nominees to solicit their customers who hold shares of Cesca common stock in street name. Cesca may reimburse such brokers, banks and nominees for their reasonable, out-of-pocket expenses. Cesca may also use the services of its officers, directors and employees to solicit proxies, personally or by telephone, mail, facsimile or email, without additional compensation other than reimbursement for reasonable, out-of-pocket expenses. Cesca has retained Georgeson, Inc. to aid in the solicitation of proxies and anticipate that the costs of such services will be less than \$12,000.

4

Table of Contents

Q: How do I get an additional copy of the proxy materials?

A: If you would like an additional copy of this proxy statement or Cesca's 2013 Form 10-K, these documents are available in digital form for download or review by clicking on the "Investors" tab at www.cescatherapeutics.com. Alternatively, we will promptly send a copy to you upon request by mail to Cesca Therapeutics Inc., Attention: Assistant Corporate Secretary, 2711 Citrus Road, Rancho Cordova, CA, or by calling Investor Relations of Cesca Therapeutics at (916) 858-5107.

Q: How do I get proxy materials electronically?

A: We encourage you to register to receive all future stockholder communications electronically, instead of in print. This means that the annual report, proxy statement and other correspondence will be delivered to you via email. Electronic delivery of stockholder communications helps Cesca to conserve natural resources and to save money by reducing printing, postage and service provider costs.

Stockholders of Record: If you vote your shares using the Internet at www.envisionreports.com/KOOL, please follow the prompts for enrolling in the electronic proxy delivery service.

Beneficial Owners: If you vote your shares using the Internet at www.proxyvote.com, please complete the consent form that appears on-screen at the end of the Internet voting procedure to register to receive stockholder communications electronically. Stockholders holding through a bank, broker or other nominee may also refer to information provided by the bank, broker or nominee for instructions regarding how to enroll in electronic delivery.

5

Table of Contents

STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF CESCA THERAPEUTICS INC.

The Company has only one class of stock outstanding, its common stock. The following table sets forth certain information as of March 7, 2014 with respect to the beneficial ownership of our common stock for (i) each director and director nominee, (ii) each Named Executive Officer (NEO), (iii) all of our directors and officers as a group, and (iv) each person known to us to own beneficially five percent (5%) or more of the outstanding shares of our Common Stock. As of March 7, 2014 there were 32,612,101 shares of Common Stock outstanding.

Unless otherwise indicated, the address for each listed stockholder is: Cesca Therapeutics, 2711 Citrus Road, Rancho Cordova, California 95742. To our knowledge, except as indicated in the footnotes to this table or pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to the shares of common stock indicated.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾	Percent of Class
Craig Moore	102,883 ⁽²⁾	* %
Patrick McEnany	113,540 ⁽³⁾	* %
Mahendra Rao MD, PhD.	--	--
Robin Stracey	64,827 ⁽⁴⁾	