

Spansion Inc.
Form DEF 14A
April 18, 2014
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-11(c) or §240.14a-12

SPANSION 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)(4) and 0-11.

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- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:

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- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

Notes:

April 18, 2014

Dear Stockholder:

On behalf of the Board of Directors, you are cordially invited to attend the 2014 Annual Meeting of Stockholders of Spansion Inc. to be held at 915 DeGuigne Drive, Sunnyvale, California on Friday, May 16, 2014, at 8:00 a.m., local time. The formal notice of the Annual Meeting appears on the following page. The attached Notice of Annual Meeting and Proxy Statement describe the matters that we expect to be acted upon at the Annual Meeting and provide additional information for stockholders.

Stockholders attending the Annual Meeting will have the opportunity to ask questions of management. Whether or not you plan to attend the Annual Meeting, it is important that your shares be represented. Please vote as soon as possible. You may vote via the Internet, by telephone or by mailing a completed proxy card as an alternative to voting in person at the Annual Meeting. Voting by any of these methods will ensure your representation at the Annual Meeting.

We encourage you to sign up for electronic delivery of future proxy materials in order to conserve natural resources and help us reduce printing costs and postage fees. For more information, please see "Questions and Answers" in the Proxy Statement.

We urge you to carefully review the proxy materials and to vote FOR the director nominees, FOR Spansion's Named Executive Officers' compensation, FOR the 2014 Employee Stock Purchase Plan, FOR the issuance of more than 19.99% of our outstanding Class A Common Stock upon conversion of the 2.00% Senior Exchangeable Notes issued in August 2013 and FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the current fiscal year.

Please note that if you hold your shares in street name, brokers will not have discretion to vote your shares on the election of directors or the advisory vote on executive compensation. Accordingly, if you do not submit voting instructions to your broker on these matters, your shares will not be counted in determining the outcome of these matters. We encourage you to provide voting instructions to your brokers if you hold your shares in street name so that your voice is heard on these matters.

We look forward to seeing you at the Annual Meeting.

/s/ John H. Kispert

John H. Kispert
President and Chief Executive Officer

SPANSION INC.

915 DeGUIGNE DRIVE

P.O. BOX 3453

SUNNYVALE, CALIFORNIA 94088

NOTICE OF 2014 ANNUAL MEETING OF STOCKHOLDERS

We will hold the 2014 Annual Meeting of Stockholders of Spansion Inc. at 915 DeGuigne Drive, Sunnyvale, California, on Friday, May 16, 2014. The Annual Meeting will start at 8:00 a.m. local time. At the Annual Meeting, our stockholders will be asked to:

1. Elect two Class I directors to serve for a three-year term expiring at the 2017 annual meeting of stockholders;
2. Approve, on a non-binding, advisory basis, the compensation of our Named Executive Officers as disclosed in this proxy statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission;
3. Approve the Spansion Inc. 2014 Employee Stock Purchase Plan;
4. Approve the issuance of more than 19.99% of our outstanding Class A Common Stock upon the conversion of our 2.00% Senior Exchangeable Notes issued in August 2013;
5. Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the current fiscal year; and
6. Transact any other business that properly comes before the Annual Meeting and any postponement or adjournment of the Annual Meeting.

Only record holders of our Class A Common Stock at the close of business on March 18, 2014, the record date for the Annual Meeting, are entitled to receive notice of and to vote on all matters submitted to a vote of stockholders at the

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Annual Meeting. Stockholders present at the Annual Meeting or who have submitted a valid proxy over the Internet, by telephone or by mail will be deemed to be present in person to vote at the Annual Meeting. Stockholders are urged to read the attached proxy statement carefully for additional information concerning the matters to be considered at the Annual Meeting.

All stockholders are cordially invited to attend the Annual Meeting in person. Stockholders who plan to attend in person are nevertheless requested to vote online, by telephone, or by signing and returning their proxy cards to make certain that their vote will be represented at the Annual Meeting should they unexpectedly be unable to attend.

By Order of the Board of Directors,

/s/ Katy Motiey
Katy Motiey

Corporate Secretary

This proxy statement and accompanying proxy card are first being distributed on or about April 21, 2014.

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, WE URGE YOU TO VOTE ONLINE OR BY TELEPHONE, OR TO COMPLETE, SIGN AND DATE THE ENCLOSED PROXY CARD AND RETURN IT PROMPTLY IN THE ENVELOPE PROVIDED. VOTING ONLINE, BY TELEPHONE, OR BY RETURNING YOUR PROXY CARD WILL ENSURE THAT YOUR VOTE IS COUNTED IF YOU LATER DECIDE NOT TO ATTEND THE ANNUAL MEETING.

TABLE OF CONTENTS

QUESTIONS AND ANSWERS	1
ITEM 1—ELECTION OF DIRECTORS	5
CORPORATE GOVERNANCE	8
COMMITTEES AND MEETINGS OF THE BOARD OF DIRECTORS	13
DIRECTOR COMPENSATION	17
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS	20
SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS	21
SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE	21
EXECUTIVE OFFICERS	22
ITEM 2—ADVISORY VOTE ON EXECUTIVE COMPENSATION	23
EXECUTIVE COMPENSATION AND RELATED MATTERS - COMPENSATION DISCUSSION AND ANALYSIS	24
ITEM 3 – APPROVAL OF THE 2014 EMPLOYEE STOCK PURCHASE PLAN	51
ITEM 4—ISSUANCE OF MORE THAN 19.99 PERCENT OF OUR CLASS A COMMON STOCK UPON THE EXCHANGE OF THE 2.00% SENIOR EXCHANGEABLE NOTES ISSUED IN AUGUST 2013	55
ITEM 5---RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	57
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	58
AUDIT COMMITTEE REPORT	59
OTHER MATTERS	59
ANNUAL REPORT AND FINANCIAL STATEMENTS	59

SPANSION INC.

PROXY STATEMENT

2014 ANNUAL MEETING OF STOCKHOLDERS

QUESTIONS AND ANSWERS

1.Q: WHO IS SOLICITING MY VOTE?

A: This proxy solicitation is being made by the Board of Directors of Spansion Inc. All expenses of soliciting proxies, including clerical work, printing and postage, will be paid by us. Our directors, officers and other employees may solicit proxies in person, by mail, by telephone, by facsimile, through the Internet or by other means of communication, but such persons will not be specifically compensated for such services. We may also retain the services of Alliance Advisors LLC to assist in soliciting proxies. If we retain Alliance Advisors, we expect to pay them a fee of approximately \$15,000, plus reasonable out-of-pocket expenses.

2.Q: WHEN WAS THIS PROXY STATEMENT MAILED TO STOCKHOLDERS?

A: This proxy statement was first mailed to stockholders on or about April 21, 2014.

3.Q: WHAT MAY I VOTE ON?

A: Holders of Spansion's Class A Common Stock (the "common stock") may vote on the following matters:

The election of two director nominees, Keith Barnes and William E. Mitchell, to serve as Class I Directors on our Board of Directors; an advisory vote on executive compensation; approval of the Spansion Inc. 2014 Employee Stock Purchase Plan; approval of the issuance of more than 19.99% of our common stock upon the exchange of the 2.00% Senior Exchangeable Notes issued in August 2013; and the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the current fiscal year.

4.Q: HOW DOES THE BOARD OF DIRECTORS RECOMMEND I VOTE ON THE PROPOSALS?

A: The Board recommends that you vote:

- FOR each of the Class I director nominees;

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- FOR the approval, on an advisory basis, of the compensation of our Named Executive Officers as disclosed in this proxy statement;
- FOR the approval of the Spansion Inc. 2014 Employee Stock Purchase Plan;
- FOR the approval of the issuance of more than 19.99% of our common stock upon the exchange of the 2.00% Senior Exchangeable Notes issued in August 2013; and
- FOR ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the current fiscal year.

5.Q: WHO IS ENTITLED TO VOTE?

Stockholders as of the close of business on March 18, 2014, the Record Date, are entitled to vote on all items properly presented at the Annual Meeting for which they are eligible to vote. On the Record Date, 59,991,016 shares of common stock, including 367,569 remaining shares held in reserve for issuance upon settlement of allowed claims of certain unsecured creditors pursuant to our plan of reorganization, were outstanding. Every

- A: stockholder is entitled to one vote for each share of common stock held. A list of these stockholders will be available during ordinary business hours at the principal place of business of Spansion, located at 915 DeGuigne Drive, Sunnyvale, California 94085-3836, during at least the ten days immediately preceding the date of the Annual Meeting. The list of stockholders will also be available at the time and place of the Annual Meeting.

6.Q: HOW DO I VOTE BY MAIL?

- A: If you complete and properly sign each proxy card you receive and return it to us in the prepaid envelope, it will be voted by one of the individuals indicated on the card (your “proxy”) as you direct.

If you return your signed proxy card but do not mark the boxes showing how you wish to vote, your shares will be voted FOR the election of each of the director nominees, FOR the compensation of our Named Executive Officers, FOR the 2014 Employee Stock Purchase Plan, FOR the issuance of more than 19.99% of our common stock upon the conversion of our 2.00% Senior Exchangeable Notes issued in August 2013 and FOR the ratification of the appointment of our auditors. If your shares are held by your broker, see question 12 below.

7.Q: CAN I VOTE BY TELEPHONE OR ELECTRONICALLY?

- A: If you live in the United States or Canada, you may submit your proxy by following the **Vote by telephone** instructions on the proxy card. If you have Internet access, you may submit your proxy from any location in the world by following the **Vote by Internet** instructions on the proxy card.

8.Q: WHO CAN ATTEND THE ANNUAL MEETING?

- A: Only stockholders as of the Record Date, holders of proxies for those stockholders and other persons invited by us can attend. If your shares are held by your broker in “street name,” you must bring a letter from your broker or a copy of your proxy card to the meeting showing that you were the direct or indirect beneficial owner of the shares on the Record Date to attend the meeting.

9.Q: