SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Smither John W	Arcutis Biotherapeutics, Inc. [ARQT]	Director / 10% Owner / X Officer (give title below) / Other (specify below)
(Last) (First) (Middle)	3. Date of Earliest Transaction (Month/Day/Year)	Chief Financial Officer
C/O ARCUTIS BIOTHERAPEUTICS, INC.	03/03/2021	
3027 TOWNSGATE ROAD, SUITE 300	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)
(Street)		X Form filed by One Reporting Person
WESTLAKE VILLAGE CA 91361		Form filed by More than One Reporting Person
(City) (State) (Zip)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/03/2021		A		9,500(1)	A	$0	33,925(2)	D	
Common Stock	03/04/2021		M(3)		12,396	A	$1.6806	46,321(2)	D	
Common Stock								87,965	I	By Trust(4)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (Right to Buy)	$32.44	03/03/2021		A		28,800		(5)	03/03/2031	Common Stock	28,800	$0.00	28,800	D	
Stock Option (Right to Buy)	$1.6806	03/04/2021		M(3)			12,396	(6)	05/14/2029	Common Stock	12,396	$0.00	97,684	D	

Explanation of Responses:

1. Constitute restricted stock units ("RSUs") for which the Reporting Person is entitled to receive one (1) share of common stock for each one (1) RSU upon vesting. 25% of the RSUs vest annually on March 3 of each year, beginning March 3, 2022, subject to the Reporting Person's continued service to the Issuer.

2. Includes 16,250 RSUs.

3. Reflects cash exercise of stock option without the disposition of the underlying shares.

4. The securities are held of record by The 1994 Smither Family Trust, as Amended and Restated in 2014, of which the Reporting Person is a trustee. The Reporting Person disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of such securities for purposes of Section 16 or for any other purposes.

5. 1/48th of the shares subject to the option vest on each monthly anniversary measured from March 3, 2021 (the "Vesting Commencement Date"), such that 100% of the shares subject to the option will be fully vested and exercisable on the fourth anniversary of the Vesting Commencement Date, subject to the Reporting Person's continued service to the Issuer.

6. 1/4th of the shares subject to the option vest on the one year anniversary measured from May 1, 2019 (the "Vesting Commencement Date"), and 1/48th of the shares vest monthly thereafter such that 100% of the shares subject to the option will be fully vested on the fourth anniversary of the Vesting Commencement Date, subject to the Reporting Person's continued service to the Issuer. The option contains an early-exercise provision and is exercisable as to unvested shares, subject to the Issuer's right of repurchase.

/s/ John W. Smither — 03/05/2021

** Signature of Reporting Person — Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, *see* Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.