

COVINGTON

BEIJING BRUSSELS DUBAI FRANKFURT JOHANNESBURG
LONDON LOS ANGELES NEW YORK PALO ALTO
SAN FRANCISCO SEOUL SHANGHAI WASHINGTON

Covington & Burling LLP
One CityCenter
850 Tenth Street, NW
Washington, DC 20001-4956
T +1 202 662 6000

February 23, 2021

By Electronic Mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Shareholder Proposal to Omeros Corporation

Ladies and Gentlemen:

On behalf of Omeros Corporation (the “Company”), we are submitting this letter pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) to request confirmation from the staff of the Division of Corporation Finance (the “Staff”) that it will not recommend enforcement action to the U.S. Securities and Exchange Commission (the “Commission”) if the Company excludes a shareholder proposal submitted by Byron T. Yancey Jr. (the “Proposal”) from the proxy materials for its 2021 annual meeting of shareholders. A copy of the Proposal, which requests that the Company increase its share price and enhance shareholder value, the cover letter to the Proposal, and subsequent correspondence from the proponent are attached hereto as Exhibit A.

In accordance with Staff Legal Bulletin No. 14D (Nov. 7, 2008), we are emailing this letter to the Staff at shareholderproposals@sec.gov. We are simultaneously sending a copy of this letter and the exhibits thereto to the proponent as notice of the Company’s intent to omit the Proposal from its 2021 proxy materials in accordance with Exchange Act Rule 14a-8(j). Likewise, we take this opportunity to inform the proponent that a copy of any correspondence he submits to the Commission or the Staff with respect to the Proposal should be provided concurrently to the Company pursuant to Rule 14a-8(k) and Staff Legal Bulletin No. 14D, and request that a copy also be provided to the undersigned at the address above.

THE PROPOSAL

The Proposal states:

“**Resolved:** The shareholders of Omeros, assembled at the annual meeting and by proxy, hereby recommend the CEO and Board of Directors make the ongoing increase in share price and enhancing shareholder value a high priority in 2021 and beyond.”

The supporting statement accompanying the Proposal further opines that:

- “Omeros has not been able to deliver a profit or a sustained increase in share price. Also, unfortunately, it has accumulated \$835,000,000 in negative shareholder equity.”

COVINGTON

Office of Chief Counsel
Division of Corporation Finance
February 23, 2021
Page 2

- “The press release of August 10, 2020 drove the stock price up from \$14.13 on 8/7 to \$21.32 on August 10th, a 150% increase. Then Omeros went silent on the life saving pilot in Italy and the stock dropped back to its historic low double digit price.”
- “Between March and December [BioNTech] made 5-13 press releases a month. The stock went from \$28.55 on March 16th to \$92 on March 18th, growth of 332%” and “[Moderna] made between 5 and 12 press releases a month. By July 17th the stock price was \$94, a 510% increase.”
- “Your YES vote to approve this resolution will make clear to the CEO and Board of Directors that their primary responsibility is to protect shareholder assets and ensure shareholders receive a decent return on their investment.”

BASES FOR EXCLUSION

We request that the Staff concur in our view that the Proposal may be excluded from the Company’s 2021 proxy materials pursuant to Rule 14a-8(i)(7) because it seeks to deal with a matter relating to the Company’s ordinary business operations and Rule 14a-8(i)(3) because it is impermissibly vague and indefinite so as to be materially false and misleading in violation of Rule 14a-9 under the Exchange Act.

ANALYSIS

The Proposal may be excluded under Rule 14a-8(i)(7) because it seeks to deal with a matter relating to the Company’s ordinary business operations.

Rule 14a-8(i)(7) permits the exclusion of a shareholder proposal from a company’s proxy materials if the proposal “deals with a matter relating to the company’s ordinary business operations.” The Commission has stated that the policy underlying this exclusion rests on two “central considerations,” specifically whether the proposal (i) concerns tasks that are “so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight” and (ii) “seeks to ‘micromanage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” *Amendments to Rules on Shareholder Proposals*, SEC Rel. No. 34-40018 (May 21, 1998).

The Staff has consistently found that proposals that request action to improve the price of a company’s stock concern ordinary business operations and are excludable under Rule 14a-8(i)(7). *See Bimini Capital Management, Inc.* (Mar. 28, 2018) (proposal requesting that the board take measures to close the gap between the book value of the company’s common shares and their market price was excludable as ordinary business operations); *Tremont Corp.* (Feb. 25, 1997) (requesting a plan to narrow the gap between the value of the company’s shares and the value of its underlying assets). The Staff has similarly permitted exclusion under Rule 14a-8(i)(7) of proposals that sought to enhance shareholder value. In *Ford Motor Co.* (Feb. 24, 2007) (“*Ford 2007*”), the Staff concluded that a proposal requesting that “Ford’s chairman honor his commitments to shareholders to increase stock performance” related to

COVINGTON

Office of Chief Counsel
Division of Corporation Finance
February 23, 2021
Page 3

the company's ordinary business operations, specifically its strategies for enhancing shareholder value, and was therefore excludable under Rule 14a-8(i)(7). The Staff similarly concluded in *Ford Motor Co.* (Mar. 8, 2006) ("*Ford 2006*") that a similar proposal requesting action to "enhance shareholder value" and "achieve stock performance equaling the top quartile of S&P 500 companies" related to the company's ordinary business operations, specifically its strategies for enhancing shareholder value, and was similarly excludable under Rule 14a-8(i)(7). The Staff has reached the same conclusion in a long line of no-action letters relating to proposals focused on enhancing shareholder value and the achievement of financial performance targets.¹

Both the *Ford 2007* and *Ford 2006* proposals stated that the company's stock performance was not adequate and urged the company to increase the stock price and improve the company's underlying financial performance in response to what the proponent had identified as inadequacies. The *Ford 2007* proposal stated that "[a]doption demands Chairman Ford honor his 1998, 1999 and 2000 obligation to: [deliver stock performance equaling the top quartile of S&P 500 companies]." This proposal further stated that "Ford stock has declined to \$8 and \$100 billion of shareholder's wealth was destroyed" and "[i]nvestors made investments based on Chairman Ford's [obligation] to deliver specific future rates of return (Top Quartile S&P 500)." The proposal concerned the specific pricing and historical performance of the company's common stock and requested that the company increase that performance in line with statements made by the company's leadership.

The *Ford 2006* proposal similarly requested the company's chairman to "honor his commitments" in order to "reward long-suffering shareholders." The proposal further stated that "Ford's stock price declined from \$68 to \$8 with nearly \$100 billion of shareholder's wealth destroyed" and referred to statements made by the company regarding shareholder value and providing superior shareholder returns. As with *Ford 2007*, *Ford 2006* requested that the company focus on increasing the price and performance of its stock in line with statements made by the company's leadership. As noted above, the proposals in *Ford 2007* and *Ford 2006* related to the company's "ordinary business operations (*i.e.*, strategies for enhancing shareholder value)" and the Staff accordingly permitted exclusion under Rule 14a-8(i)(7).

The Proposal is similarly focused on the Company's strategies for enhancing shareholder value and clearly deals with the company's ordinary business operations. The Proposal recommends that the "CEO and Board of Directors make the ongoing increase in share price and enhancing shareholder value a high priority in 2021 and beyond." The supporting statement opines that the Proposal will "make clear to the CEO and Board of Directors that their primary responsibility is to protect shareholder assets and

¹ See *Ford Motor Co.* (Mar. 7, 2005) (proposal requesting that the company strengthen its financial condition and enhance shareholder value by pledging to achieve world-class performance); *PepsiAmericas, Inc.* (Feb. 11, 2004) (proposal directing management to pursue the company's objective to maximize shareholder value by focusing on business planning and execution of available value creating strategies); *E*TRADE Group, Inc.* (Oct. 31, 2000) (requesting the establishment of a committee to advise the board on how to increase shareholder value); *JMAR Industries, Inc.* (Apr. 30, 1997) (proposal relating to "strategies to achieve specific financial objectives"); *Rogers Corp. (Erley)* (Jan. 18, 1990) (proposal requesting enumerated standards for financial performance); *Knight-Ridder Newspapers, Inc.* (Feb. 26, 1985) (proposal expressed regret at the state of the company's business results and implicitly requested the board of directors to take steps to improve results).

COVINGTON

Office of Chief Counsel
Division of Corporation Finance
February 23, 2021
Page 4

ensure shareholders receive a decent return on their investment.” Matters relating to the specific priorities and responsibilities of the Company’s CEO and board of directors with regard to financial performance are all squarely related to the Company’s strategies for enhancing shareholder value. As with the proposals in *Ford 2007* and *Ford 2006*, the Proposal states that the Company’s stock price is inadequate (“Omeros has not been able to deliver a profit or a sustained increase in share price” and “the stock dropped back to its historic low double digit price”) and claims that shareholder value has been dissipated (“[Omeros] has accumulated \$835,000,000 in negative shareholder equity”). The Proposal is similarly designed to direct the senior leadership of the Company to change its strategy for enhancing shareholder value by prioritizing an increase in the Company’s stock price and improving the Company’s financial performance (“make clear to the CEO and Board of Directors that their primary responsibility is to protect shareholder assets and ensure shareholders receive a decent return on their investment”).

The Proposal also discusses at length various press releases issued by other companies and the effect those communications purportedly had on the share prices of the respective companies’ stock, thereby implying that the Company should adopt an investor relations strategy that is solely focused on increasing the Company’s share price, as opposed to providing accurate and timely information regarding developments to the Company’s business.² The proponent’s subsequent correspondence of January 7, 2021 further notes that the “goal” of the Proposal “to put pressures on Dr D [*sic*] and the board to do their job and deliver a return to investors or get voted out” and “to begin an on-going movement to engage your institutional investors.” The Staff has consistently permitted the exclusion of proposals relating to investor relations and procedures for enabling shareholder communications under Rule 14a-8(i)(7) because such proposals relate to ordinary business matters. *See Peregrine Pharmaceuticals, Inc.* (Jul. 16, 2013) (proposal related to the ability of shareholders to communicate with management, board members and consultants during conference calls); *Con-way Inc.* (Jan. 22, 2009) (proposal requested that the board ensure that annual shareholder meetings be webcast); *Advanced Fibre Communications, Inc.* (Mar. 10, 2003) (proposal requested that the board establish an office to enable communication between non-management directors and shareholders); *The Gillette Company* (Feb. 2, 2001) (proposal requested the board open the annual meeting with a discussion of “measures taken and intended to maintain and increase the shareholder value of the company”).

The final statement in the Proposal, stating that the shareholder resolution “will make clear” what are to be the primary responsibilities of the Company’s senior leadership and board of directors in 2021 and beyond, clearly shows that the Proposal is attempting to direct management’s day-to-day running of the company by making an increase in the Company’s share price “a high priority.” The Proposal relates to issues, the Company’s share price and enhancing shareholder value, which are fundamental considerations in the day-to-day operation of a for-profit enterprise such as the Company, and the Proposal would dictate the specific level of attention and strategy the Company’s CEO and board of directors should apply when addressing these fundamental considerations. The Proposal would directly

² We note that this reference to increased press releases implies a change in Company practice that is far more mundane than proposals that have sought to increase shareholder returns by exploring strategic alternatives that relate to extraordinary and non-extraordinary transactions, which the Staff has long found to be excludable under Rule 14a-8(i)(7). *See Bank of America Corp.* (Feb. 26, 2019); *Anchor Bancorp, Inc.* (Jul. 11, 2013); *Analysts International Corp.* (Mar. 11, 2013); *Donegal Group Inc.* (Feb. 15, 2013, recon. denied Mar. 7, 2013); *Donegal Group Inc.* (Feb. 16, 2012).

COVINGTON

Office of Chief Counsel
Division of Corporation Finance
February 23, 2021
Page 5

substitute the strictures devised by the proponent for the Company's determination of the most appropriate manner in which to promote stockholder value. The matters addressed by the Proposal are squarely within the purview of the Company's ordinary business operations, and therefore may be excluded from the Company's 2021 annual meeting materials pursuant to Rule 14a-8(i)(7).

The Proposal may be excluded under Rule 14a-8(i)(3) because it is impermissibly vague.

Rule 14a-8(i)(3) permits the exclusion of a shareholder proposal "if the proposal or supporting statement is contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials." The Staff has consistently taken the position that vague and indefinite proposals are excludable under Rule 14a-8(i)(3) because "neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." See Staff Legal Bulletin No. 14B (September 15, 2004); see also *Fuqua Industries, Inc.* (Mar. 12, 1991) (permitting exclusion of a proposal where "any action ultimately taken by the [c]ompany upon implementation could be significantly different from the actions envisioned by shareholders voting on the proposal").

The Staff has allowed for the exclusion of proposals under Rule 14a-8(i)(3) where key terms of a proposal, regardless of their plain meaning, are undefined or defined in a manner that renders the proposal vague and indefinite. See *Apple Inc.* (Dec. 6, 2019) (proposal recommending that the company "improve guiding principles of executive compensation"); *International Business Machines Corp.* (Jan. 13, 2010) (proposal requesting that directors take immediate corrective action regarding an executive compensation package); *General Motors Corp.* (Mar. 26, 2009) (proposal requesting that the company "eliminate all incentives for the CEOs and the Board of Directors"); *Prudential Financial Inc.* (Feb. 16, 2006) (proposal requesting shareholder approval for certain "senior management incentive compensation programs"); *Puget Energy, Inc.* (Mar. 7, 2002) (proposal requesting a policy of "improved corporate governance").

The Staff also has allowed for exclusion under Rule 14a-8(i)(3) in the context of proposals that concerned enhancing stockholder value. The Staff allowed four nearly identical proposals to be excluded pursuant to Rule 14a-8(i)(3) where the proposals sought the creation of a "Stockholder Value Committee" to "explore extraordinary transactions that could enhance stockholder value" at the respective companies but did not adequately define "extraordinary transaction." See *Bank of America Corp.* (Mar. 12, 2013); *Citigroup Inc.* (Mar. 12, 2013); *JPMorgan Chase & Co.* (Mar. 12, 2013); *Morgan Stanley* (Mar. 12, 2013).³ The Staff found that each of these proposals was excludable under Rule 14a-8(i)(3), as being vague and indefinite, and noted that "neither shareholders or the company would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." In particular, the Staff noted that each proposal defined an "extraordinary transaction" as "a transaction for which stockholder approval is required under applicable law or stock exchange listing standard." The Staff

³ See also *Bank of America Corp.* (Mar. 6, 2014); *Citigroup Inc.* (Mar. 6, 2014); *JPMorgan Chase & Co.* (Mar. 6, 2014) (all allowing for exclusion under Rule 14a-8(i)(3) for proposals requesting a plan for divesting all non-core banking business segments where the proposals defined "non-core banking operations" in a manner that rendered the proposals vague and indefinite).

COVINGTON

Office of Chief Counsel
Division of Corporation Finance
February 23, 2021
Page 6

appears to have been persuaded that the proposals were vague and indefinite due to the fact that the central purpose of the Stockholder Value Committee, to explore extraordinary transactions, was so expansively defined as to be incomprehensible to the companies' management and the companies' shareholders.

The instant Proposal is similarly concerned with enhancing shareholder value as were the four Stockholder Value Committee proposals noted above, but is even more vague and indefinite than were the proposals that the Staff deemed to be excludable under Rule 14a-8(i)(3). The Proposal, which is also focused on the concept of shareholder value, requests no changes to the Company's strategy, other than potentially issuing more press releases, and provides no direction as to how to implement the Proposal. The Stockholder Value Committee proposals were impermissibly broad in their language, but, unlike the Proposal, at least provided an action that could be undertaken pursuant to the proposal (*i.e.*, "explore extraordinary transactions"). The Proposal identifies a similarly vague objective (increasing shareholder value), but proposes no action for the Company to undertake in pursuit of that objective. As with the Stockholder Value Committee proposals, where the supporting statement provided no additional clarity as to how to implement the proposal, the supporting statement provides no additional clarity and adds further confusion by noting that approval of the Proposal "will make clear to the CEO and Board of Directors that their primary responsibility is to protect shareholder assets and ensure shareholders receive a decent return on their investment." It is unclear whether "protecting shareholder assets" or "ensuring a decent return on investment" are the suggested means to achieve an "ongoing increase in share price" and "enhancing shareholder value." Given the Company's objective of continuing to develop its pipeline these requirements could reasonably be read as contradicting one another, as "protecting shareholder assets" could imply an abandonment of one or more of the Company's clinical programs and engaging in significant cost cutting, particularly in light of the high cost of developing pharmaceutical product candidates, while "enhancing shareholder value" could imply the opposite. As a practical matter, the Company's does not directly control or manage its share price and the Proposal provides no indication of how it should prioritize actions "in 2021 and beyond" in order to achieve this objective. Accordingly, the Proposal is materially vague and indefinite and should be excluded under Rule 14a-8(i)(3), consistent with the Staff's precedents applying this basis for exclusion.

CONCLUSION

Based on the foregoing analysis, on behalf of the Company, we respectfully request that the Staff concur that the Company may exclude the Proposal and supporting statements from its 2021 proxy materials under Rules 14a-8(i)(7) and 14a-8(i)(3).

* * * * *

The Company anticipates that the 2021 proxy materials will be finalized for distribution on or about April 23, 2021. Accordingly, the Company would appreciate receiving the Staff's response to this no-action request by March 23, 2021.

COVINGTON

Office of Chief Counsel
Division of Corporation Finance
February 23, 2021
Page 7

If the Staff disagrees with the Company's view that it can omit the Proposal, the Company requests the opportunity to confer with the Staff prior to the final determination of the Staff's position. If the Staff has any questions regarding this request or requires additional information, please contact me at (202) 662-5895 or mfranker@cov.com.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Matthew C. Franker', with a long horizontal flourish extending to the right.

Matthew C. Franker

cc: Byron T. Yancey

Peter Cancelmo
Omeros Corporation

Exhibit A

Byron T. Yancey, Jr.

December 9, 2020

Mr. Peter B. Cancelmo, VP, Gen Counsel, & Sec
The Omeros Building
201 Elliott Ave West
Seattle, WA 98119

Dear Mr. Cancelmo:

I recommend Omeros submit the attached Shareholder Proposal to its Board of Directors for inclusion in proxy materials for the 2021 Annual Shareholder meeting. I meet all criteria required to authorize my proposal to be included in the 2021 proxy materials.

SHAREHOLDER PROPOSAL:

Resolved: The shareholders of Omeros, assembled at the annual meeting and by proxy, hereby recommend the CEO and Board of Directors make the ongoing increase in share price and enhancing shareholder value a high priority in 2021 and beyond.

KEY POINTS:

- (1) This proposal is submitted by registered mail before your December 31, 2020 deadline.
- (2) The reason for this proposal is to request the CEO and Board of Directors, after 36 years of losses, focus on consistently improving share price and shareholder value.
- (3) I, Byron T. Yancey, Jr. as the beneficial owner of 36,692 of family shares and with over \$25,000 worth of stock owned over one year prepared and submitted this proposal. I will continue to hold stock through the 2021 shareholder meeting. See the attached letter from Oppenheimer.
- (4) Oppenheimer, my financial advisor, is an active member of the DTC.

RESPONSE TO POTENTIAL EXCLUSION ISSUES:

Rule 14a-8(i)(1): The Staff states...proposals casts a recommendation or request that the board take specified action are generally considered proper under state law. This proposal is a recommendation.

Rule 14a-8(i)(4): This proposal is in behalf of all shareholders, investors, and employees with Omeros stock. This proposal is not a personal claim or grievance against the company or any other person. It is in the common interest of all shareholders.

Rule 14a-8(i)(5): This proposal applies to more than 5% of the company assets and more than 5% of its earning and gross sales.

Rule 14a-8(i)(6): The board of directors not only has the power, they have the responsibility to embrace this proposal. Per The Balance.com... "the primary responsibility of the corporate board of directors is to protect shareholder assets and ensure they receive a decent return on their investment".

Rule 14a-8(i)(7): Does not apply to this proposal because the recommendation does not address tasks "so fundamental to management's ability to run the company on a day to day basis", nor does it attempt to micromanage the company. On the contrary, as the Staff has stated, "that the board, given its duty to provide a shareholder return is well suited to analyze, determine, and explain how this recommendation transcends ordinary business and is appropriate for a shareholder vote".

Staff Bulletin 14I asked boards to weigh in on the relevance or significant issues pursuant to Rule 14a-8(i)(7). The outcome was "most boards proved unable to demonstrate to the SEC Staff that topics of shareholder "proposals were insignificant to their company. SLB 14I also recommends the Staff issue guidance to confirm proposals requesting a company set targets or improve performance...are not considered micromanagement".

According to a 2017 Harvard Law School study on the value of the shareholder proposal process, "the process helps companies concentrate on investment, innovation, and economic growth..."

"Three points...

- (1) Shareholder resolutions focus on material issues aimed at improving corporate financial performance.
- (2) Shareholder proposals under current SEC rules are not burdensome...
- (3) The voice of the shareholder is valuable both to companies and shareholders"

Thank you for considering my proposal.

Regards;

Byron T. Yancey, Jr.

December 1, 2020

Mr. & Mrs. Byron Yancey

Re: Omeros Corp. (OMER)

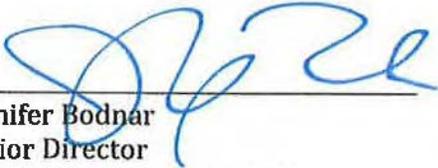
Dear Mr. & Mrs. Yancey;

Please be advised that you collectively own 38,692 shares of Omeros Corp; symbol OMER; between all of your accounts at Oppenheimer as of todays date.
These shares were all purchased prior to February of 2018.

Please let us know if you should need anything further.

Very Truly Yours,

X



Jennifer Bodnar

Senior Director

Branch Operations Manager

Oppenheimer & Co. Inc.

100 N.E. 3rd Avenue Suite 500

SHAREHOLDER PROPOSAL

Shareholder: Byron T. Yancey, Jr. who beneficially owns 38,692 shares of Omeros. Over 2,000 shares were owned prior to February 2018.

RESOLVED: The shareholders of Omeros, assembled at the annual meeting and by proxy, hereby recommend the CEO and Board of Directors make the ongoing increase in share price and enhancing shareholder value a high priority in 2021 and beyond.

RECOMMENDATION: Shareholders are urged to vote YES.

REASONS FOR SHAREHOLDER PROPOSAL: Since its inception in 1994, 36 years ago, Omeros has created an unparalleled pipeline of drugs with patients, some of which could make a major impact on the betterment of healthcare. For example, if OMS 721 is a CURE for covid-19 patients (see Aug 10 press release), or if OMS 405 can successfully treat opioid and/or nicotine addiction it would have worldwide impact. Unfortunately, over the same 36 year period, Omeros has not been able to deliver a profit or a sustained increase in share price. Also, unfortunately, it has accumulated \$835,000,000 in negative shareholder equity.

The press release of August 10, 2020 drove the stock price up from \$14.13 on 8/7 to \$21.32 on August 10th, a 150% increase. Then Omeros went silent on the life saving pilot in Italy and the stock dropped back to its historic low double digit price.

Other pharmaceuticals working on Covid-19 fared much better growth in stock price yet NOBODY cured or prevented a case. BioNTech, in partnership with Pfizer, announced on March 16, 2020 they were making 'Rapid' progress on a covid-19 vaccine...with no proof. Between March and December they made 5-13 press releases a month. The stock went from \$28.55 on March 16th to \$92 on March 18th, growth of 332%, yet it wasn't until November 18th before they finished Phase III. While the vaccine probably will be approved by the FDA, no vaccine has been delivered to anyone but now the stock is selling for \$121. Why did the stock price go from \$28 to \$92 in a few days'?

Moderna is a better example. On February 24, 2020 they announced they were shipping a covid-19 vaccine for Phase I testing. On that day the stock was selling for \$18.59. After the announcement they made between 5 and 12 press releases a month. By July 17th the stock price was \$94, a 510% increase. It wasn't until November 30th they had positive results to report. The November 30th press release pushed the stock to \$150, an 811% increase over the February price.

Both of these companies will likely get FDA approval but the question is how did they grow the stock price before they had phase III results?

If other companies can do it without a real product why can't Omeros with a covid product proven to work.

Your YES vote to approve this resolution will make clear to the CEO and Board of Directors that their primary responsibility is to protect shareholder assets and ensure shareholders receive a decent return on their investment.

January 7, 2021

Byron T. Yancey, Jr.

Mr. Peter B. Cancelmo, Secretary
The Omeros Bldg
201 Elliott Ave West
Seattle, WA 98119

Mr. Cancelmo;

I am writing for two reasons. First, I would like to know the status of my shareholder proposal for your 2021 shareholder meeting. Secondly, I am requesting a complete list of Omeros shareholders not the list with Cede, a non shareholder, holding the vast majority of your shares.

As I am sure you are aware, RCW 23B.16.020 states "(1) A shareholder of a corporation is entitled to inspect and copy, during regular business hours at the corporations principle office." Given the covid pandemic I hope you will provide me a soft copy or a pdf copy of 'all' shareholders.

Please consider this letter a written notice of my request of Omeros shareholders as defined in RCW 23B.07.200 (1).

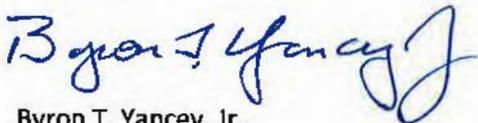
I have spoken to Cede and they report that (1) they are not a shareholder of any company, (2) they are the record keeper for DTC, and (3) would never release any information about a company's shareholders to an unauthorized person. This, of course, all makes sense.

The purpose of my request is to prepare a letter to all material shareholders with a copy of my shareholder proposal and an explanation of why they should vote YES on my proposal.

I realize my proposal, even if approved, cannot be enforced. My goal is to begin an on-going movement to engage your institutional investors to put pressure on Dr D and the board to do their job and deliver a return to investors or get voted out. If you had contacted Pfizer, or another major player, back in April to partner with an expected CURE for covid our stock would be over \$100...and please don't give me the crap about not being able to be paid if you had offered the cure.

I will be happy to discuss my request and/or my shareholder proposal at your convenience.

Regards;



Byron T. Yancey, Jr.