

Rubicon Technology, Inc.  
Form PRE 14A  
March 30, 2017

**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**

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

**Rubicon Technology, 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:

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(1) Amount Previously Paid:

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(3) Filing Party:

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**PRELIMINARY PROXY STATEMENT –SUBJECT TO COMPLETION, MARCH 30, 2017**

**RUBICON TECHNOLOGY, INC.**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MAY [ ], 2017**

As a stockholder of Rubicon Technology, Inc., a Delaware corporation (the “Company,” “we,” “us” or “our”), you are cordially invited to attend the Annual Meeting of Stockholders of the Company (the “Annual Meeting”) to be held at the [place], at [X:00 a.m.] local time on May [ ], 2017, for the following purposes:

1. To approve an amendment to our Eighth Amended and Restated Certificate of Incorporation (as amended, our “Certificate of Incorporation”), to declassify the Board of Directors and provide for the annual election of directors;
2. To approve an amendment to our Certificate of Incorporation to effect a reverse stock split of our common stock at a ratio in a range of 1-for-10 to 1-for-20, such ratio to be determined in the sole discretion of the Board of Directors;
3. To approve an amendment to our Certificate of Incorporation to decrease our authorized number of shares of common stock to three times the number of shares of our common stock outstanding immediately following a reverse stock split implemented by the Board of Directors, rounded up to the nearest 100,000 shares;
4. To elect one director to serve for a one-year term (or if the amendment of our Certificate of Incorporation to declassify our Board of Directors set forth in Proposal 1 is not approved, to elect a Class I director to serve for a three year term);
5. To ratify the selection of Grant Thornton LLP our independent registered public accounting firm for the fiscal year ending December 31, 2017;
6. To approve, on a non-binding advisory basis, the compensation of our named executive officers (Say-on-Pay);
7. To vote, on a non-binding advisory basis, on the frequency of future Say-on-Pay votes (every one, two or three years); and
8. To transact such other business as may properly come before the Annual Meeting or any continuation or adjournment thereof.

Our Board of Directors has fixed the close of business on [ ], 2017 as the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting and at any postponement or adjournment thereof.

Your vote will be especially important at the Annual Meeting. As you may be aware, Paragon Technologies, Inc., a Delaware corporation (“Paragon”), has notified us that it intends to nominate one individual for election as a director at the Annual Meeting in opposition to the nominee proposed by our Board of Directors. Our Board of Directors does not endorse Paragon’s nominee and unanimously recommends that you vote FOR the election of the nominee proposed

by our Board of Directors on the **WHITE** proxy card.

**IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE ANNUAL MEETING WHETHER OR NOT YOU ARE PERSONALLY ABLE TO ATTEND. ACCORDINGLY, AFTER READING THE ACCOMPANYING PROXY STATEMENT, PLEASE PROMPTLY SUBMIT YOUR PROXY BY TELEPHONE, INTERNET OR MAIL AS DESCRIBED ON THE WHITE PROXY CARD.**

If you vote using a proxy card sent to you by Paragon, you can subsequently revoke it by following the instructions on the **WHITE** proxy card in the postage-paid envelope provided. Only your latest dated proxy will count. Any proxy may be revoked at any time prior to its exercise at the Annual Meeting as described in the accompanying proxy statement.

BY ORDER OF THE BOARD OF DIRECTORS,

/s/ MARDEL A. GRAFFY  
MARDEL A. GRAFFY  
SECRETARY

Bensenville, Illinois  
[ ], 2017

**Important Notice Regarding the Availability of Proxy Materials**

**for the Annual Meeting of Stockholders to Be Held on May [ ], 2017.**

**This Proxy Statement and the 2016 Annual Report are available with your 16-digit control number at:**

**[www.proxyvote.com](http://www.proxyvote.com)**

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**RUBICON TECHNOLOGY, INC.**

**PROXY STATEMENT**

**FOR**

**ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MAY [ ], 2017**

*This proxy statement, along with a WHITE proxy card or voting instruction form and our 2016 Annual Report, is first being mailed to stockholders on or about [ ], 2017*

**QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS, ANNUAL MEETING AND VOTING**

**1. Why am I receiving these materials?**

The Board of Directors (the “Board”) of Rubicon Technology, Inc., a Delaware corporation (“Rubicon,” the “Company,” “we,” “us,” or “our”), is soliciting your proxy to vote at our 2017 Annual Meeting of Stockholders (the “Annual Meeting” or the “2017 Annual Meeting”) because you owned shares of our common stock at the close of business on [ ], 2017, the record date for the Annual Meeting, and, therefore, are entitled to vote at the Annual Meeting. The proxies also may be voted at any continuations, adjournments or postponements of the Annual Meeting.

This proxy statement, along with a **WHITE** proxy card or voting instruction form and our 2016 Annual Report, is first being mailed to stockholders on or about [ ], 2017. We will also post this proxy statement, the meeting notice and our 2016 Annual Report on the Internet at [www.proxyvote.com](http://www.proxyvote.com) and on our website at <http://ir.rubicontechnology.com> on or about April [ ], 2017. This proxy statement contains information you may use when deciding how to vote in connection with the Annual Meeting.

**2. When and where is the Annual Meeting, and who may attend?**



The Annual Meeting will be held on May [ ], 2017 at [time] local time, at [location]. Stockholders who are entitled to vote and our invited guests may attend the Annual Meeting.

**3. What do I need to attend the Annual Meeting?**

**Stockholders of Record.** If you are a “stockholder of record” and plan to attend the Annual Meeting, please bring photo identification.

**Beneficial Owners.** If you are a “beneficial owner” and you plan to attend the Annual Meeting, you must present proof of your ownership of shares of our common stock as of [ ], 2017, such as a bank or brokerage account statement or a letter from the bank, broker or other nominee indicating that you are the beneficial owner of the shares, as well as photo identification. If you wish to vote at the Annual Meeting, you must also obtain a signed proxy from your bank, broker, trustee or other nominee who holds the shares on your behalf in order to cast your vote.

The answer to Question 12 describes the difference between stockholders of record and beneficial owners.

#### **4. Who is soliciting my proxy?**

The Board, on behalf of the Company, is soliciting your proxy to vote your shares of our common stock on all matters scheduled to come before the Annual Meeting, whether or not you attend in person. By completing, signing, dating and returning the **WHITE** proxy card or voting instruction form, or by submitting your proxy and voting instructions by telephone or via the Internet, you are authorizing the persons named as proxies to vote your shares of our common stock at the Annual Meeting as you have instructed. Paragon Technologies, Inc. (“Paragon”) has notified us of its intention to nominate one individual for election at the Annual Meeting in opposition to the nominee proposed by our Board. **Paragon’s nominee has NOT been endorsed by our Board.** You may receive proxy solicitation materials from Paragon, including a proxy statement and proxy cards. **The Board recommends that you disregard them.** We are not responsible for the accuracy of any information provided by or relating to Paragon or the nominees contained in any proxy solicitation materials filed or disseminated by, or on behalf of, Paragon or any other statements that Paragon or its representatives have made or may otherwise make.

#### **5. What proposals are being presented for stockholder vote at the Annual Meeting?**

There are seven proposals from Rubicon to be considered and voted on at the Annual Meeting:

Proposal 1: To approve an amendment to our Eighth Amended and Restated Certificate of Incorporation, as amended (our “Certificate of Incorporation”), to declassify the Board and provide for the annual election of directors (see page [ ]).

Proposal 2: To approve an amendment to our Certificate of Incorporation to effect a reverse stock split of our common stock at a ratio in a range of 1-for-10 to 1-for-20, such ratio to be determined in the sole discretion of the Board (see page [ ]).

Proposal 3: To approve an amendment to our Certificate of Incorporation to decrease our authorized number of shares of common stock to three times the number of shares of our common stock outstanding immediately following a reverse stock split implemented by the Board of Directors, rounded up to the nearest 100,000 shares (see page [ ]).

Proposal 4: To elect one director to serve for a one-year term (or to elect a Class I Director to serve for a three-year term if Proposal 1 to amend our Certificate of Incorporation to declassify our Board of Directors is not approved); (see page [ ]).

5. Proposal 5: To ratify the selection of Grant Thornton LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017 (see page [ ]).
6. Proposal 6: To approve, on a non-binding advisory basis, the compensation of our named executive officers (Say-on-Pay) (see page [ ]).
7. Proposal 7: To vote, on a non-binding advisory basis, on the frequency of future Say-on-Pay votes (every one, two or three years) (see page [ ]).

**6. How does the Board of Directors recommend that I vote?**

Our Board recommends that you vote your shares:

**FOR** the approval of an amendment to the Certificate of Incorporation to declassify the Board and provide for the annual election of directors;

**FOR** the approval of an amendment to our Certificate of Incorporation to effect a reverse stock split of our common stock at a ratio in a range of 1-for-10 to 1-for-20, such ratio to be determined in the sole discretion of the Board;

**FOR** the approval of an amendment to our Certificate of Incorporation to decrease our authorized number of shares of common stock to three times the number of shares of our common stock outstanding immediately following a reverse stock split implemented by the Board, rounded up to the nearest 100,000 shares;

**FOR** the election of the Board's nominee, Susan M. Westphal, as director for a one-year term (or as a Class I Director for a three-year term if Proposal 1 to amend our Certificate of Incorporation to declassify our Board of Directors is not approved);

**FOR** the ratification of the selection of Grant Thornton LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017;

**FOR** the resolution approving the compensation of our named executive officers (Say-on-Pay); and

**FOR** the frequency of **ONE YEAR** for future Say-on-Pay votes.

**7. Are there any other matters to be acted upon at the Annual Meeting?**

We do not expect any matters to be presented for action at the Annual Meeting other than the matters described in this proxy statement. However, by signing, dating and returning a **WHITE** proxy card or submitting your proxy and voting instructions by telephone or via the Internet, you will give to the persons named as proxies discretionary voting authority with respect to any matter that may properly come before the Annual Meeting and of which we did not have notice at least a reasonable time before we send out proxy materials for the Annual Meeting or by March 4, 2017, which is the date specified by the advance notice provisions set forth in our bylaws, and they intend to vote on any such other matter in accordance with their best judgment.

**8. Who is entitled to vote at the Annual Meeting?**

You are entitled to vote at the Annual Meeting if you owned shares of our common stock as of the close of business on the record date, [ ], 2017. Each share of common stock is entitled to one vote on each matter properly brought before the Annual Meeting and there is no cumulative voting. As of [ ], 2017, we had 26,878,891 shares of common stock outstanding. Both Delaware law and our Second Amended and Restated Bylaws (our “bylaws”) require our Board to establish a record date in order to determine who is entitled to receive notice of the Annual Meeting, and to vote at the Annual Meeting and any continuations, adjournments or postponements thereof.

**9. How many stockholders must be present to hold the Annual Meeting?**

Under Delaware law and our bylaws, holders of a majority of our outstanding shares of common stock as of the close of business on [ ], 2017 must be present in person or represented by proxy at the Annual Meeting. This is referred to as a quorum. The inspector of election will determine whether a quorum is present at the Annual Meeting. As of [ ], 2017, we had 26,878,891 shares of common stock outstanding. Accordingly, the presence of the holders of common stock representing at least 13,439,446 shares will be required to establish a quorum. Your shares are counted as present if you attend the Annual Meeting and vote in person or if you properly return a proxy over the Internet, by telephone or by mail. Abstentions and broker non-votes, if any, will be counted for purposes of establishing a quorum.

**10. What happens if I do not submit voting instructions for a proposal? What is discretionary voting? What is a broker non-vote?**

If you properly complete, sign, date and return a **WHITE** proxy card or voting instruction form, your shares of our common stock will be voted as you specify. If you are a stockholder of record and you sign and return a **WHITE** proxy card, but make no specifications on such proxy card, your shares of our common stock will be voted in accordance with the recommendations of our Board, as provided above. If you are a beneficial owner and you do not provide voting instructions to your bank, broker, trustee or other nominee holding shares of our common stock for you, your shares of our common stock will not be voted with respect to any proposal for which the stockholder of record does not have discretionary authority to vote. Rules of the New York Stock Exchange (“NYSE”) determine whether proposals presented at stockholder meetings are “discretionary” or “non-discretionary.” If a proposal is determined to be discretionary, your bank, broker, trustee or other nominee is permitted under NYSE rules to vote on the proposal without receiving voting instructions from you. If a proposal is determined to be non-discretionary, your bank, broker, trustee or other nominee is not permitted under NYSE rules to vote on the proposal without receiving voting instructions from you. A “broker non-vote” occurs when a bank, broker, trustee or other nominee holding shares for a beneficial owner returns a valid proxy, but does not vote on a particular proposal because it does not have discretionary authority to vote on the matter and has not received voting instructions from the stockholder for whom it is holding shares.

Because Paragon has initiated a proxy contest, to the extent that Paragon provides a voting instruction form to stockholders in street name, none of the proposals at the Annual Meeting are considered a discretionary matter. As a result, we encourage you to provide voting instructions to the bank, broker, trustee or other nominee that holds your shares by carefully following the instructions provided in their notice to you.

**11. How many votes are needed to approve the proposals? What is the effect of abstentions and broker non-votes on the outcome of the proposals?**

<b>Proposal</b>	<b>Voting Options</b>	<b>Vote Required to Adopt the Proposal</b>	<b>Effect of Abstentions</b>	<b>Effect of Broker Non-Votes</b>
1: Approval of an amendment to our Certificate of Incorporation to declassify the Board beginning with the 2018 Annual Meeting and provide for annual elections beginning with the 2017 annual meeting	For, against or abstain	Affirmative vote of at least 75% of the shares of common stock outstanding and entitled to vote	Treated as votes against	Treated as votes against
2: Approval of an amendment to our Certificate of Incorporation to effect a reverse stock split of our common stock at a ratio to be determined by our Board within a specified range	For, against or abstain	Affirmative vote of a majority of the shares of common stock outstanding and entitled to vote	Treated as votes against	Treated as votes against
3: Approval of an amendment to our Certificate of Incorporation to decrease our authorized number of shares of common stock	For, against or abstain	Affirmative vote of a majority of the shares of common stock outstanding and entitled to vote	Treated as votes against	Treated as votes against
4: Election of one director	For or withhold	Affirmative vote of a plurality of the shares present in person or by proxy and entitled to vote	N/A	No effect
5: Ratification of the selection of our independent registered public accounting firm	For, against or abstain	Affirmative vote of a majority of the shares of common stock present in person or by proxy and entitled to vote	Treated as votes against	No effect
				No effect

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6: Approval, on a non-binding advisory basis, of executive compensation (Say-on-Pay)	For, against or abstain	Affirmative vote of a majority of the shares of common stock present in person or by proxy and entitled to vote	Treated as votes against	
7: Vote, on a non-binding advisory basis, on the frequency of future Say-on-Pay votes	One year, two years, three years or abstain	The frequency which receives the highest number of votes will be deemed the choice of the stockholders	No effect	No effect

In contested elections (where the number of nominees exceeds the number of directors to be elected) and in uncontested elections, our directors are elected by a plurality of the shares of our common stock present in person or by proxy and entitled to vote. At the Annual Meeting, one director seat is up for election. That means the director candidate receiving the highest number of “FOR” votes will be elected. Under our bylaws, all other matters require the affirmative vote of the holders of a majority of the shares of our common stock present in person or by proxy and entitled to vote, except as otherwise provided by statute, our Certificate of Incorporation or our bylaws. A properly executed card marked “WITHHOLD” with respect to the election of a director nominee will be counted for purposes of determining whether there is a quorum at the Annual Meeting, but will not be considered to have been voted on the director election.

As a result of Paragon’s intention to propose an alternative director nominee in opposition to our Board’s nominee, there may be more than one nominee at the Annual Meeting, resulting in a contested election. ***THE ONLY WAY TO SUPPORT OUR BOARD’S NOMINEE IS TO VOTE “FOR” THE BOARD’S NOMINEE ON THE WHITE PROXY CARD. PLEASE DO NOT COMPLETE OR RETURN A PROXY CARD FROM PARAGON EVEN IF YOU WITHHOLD ON PARAGON’S DIRECTOR NOMINEE, BECAUSE DOING SO MAY CANCEL ANY PREVIOUS VOTE YOU CAST ON THE COMPANY’S WHITE PROXY CARD.***

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

If your shares are registered in your name on the books and records of our transfer agent, you are a “stockholder of record.” Rubicon sent the proxy materials directly to you.

If your shares are held for you in the name of your bank, broker, trustee or other nominee, your shares are held in “street name” and you are considered the “beneficial owner.” The proxy materials have been forwarded to you by your bank, broker, trustee or other nominee, who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your bank, broker, trustee or other nominee on how to vote your shares by using the voting instruction form provided by your nominee. The answer to Question 10 describes brokers’ discretionary voting authority and when your bank, broker, trustee or other nominee is permitted to vote your shares without instructions from you. The answer to Question 3 describes how beneficial owners may attend the Annual Meeting.

**13. How do I vote?**

**Stockholders of Record.** If you are a stockholder of record, you may submit your **WHITE** proxy card and voting instructions by telephone or using the Internet or by mail as further described below. Your **WHITE** proxy card,



whether submitted via telephone, the Internet or mail, authorizes the individuals named as proxies on your **WHITE** proxy card to act as your proxies at the Annual Meeting, each with the power to appoint his or her substitute, to represent and vote your shares of our common stock as you directed, if applicable.

**By Telephone.** Call the toll-free telephone number on the enclosed **WHITE** proxy card ([Tel. No.]) and follow the recorded instructions.

**By Internet.** Access the secure Internet website registration page on the enclosed **WHITE** proxy card and follow the instructions.

**By Mail.** Sign, date and return your **WHITE** proxy card in the postage-paid envelope provided.

If you submit your **WHITE** proxy card and voting instructions via telephone or the Internet, you do not need to mail your **WHITE** proxy card. The individuals named as proxies on your **WHITE** proxy card will vote your shares of our common stock at the Annual Meeting as instructed by the latest dated proxy received from you, whether submitted via the Internet, telephone or mail. You may also vote in person at the Annual Meeting.

**Beneficial Owners.** If your shares of our common stock are held in a stock brokerage account by a bank, broker, trustee or other nominee, you are considered the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by your bank, broker, trustee or other nominee that is considered the stockholder of record of those shares. As the beneficial owner, you have the right to direct your bank, broker, trustee or other nominee on how to vote your shares of our common stock via the Internet or by telephone, if the bank, broker, trustee or other nominee offers these options or by completing, signing, dating and returning a voting instruction form. Your bank, broker, trustee or other nominee will send you instructions on how to submit your voting instructions for your shares of our common stock. If you wish to vote in person at the Annua