

Neuralstem, Inc.
Form DEF 14A
August 01, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

Proxy statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

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 Pursuant to §240.14a-12

NEURALSTEM, 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:

(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:

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:

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

(3) Filing Party:

(4) Date Filed:

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held on August 29, 2016

To the Stockholders of Neuralstem, Inc.:

We are hereby pleased to invite you to a Special Meeting of the stockholders (the “Special Meeting”) of Neuralstem, Inc. (the “Company”), which will be held at The Hyatt Regency La Jolla, Room Palatine AB 3777 La Jolla Village Drive, San Diego, CA 92122 on August 29, 2016 at 3:00 p.m. PDT. Details regarding the business to be conducted at the Special Meeting are described in this proxy statement (“the “Proxy Statement”). The following summarizes the matters to be voted upon at the Special Meeting:

1. Ratification of Dixon, Hughes, Goodman LLP as the Company’s independent registered public accounting firm for 2016; and
2. Approval of an amendment to the Company’s amended and restated certificate of incorporation (“Certificate”) to authorize the Board of Directors (the “Board”) of the Company to effect a Reverse Split of the Company’s issued and outstanding common stock by a ratio of not less than 1-for-2 and not more than 1-for-15, with the Board having the discretion as to whether or not the Reverse Split is to be effected at any time prior to the first anniversary date of this Special Meeting of stockholders, and with the exact ratio of any reverse split to be set at a whole number within the above range as determined by the Board in its sole discretion (the “Reverse Split”).

Only stockholders of record as of the close of business on July 26, 2016 are entitled to receive notice of, to attend, and to vote at, the Special Meeting.

Your vote is important. Whether or not you plan to attend the Special Meeting, we hope you will vote as soon as possible. You may vote over the internet, as well as by telephone, or, by mailing a proxy or voting instruction card. Please review the instructions on each of your voting options described in this proxy statement.

Thank you for your ongoing support of, and continued interest in Neuralstem. We look forward to seeing you at our Special Meeting.

Sincerely,

/s/ Richard Daly

Richard Daly

Chief Executive Officer

August 3, 2016

NEURALSTEM, INC.
NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

Time and Date 3:00 p.m. PDT, on August 29, 2016.

Place The Hyatt Regency La Jolla, Room Palatine AB 3777 La Jolla Village Drive, San Diego, CA 92122.

Items of Business (1) Ratification of Dixon, Hughes, Goodman LLP as the Company's independent registered public accounting firm for 2016.
Approval of an amendment to the Company's amended and restated certificate of incorporation ("Certificate") to authorize the Board of Directors (the "Board") of the Company to effect a reverse stock split of the Company's issued and outstanding common stock by a ratio of not less than 1-for-2 and not more than 1-for-15 ("Reverse Split"), with the Board having the discretion as to whether or not the Reverse Split is to be effected at any time prior to the first anniversary date of this Special Meeting of stockholders, and with the exact ratio of any reverse split to be set at a whole number within the above range as determined by the Board in its sole discretion (the "Reverse Split").

Adjournments and Postponements Any action on the items of business described above may be considered at the Special Meeting at the time and on the date specified above or at any time and date to which the Special Meeting may be properly adjourned or postponed.

Record Date You are entitled to vote only if you were a Neuralstem stockholder as of the close of business on July 26, 2016 ("Record Date").

You are entitled to attend the Special Meeting **only if you were a Neuralstem stockholder as of the close of business on the Record Date or hold a valid proxy for the Special Meeting**. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. You should be prepared to present photo identification for admittance. In addition, if you are not a stockholder of record but hold shares through a broker, bank, trustee, or nominee (i.e., in street name), you should provide proof of beneficial ownership as of the Record Date, such as your most recent account statement prior to the Record Date, a copy of the voting instruction card provided by your broker, bank, trustee, or nominee, or similar evidence of ownership.

Meeting Admission If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the Special Meeting. For security reasons, you and your bags will be subject to search prior to your admittance to the meeting. Please let us know if you plan to attend the meeting by marking the appropriate box on the enclosed proxy card if you requested to receive printed proxy materials, or, if you vote by telephone or over the internet, by indicating your plans when prompted.

The Special Meeting will begin promptly at 3:00 p.m. PDT. Check-in will begin at 2:00 p.m. PDT, and you should allow ample time for the check-in procedures.

Voting **Your vote is very important. Whether or not you plan to attend the Special Meeting, we encourage you to read this proxy statement and submit your proxy or voting instructions as**

soon as possible. For specific instructions on how to vote your shares, please refer to the instructions contained in the section of this Proxy entitled Questions and Answers About the Proxy Materials and the Special Meeting beginning on page 1 of this proxy statement or, your enclosed proxy card.

By order of the Board of Directors,

Richard Daly

Chief Executive Officer

Chairman of the Board

This notice of Special Meeting and proxy statement and form of proxy are being distributed and made available on or about August 3, 2016.

In this proxy statement, the words “Neuralstem,” “the Company,” “we,” “our,” “ours,” “us” and similar terms refer to Neuralstem, Inc. and its consolidated subsidiaries, unless the context indicates otherwise.

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IMPORTANT NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS

This proxy statement is available at <http://www.astproxyportal.com/ast/14613/special/>

NEURALSTEM, INC.

20271 Goldenrod Lane, 2nd Floor

Germantown, Maryland 20876

(301)-366-4690

PROXY STATEMENT

GENERAL

We are providing this proxy statement to you as part of a solicitation by the board of directors (“Board of Directors” or “Board”) of Neuralstem, Inc. for use at our 2016 special meeting (“Special Meeting”) of Stockholders and at any adjournment or postponement that may take place. We will hold our Special Meeting on August 29, 2016 at The Hyatt Regency La Jolla, Room Palatine AB 3777 La Jolla Village Drive, San Diego, CA 92122 at 3:00 p.m. PDT. Only stockholders of record on July 26, 2016 (“Record Date”), are entitled to notice of and to vote at the meeting and at any adjournment or postponement that may take place.

This notice of Special Meeting and proxy statement and form of proxy are being distributed and made available on or about August 3, 2016. Unless the context otherwise requires, the terms "Neuralstem," "the Company," "us," "we," "our," "ours," and "us" and similar terms, references Neuralstem, Inc.

**QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS
AND THE SPECIAL MEETING**

PROXY MATERIALS

1. Why am I receiving these materials?

Our Board is providing these proxy materials to you in connection with our Special Meeting of Stockholders, which will take place on August 29, 2016 at The Hyatt Regency La Jolla, Room Palatine AB 3777 La Jolla Village Drive, San Diego, CA 92122 at 3:00 p.m. PDT. As a stockholder, you are invited to attend the meeting and requested to vote on the items of business described in this proxy statement. This proxy statement includes information that we are required to provide to you under applicable federal and state laws and is designed to assist you in voting your shares.

2. What is included in the proxy materials?

The proxy materials include:

- Our proxy statement for the 2016 Special Meeting of Stockholders;
- The proxy card or a voting instruction form for the Special Meeting.

3. What information is contained in these materials?

The information in the proxy materials relates to the proposals to be voted on at the Special Meeting, the voting process, and certain other required information.

4. I share an address with another stockholder and we received only one paper copy of the proxy materials. How may I obtain an additional copy of the proxy materials?

We have adopted a procedure called “householding,” which the United States Securities & Exchange Commission (“SEC”) has approved. Under this procedure, we deliver a single copy of the proxy materials to multiple stockholders who share the same address unless we received contrary instructions from one or more of the stockholders. This procedure reduces our printing costs, mailing costs, and fees. Stockholders who participate in householding will continue to be able to access and receive separate proxy cards. Upon written request, we will deliver promptly a separate copy of the Notice and the proxy materials to any stockholder at a shared address to which we delivered a single copy of any of these documents. To receive a separate copy of the Notice and the proxy materials, stockholders may contact our transfer agent at:

American Stock Transfer & Trust Company, LLC
Customer Service
6201 15th Avenue
Brooklyn, NY 11219
800-937-5449

Stockholders who hold shares in street name (as described below) may contact their brokerage firm, bank, broker-dealer, or other similar organization to request information about householding.

5. How can I access the proxy materials over the internet?

Our proxy materials are available on our website at www.neuralstem.com *as well as at* <http://www.astproxyportal.com/ast/14613/special/>.

VOTING INFORMATION

6. What items of business will be voted on at the Special Meeting?

The items of business scheduled to be voted on at the Special Meeting are:

Ratification of Dixon, Hughes, Goodman LLP as the Company's independent registered public accounting firm for 2016; and

Approval of an amendment to the Company's amended and restated certificate of incorporation ("Certificate") to authorize the Board of Directors (the "Board") of the Company to effect a reverse stock split of the Company's issued and outstanding common stock by a ratio of not less than 1-for-2 and not more than 1-for-15, with the Board having the discretion as to whether or not the reverse split is to be effected at any time prior to the first anniversary date of this Special Meeting of stockholders, and with the exact ratio of any reverse split to be set at a whole number within the above range as determined by the Board in its sole discretion (the "Reverse Split").

7. How does the Board recommend that I vote on each of the matters?

Our Board recommends that you vote your shares:

•**FOR** the ratification of the appointment of Dixon, Hughes, Goodman LLP as our independent registered public accounting firm for the 2016 fiscal year; and

•**FOR** the Reverse Split.

8. What shares can I vote?

Each share of our common stock issued and outstanding as of the close of business on the Record Date is entitled to be voted on all items being voted on at the Special Meeting. You may vote all shares owned by you as of the Record Date, including (i) shares held directly in your name as the stockholder of record, and (ii) shares held for you as the beneficial owner in street name through a broker, bank, trustee, or other nominee. On the Record Date, we had 115,075,187 shares of common stock issued and outstanding.

9. How many votes am I entitled to per share?

Each holder of shares of common stock is entitled to one vote for each share of common stock held as of the Record Date.

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

Most of our stockholders hold their shares through a stockbroker, bank or other nominee rather than directly in their own name. There are some important distinctions between shares held of record and those beneficially owned.

Stockholder of Record

If your shares are registered directly in your name with our transfer agent, American Stock Transfer and Trust Company, you are considered, with respect to those shares, the *stockholder of record*, and the proxy materials were sent directly to you by Neuralstem. As the *stockholder of record*, you have the right to grant your voting proxy directly to Neuralstem or to vote in person at the Special Meeting. Neuralstem has enclosed herewith a proxy card for you to use. You may also vote on the internet or by telephone, as below under the heading “How can I vote my shares without attending the Special Meeting?” You may also vote on the internet or by telephone, as below under the heading “How can I vote my shares without attending the Special Meeting?”

Beneficial Owner

If your shares are held in an account at a brokerage firm, bank, broker-dealer, trust, or other similar organization, like the vast majority of our stockholders, you are considered the *beneficial owner* of shares held *in street name*, and the proxy materials were forwarded to you by that organization. As the beneficial owner, you have the right to direct your broker, bank, trustee, or nominee how to vote your shares, and you are also invited to attend the Special Meeting.

Since a beneficial owner is not the *stockholder of record*, you may not vote your shares in person at the Special Meeting unless you obtain a “legal proxy” from the broker, bank, trustee, or nominee that holds your shares giving you the right to vote the shares at the meeting. If you do not wish to vote in person or you will not be attending the Special Meeting, you may vote by proxy. You may vote by proxy over the internet or by telephone, as described below under the heading “How can I vote my shares without attending the Special Meeting?”

11. If I am a Stockholder of Record, how do I vote?

If you are a stockholder of record, there are four ways to vote:

In person. You may vote in person at the Special Meeting by requesting a ballot from an usher when you arrive. You must bring valid picture identification such as a driver’s license or passport and may be requested to provide proof of stock ownership as of the Record Date.

•*Via the Internet.* You may vote by proxy via the Internet by following the instructions provided on the proxy card.

•*By Telephone.* You may vote by proxy by calling the toll free number found on the proxy card.

•*By Mail.* You may vote by proxy by filling out the proxy card and returning it in the envelope provided.

12. If I am a beneficial owner of shares held in street name, how do I vote?

If you are a beneficial owner of shares held in street name, there are four ways to vote:

In person. If you are a beneficial owner of shares held in street name and wish to vote in person at the Special Meeting, you must obtain a “legal proxy” from the organization that holds your shares. A legal proxy is a written document that will authorize you to vote your shares held in street name at the Special Meeting. Please contact the

organization that holds your shares for instructions regarding obtaining a legal proxy.

You must bring a copy of the legal proxy to the Special Meeting and ask for a ballot from an usher when you arrive. You must also bring valid picture identification such as a driver's license or passport. In order for your vote to be counted, you must hand both the copy of the legal proxy and your completed ballot to an usher to be provided to the inspector of election.

Via the Internet. You may vote by proxy via the Internet by following the instructions found in the proxy card. The availability of Internet voting may depend on the voting process of the organization that holds your shares.

By Telephone. You may vote by proxy by calling the toll free number found on the voting instruction form. The availability of telephone voting may depend on the voting process of the organization that holds your shares.

By Mail. You may vote by proxy by filling out the voting instruction form and returning it in the envelope provided..

13. How are proxies voted?

All shares represented by valid proxies received prior to the taking of the vote at the Special Meeting will be voted and, where a stockholder specifies by means of the proxy a choice with respect to any matter to be acted upon, the shares will be voted in accordance with the stockholder's instructions.

14. What happens if I do not give specific voting instructions?

Stockholders of Record. If you are a stockholder of record and you:

Indicate when voting on the Internet or by telephone that you wish to vote as recommended by the Board; or

Sign and return a proxy card without giving specific voting instructions, then the person named as proxy holder, Richard Daly, will vote your shares in the manner recommended by the Board on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the Special Meeting.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions then, under applicable rules, the organization that holds your shares may generally vote on “routine” matters but cannot vote on “non-routine” matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, that organization will inform the inspector of election that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a “broker non-vote.”

15. Can I change my vote or revoke my proxy?

You can change your vote or revoke your proxy at any time before the final vote at the meeting. You can do this by casting a later proxy through any of the available methods described in the questions and answers. If you are a stockholder of record, you can also revoke your proxy by delivering a written notice of your revocation to our Corporate Secretary at our principal executive office at 20271 Goldenrod Lane, Germantown, Maryland 20876. If you are a beneficial owner, you can change your vote by submitting new voting instructions to your broker, bank, trustee, or nominee following the instructions they provided, or if you have obtained a legal proxy from your broker, bank, trustee, or nominee giving you the right to vote your shares, by attending the Special Meeting and voting in person.

16. How many shares must be present or represented to conduct business at the Special Meeting?

The quorum requirement for holding the Special Meeting and transacting business is that ho