

PACKAGING CORP OF AMERICA

Form 10-Q

August 07, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended June 30, 2015

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-15399

(Exact Name of Registrant as Specified in its Charter)

Delaware

36-4277050

(State or Other Jurisdiction of
Incorporation or Organization)

(I.R.S. Employer Identification No.)

1955 West Field Court, Lake Forest, Illinois

60045

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code
(847) 482-3000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 3, 2015, the Registrant had outstanding 97,724,394 shares of common stock, par value \$0.01 per share.

Table of Contents

PART I

Item 1.	<u>Financial Statements</u>	<u>1</u>
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>14</u>
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>27</u>
Item 4.	<u>Controls and Procedures</u>	<u>27</u>

PART II

Item 1.	<u>Legal Proceedings</u>	<u>28</u>
Item 1A.	<u>Risk Factors</u>	<u>28</u>
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>28</u>
Item 3.	<u>Defaults Upon Senior Securities</u>	<u>28</u>
Item 4.	<u>Mine Safety Disclosures</u>	<u>28</u>
Item 5.	<u>Other Information</u>	<u>28</u>
Item 6.	<u>Exhibits</u>	<u>29</u>

All reports we file with the Securities and Exchange Commission (SEC) are available free of charge via the Electronic Data Gathering Analysis and Retrieval (EDGAR) System on the SEC website at www.sec.gov. We also provide copies of our SEC filings at no charge upon request and make electronic copies of our reports available through our website at www.packagingcorp.com as soon as reasonably practicable after filing such material with the SEC.

PART I
FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Packaging Corporation of America
Consolidated Statements of Income and Comprehensive Income
(unaudited, dollars in millions, except per-share data)

	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	2015	2014
Statements of Income:				
Net sales	\$1,454.3	\$1,468.4	\$2,880.0	\$2,899.7
Cost of sales	(1,130.6)	(1,157.6)	(2,279.3)	(2,287.5)
Gross profit	323.7	310.8	600.7	612.2
Selling, general, and administrative expenses	(121.9)	(122.9)	(239.2)	(239.3)
Other expense, net	(4.2)	(7.7)	(6.8)	(31.7)
Income from operations	197.6	180.2	354.7	341.2
Interest expense, net	(22.2)	(21.4)	(41.4)	(42.2)
Income before taxes	175.4	158.8	313.3	299.0
Income tax provision	(61.4)	(59.2)	(108.5)	(109.4)
Net income	\$114.0	\$99.6	\$204.8	\$189.6
Net income per common share:				
Basic	\$1.16	\$1.01	\$2.09	\$1.93
Diluted	\$1.16	\$1.01	\$2.08	\$1.93
Dividends declared per common share	\$0.55	\$0.40	\$1.10	\$0.80
Statements of Comprehensive Income:				
Net income	\$114.0	\$99.6	\$204.8	\$189.6
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment	4.2	(0.1)	2.8	(0.1)
Reclassification adjustments to cash flow hedges included in net income, net of tax of \$0.5 million, \$0.5 million, \$1.1 million, and \$1.1 million	0.9	0.9	1.7	1.7
Amortization of pension and postretirement plans actuarial loss and prior service cost, net of tax of \$1.4 million, \$0.7 million, \$2.8 million, and \$1.5 million	2.2	1.1	4.4	2.1
Other comprehensive income	7.3	1.9	8.9	3.7
Comprehensive income	\$121.3	\$101.5	\$213.7	\$193.3

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Packaging Corporation of America

Consolidated Balance Sheets

(unaudited, dollars and shares in millions, except per-share data)

June 30,
2015

ASSETS

Current

assets:

Cash and

cash \$163.7

equivalents

Accounts

receivable,

net of

allowance

for doubtful

accounts

and

customer

deductions

of \$12.4 million and 708.0

\$11.3

million as of

June 30,

2015, and

December

31, 2014,

respectively

Inventories

667.5

Prepaid

expenses

and other 58.5

current

assets

Federal and

state income

taxes —

receivable

Deferred

income 59.7

taxes

Total

current 1,657.4

assets

Property, 2,852.7
plant, and
equipment,
net

Short sales involve secondary market sales by the underwriters of a greater number of shares than they are required to purchase.

Covered short sales are sales of shares in an amount up to the number of shares represented by the underwriters' offering.

Naked short sales are sales of shares in an amount in excess of the number of shares represented by the underwriters' offering.

Covering transactions involve purchases of shares either pursuant to the underwriters' option to purchase additional shares or to cover short positions.

To close a naked short position, the underwriters must purchase shares in the open market. A naked short position is not created if the underwriters are concerned that there may be downward pressure on the price of the shares in the open market that could adversely affect investors who purchase in the offering.

To close a covered short position, the underwriters must purchase shares in the open market or must exercise the underwriters' option to purchase additional shares. In determining the source of shares to close the covered short position, the underwriters will consider various things, the price of shares available for purchase in the open market as compared to the price at which they may purchase the underwriters' option to purchase additional shares.

Stabilizing transactions involve bids to purchase shares so long as the stabilizing bids do not exceed a specified maximum.

Purchases to cover short positions and stabilizing purchases, as well as other purchases by the underwriters for their own accounts, may prevent or retard a decline in the market price of the shares. They may also cause the price of the shares to be higher than the price that would exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on The NASDAQ Capital Market, the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

Conflicts of Interest

The underwriters are full service financial institutions engaged in various activities, which may include securities trading, commercial banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The underwriters and their affiliates have in the past performed commercial banking, investment banking and advisory services for us from time to time for which they receive customary fees and reimbursement of expenses and may, from time to time, engage in transactions with and perform services for our business for which they may receive customary fees and reimbursement of expenses. In the ordinary course of their various business activities and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their clients. They may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities that are owned by us or our affiliates. The underwriters and their affiliates

Table of Contents

may also make investment recommendations and/or publish or express independent research views in respect of such securities or hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to the payment of such liabilities. The underwriters may be required to make because of any of those liabilities.

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state) and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), no offer of shares described in this prospectus supplement may not be made to the public in that relevant member state other than:

to any legal entity which is a qualified investor as defined in the Prospectus Directive;

to fewer than 100 or, if the relevant member state has implemented the relevant provision of the 2010 PD Amending Directive, to fewer than 100 persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, with the prior consent of the relevant Dealer or Dealers nominated by us for any such offer; or

in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of this provision, the expression an offer of securities to the public in any relevant member state means the communication to the public by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant member state) and includes any relevant implementing measure in the relevant member state. The expression 2010 PD Amending Directive means Directive 2010/23/EU.

The sellers of the shares have not authorized and do not authorize the making of any offer of shares through any financial intermediary or other persons, other than the underwriters, with a view to the final placement of the shares as contemplated in this prospectus supplement. No person, other than the underwriters, is authorized to make any further offer of the shares on behalf of the sellers or the underwriters.

Notice to Prospective Investors in the United Kingdom

This prospectus supplement and the accompanying prospectus are only being distributed to, and is only directed at, persons in the United Kingdom who are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive that are also (i) investment professionals falling within the meaning of Article 2(1)(b) of the Prospectus Directive or (ii) persons who are acting in the course of their business as investment professionals.

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Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or the Order, or (ii) high net worth entities, and other persons who may be lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a "relevant person"). This document and its supplement and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed to other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document.

S-15

Table of Contents

Notice to Prospective Investors in France

Neither this prospectus supplement nor any other offering material relating to the shares described in this prospectus supplement has received the clearance procedures of the *Autorité des Marchés Financiers* or of the competent authority of another member state of the European Union or to the *Autorité des Marchés Financiers*. The shares have not been offered or sold and will not be offered or sold, directly or indirectly, in France. Neither this prospectus supplement nor any other offering material relating to the shares has been or will be:

released, issued, distributed or caused to be released, issued or distributed to the public in France; or

used in connection with any offer for subscription or sale of the shares to the public in France.

Such offers, sales and distributions will be made in France only:

to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in their own account, all as defined in, and in accordance with articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.754-2 of the *Code de Commerce* and the *Code monétaire et financier*;

to investment services providers authorized to engage in portfolio management on behalf of third parties; or

in a transaction that, in accordance with article L.411-2-II-1° -or-2° -or 3° of the French Code monétaire et financier and the *Règlement Général* of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public*).

The shares may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-10 of the *Code monétaire et financier*.

Notice to Prospective Investors in Hong Kong

The shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute a public offer within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Companies Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the shares being a public offer within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the shares issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong). The shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

The shares offered in this prospectus supplement have not been and will not be registered under the Financial Instruments and Exchange Act (the "Financial Instruments and Exchange Law") in Japan. The shares have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any person (including any natural person who is a resident of Japan or any corporation or other entity organized under the laws of Japan), except (i) pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

Notice to Prospective Investors in Singapore

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the

S-16

Table of Contents

offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institution as defined in Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of which is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) are transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA;

to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(1A) of the SFA pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or the interest in that trust are acquired at a consideration of not less than \$200,000 (or its equivalent in a foreign currency) for each person and the amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with Section 275 of the SFA;

where no consideration is or will be given for the transfer; or

where the transfer is by operation of law.

Notice to Prospective Investors in Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) of Australia, or the Corporations Act) has been or will be lodged with the Australian Securities & Investments Commission, or ASIC. This document has not been lodged with ASIC and is not directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia, you confirm and warrant that you are:

a sophisticated investor under section 708(8)(a) or (b) of the Corporations Act;

a sophisticated investor under section 708(8)(c) or (d) of the Corporations Act and that you have provided an account of how you comply with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer.

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a person associated with the company under section 708(12) of the Corporations Act; or

a professional investor within the meaning of section 708(11)(a) or (b) of the Corporations Act, and to the extent that you warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act, your warrant under this document is void and incapable of acceptance; and

you warrant and agree that you will not offer any of the common stock for resale in Australia within 12 months of that offer unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

S-17

Table of Contents

Notice to Prospective Investors in Canada

The shares offered in this prospectus supplement may be sold only to purchasers purchasing, or deemed to be purchasing, as principal investors, as defined in National Instrument 45-106 Prospectus exemptions or subsection 73.3(1) of the Securities Act (Ontario), and as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of these securities must be in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages (including any amendment thereto) if the prospectus supplement contains a misrepresentation, provided that the remedies for rescission or damages are exercised within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor. Pursuant to section 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 in connection with this offering.

S-18

Table of Contents

LEGAL MATTERS

Cooley LLP, New York, New York, will pass upon the validity of the issuance of the shares being sold in this offering. Certain legal matters relating to this offering will be passed upon for the underwriters by Dechert LLP, New York, New York.

EXPERTS

The consolidated financial statements of Inovio Pharmaceuticals, Inc. and its subsidiaries as of December 31, 2016 and 2015 and for the three-year period ended December 31, 2016, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2016, have been incorporated by reference herein and in the registration statement in reliance upon the reports of Ernst & Young LLP, a public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-3 under the Securities Act with respect to the shares of common stock being offered. This prospectus supplement and the accompanying prospectus do not contain all of the information set forth in the registration statement and the exhibits to the registration statement. For further information with respect to us and the securities we are offering under this offering, we refer you to the registration statement and the exhibits and schedules filed as a part of the registration statement. We file annual, quarterly, and proxy statements and other information with the SEC. You may read and copy the registration statement, as well as any other materials filed with the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Please call the SEC at 1.800.SEC.0330 for more information. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information filed electronically with the SEC, including Inovio. The SEC's Internet site can be found at www.sec.gov.

S-19

Table of Contents

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information in those documents. Information incorporated by reference is part of this prospectus supplement and the accompanying prospectus. The SEC will update and supersede this information. The SEC's Internet site can be found at <http://www.sec.gov>.

We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14(d) and 15(d) after the date of this prospectus supplement until the termination of the offering of the shares covered by this prospectus supplement (including Current Reports furnished under Item 2.02 or Item 7.01 of Form 8-K and exhibits filed on such form that are related to such items):

our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on March 15, 2017;

the information specifically incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2016, and our Proxy Statement on Schedule 14A for our 2017 Annual Meeting of Stockholders, filed with the SEC on March 29, 2017;

our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2017, filed with the SEC on May 10, 2017;

our Current Reports on Form 8-K (other than information furnished rather than filed) filed with the SEC on February 13, 2017, March 24, 2017, May 16, 2017, June 12, 2017 and July 14, 2017; and

the description of our common stock contained in our registration statement on Form 8-A filed with the SEC on September 15, 2016, and all amendments or reports filed for the purposes of updating this description.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address or telephone number:

Inovio Pharmaceuticals, Inc.

660 W. Germantown Pike, Suite 110

Plymouth Meeting, Pennsylvania 19462

Attn: Investor Relations

Phone: (877) 446-6846

In accordance with Rule 412 of the Securities Act, any statement contained in a document incorporated by reference herein shall be superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement.

Table of Contents

INOVIO PHARMACEUTICALS, INC.

\$250,000,000

Common Stock

Preferred Stock

Debt Securities

Warrants

Units

From time to time, we may offer up to \$250,000,000 of any combination of the securities described in this prospectus, individually or in units. We may also offer common stock or preferred stock upon conversion of debt securities, or common stock, preferred stock or debt securities upon conversion of preferred stock, or common stock, preferred stock or debt securities upon the exercise of warrants. We will provide the specific terms of these offerings and securities in one or more supplements to this prospectus. We will also provide you with a copy of one or more free writing prospectuses in connection with these offerings. The prospectus supplement provided to you of one or more free writing prospectuses in connection with these offerings. The prospectus supplement related free writing prospectus may also add, update or change information we include in this prospectus. You should read this prospectus, the applicable prospectus supplement and any related free writing prospectus, as well as any other documents we incorporate by reference, before buying any of the securities being offered.

Our common stock is traded on the NASDAQ Global Select Market under the symbol **INO**. On May 20, 2015, the closing price of our common stock on the NASDAQ Global Select Market was \$8.21. The applicable prospectus supplement provides information, where applicable, as to any other listing, if any, on the NASDAQ Global Select Market or any other exchange of the securities covered by the applicable prospectus supplement.

On May 20, 2015, the aggregate market value of our outstanding common stock our non-affiliates held was approximately \$558.6 million.

We may sell the securities directly to investors, through agents designated from time to time or to or through dealers, on a continuous or delayed basis. For additional information on the methods of sale, you should refer to the Plan of Distribution in this prospectus. If any agents or underwriters are involved in the sale of any securities, the applicable prospectus supplement to this prospectus is being delivered, we will set forth in a prospectus supplement the names of such agents or underwriters, the applicable fees, commissions, discounts and over-allotment options. We will also set forth in a prospectus supplement the names of the public of such securities and the net proceeds that we expect to receive from such sale.

Investing in our securities involves a high degree of risk. You should review carefully the risks and uncertainties under the heading **Risk Factors contained in the applicable prospectus supplement and any related prospectus, and under similar headings in the other documents that we incorporate by reference into this prospectus.**

This prospectus may not be used to consummate a sale of any securities unless accompanied by a prospectus supplement.

Neither the U.S. Securities and Exchange Commission, any state securities commission nor any other regulatory authority has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus is dated June 5, 2015.

Table of Contents

You should rely only on the information contained in this prospectus, any applicable prospectus supplement, any free writing prospectus, including the information we incorporate by reference as described under "Where You Can Find More Information." We have not authorized anyone to provide you with different information. If you receive any information that differs from the information contained in this prospectus, any applicable prospectus supplement or any related free writing prospectus, you should not rely on it. No dealer, salesperson or other person is authorized to give any information or to represent that any information contained in this prospectus, any applicable prospectus supplement or any related free writing prospectus will be provided to you. You must not rely on any unauthorized information or representation. This prospectus is not an offer of securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. You should read the information in this prospectus, any applicable prospectus supplement or any related free writing prospectus carefully, including the date on the front of the document and that any information we have incorporated by reference is accurate as of the date of the document incorporated by reference, regardless of the time of delivery of this prospectus, any applicable prospectus supplement or any related free writing prospectus, or any sale of a security.

TABLE OF CONTENTS

Item

Risk Factors

About This Prospectus

Where You Can Find More Information

Cautionary Statement on Forward-Looking Information

Our Company

Statement of Computation of Ratios

Use of Proceeds

Selected Financial Data

Description of Capital Stock

Description of Debt Securities

Description of Warrants

Description of Units

Legal Ownership of Securities

Plan of Distribution

Validity of Securities

Experts

Table of Contents

RISK FACTORS

Investing in our securities involves a high degree of risk. You should carefully consider the specific risks we describe under the caption "Risk Factors" or similar heading in our periodic reports referred to in "Where You Can Find More Information" below and, if included in an applicable prospectus supplement or free writing prospectus under a similar heading in the applicable prospectus supplement. Additional risks not presently known to us or that we deem immaterial may also significantly impair our business operations.

ABOUT THIS PROSPECTUS

All references in this prospectus to "Inovio," "Company," "we," "our" and "us" refer to Inovio Pharmaceuticals, Inc. and its subsidiaries unless the context otherwise requires.

This prospectus is part of a registration statement on Form S-3 that we have filed with the Securities and Exchange Commission ("SEC"), using a shelf registration process. Under this shelf registration process, we and certain holders of securities described in this prospectus in one or more offerings, up to the total dollar amount of \$250,000,000, provides you with a general description of the securities we may offer. Each time we or holders of our securities under this shelf registration statement, we will provide a prospectus supplement that will contain information about the terms of the offering and those securities. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to these offerings. The prospectus supplement and any free writing prospectus that we may authorize to be provided to you may also modify, add to or supersede the information in this prospectus or in the documents we have incorporated by reference into this prospectus. You should read this prospectus together with the documents incorporated by reference, the applicable prospectus supplement and any related free writing prospectus to obtain the additional information referred to below under "Where You Can Find More Information," before buying securities being offered.

We have filed a registration statement on Form S-3 with the SEC relating to the securities covered by this prospectus. This prospectus is a part of the registration statement and does not contain all of the information in the registration statement. We refer in this prospectus, including other documents we incorporate by reference, to a Company contract or other document. Please be aware that the reference is only a summary and that you should refer to the exhibits that are a part of the registration statement for a copy of the applicable contract or other document. We qualify all of the summaries in their respective documents. Copies of some of the documents referred to herein have been filed, will be filed or will be incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents by referring to the exhibits listed below under the heading "Where You Can Find Additional Information."

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may obtain copies of these documents we file with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. For more information on the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are available to the public through the SEC's Internet site at <http://www.sec.gov>.

The SEC's rules allow us to incorporate by reference information into this prospectus. Therefore, we cannot provide all of the information to you by referring you to any of the SEC filings we reference in the list below. Any information incorporated by reference into this prospectus or the applicable prospectus supplement is considered part of this prospectus.

Table of Contents

part of this prospectus or the applicable prospectus supplement. Any reports we file with the SEC after the and before the date that the offering of securities by means of this prospectus terminates will automatically applicable, supersede any information contained or incorporated by reference in this prospectus or the applicable supplement.

We incorporate by reference into this prospectus the following documents or information we file with the SEC in this case, documents or information deemed to have been furnished and not filed in accordance with SEC rules for these documents is 001-14888.

Our annual report on Form 10-K for the year ended December 31, 2014 we filed with the SEC on

Our quarterly report on Form 10-Q for the quarter ended March 31, 2015 we filed with the SEC on

Our current reports on Form 8-K we filed on March 10, 2015, April 30, 2015, May 5, 2015 and our other current reports furnished under Item 2.02 or Item 7.01 of Form 8-K and exhibits we file on such items;

The description of our common stock contained in our registration statement filed pursuant to the Securities Exchange Act of 1934, or the Exchange Act, as modified by our reports we file under the Exchange Act;

All documents we file under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus and before the termination of the offering of securities under this prospectus, other than current reports on Form 8-K, Item 2.02 or Item 7.01 of Form 8-K and exhibits we file on such form that relate to such items.

Any statement contained in a document incorporated by reference in this prospectus will be deemed to be incorporated into this prospectus for purposes of this prospectus to the extent that any statement contained in this prospectus or in any subsequent prospectus supplement which also is or is deemed to be incorporated by reference in this prospectus or any prospectus supplement incorporates this statement. Any statement modified or superseded in this way will not be deemed, except as so modified or superseded, to constitute a part of this prospectus or any prospectus supplement. The information incorporated by reference in this prospectus about us and our financial condition and performance and is an important part of this prospectus.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus is directed, upon their written or oral request, a copy of any or all documents referred to above that have been or may be incorporated into this prospectus, excluding exhibits to those documents unless they are specifically incorporated by reference into this prospectus. You can request those documents from Inovio Pharmaceuticals, Inc., Attention: Investor Relations, 10480 Camino del Rio South, San Diego, California, 92121-5773, telephone (858) 597-6006.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This prospectus, including documents we incorporate by reference, any applicable prospectus supplement and any applicable writing prospectus, contains forward-looking statements, as defined in Section 27A of the Securities Act of 1933 and the Securities Exchange Act of 1934. These statements relate to future events or our future financial performance. You can identify forward-looking statements by terminology such as may, will, should, expect,

predict, potential or continue, the negative of such terms or other comparable terminology. These Actual events or results may differ materially.

Table of Contents

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that our actual results, levels of activity, performance or achievements will meet those expectations. Moreover, neither we, nor any other person, assume any responsibility for the accuracy and completeness of the forward-looking statements. We are under no obligation to update any of our forward-looking statements after the date of this prospectus and any applicable prospectus supplement to conform such statements to changes in our expectations.

Readers are also urged to carefully review and consider the various disclosures made by us that attempt to identify the various factors that affect our business, including without limitation the disclosures made in our quarterly report for the quarter ended March 31, 2015 under the caption "Risk Factors."

Risk factors that could cause actual results to differ from those contained in the forward-looking statements include, but are not limited to: our history of losses; our lack of products that have received regulatory approval; uncertainties in our research and product development programs, including but not limited to the fact that pre-clinical and clinical results do not necessarily predict results achievable in other trials or for other indications, that results from one study may not necessarily be predictive of the results of other similar studies, that results from an animal study may not be indicative of results achievable in humans, that clinical testing is expensive and can take many years to complete, that the outcome of any clinical trial may not be as favorable as we expect, that our electroporation technology and DNA vectors may not be able to achieve the desired safety and efficacy traits in clinical trials; the availability of funding; the ability to manufacture and distribute our products; the availability or potential availability of alternative therapies or treatments for the conditions targeted by us or our partners, including alternatives that may be more efficacious or cost-effective than any therapy or treatment that we hope to develop; whether our proprietary rights are enforceable or defensible or infringe or allegedly infringe the rights of others; our ability to withstand claims of invalidity; and the impact of government healthcare proposals.

OUR COMPANY

We are developing active DNA immunotherapies and vaccines focused on treating and preventing cancers and infectious diseases. Our DNA-based immunotherapies, in combination with our proprietary electroporation delivery devices, are designed to elicit robust immune responses, in particular T cells, to fight such diseases. In 2014 we reported that in a large, controlled study we achieved clinically relevant efficacy against a targeted disease (HPV-associated cervical dysplasia) using antigen-specific T cells. Our novel SynCon[®] immunotherapy design has shown the ability to help break the immune tolerance of cancerous cells. Alternatively, our SynCon[®] product design is also intended to facilitate cross-reactivity against known as well as new unmatched strains of pathogens such as influenza. Given the recognized role of killer T cells in killing cancerous or infected cells from the body, our scientists believe that our active immunotherapies may play a key role in helping fight such diseases. Human data to date have shown a favorable safety profile of our DNA immunotherapies and electroporation. We have completed, current or planned clinical programs of our proprietary SynCon[®] immunotherapies for HPV-caused pre-cancers and cancers, prostate cancer, breast/lung/pancreatic cancer, hepatitis C virus (HCV), hepatitis B virus (HBV), HIV, influenza, and Ebola. Our partners and collaborators include F. Hoffmann-La Roche Ltd and Novartis, Inc., University of Pennsylvania, Drexel University, National Microbiology Laboratory of the Public Health Service, National Institute of Allergy and Infectious Diseases, United States Military HIV Research Program, U.S. Army Medical Research Institute of Infectious Diseases, HIV Vaccines Trial Network, Defense Advanced Research Projects Agency, and others.

All of our potential human products are in research and development phases. We have not generated any revenues from any such products, and we do not expect to generate any such revenues for at least the next several years. We may generate license fees and milestone revenue, collaborative research and development agreements, grants and government contracts. Our product candidates will require significant additional research and development efforts, including extensive pre-clinical testing. All product

Table of Contents

candidates that we advance to clinical testing will require regulatory approval prior to commercial use, and the associated costs for commercialization. We may not be successful in our research and development efforts, and we may not generate sufficient product revenue to be profitable.

Our executive offices are located at 660 West Germantown Pike, Suite 110, Plymouth Meeting, Pennsylvania. Our telephone number is (877) 446-6846. We maintain an Internet website at www.inovio.com. Information contained on our website through our website does not constitute part of this prospectus.

STATEMENT OF COMPUTATION OF RATIOS

The following table sets forth our ratio of earnings to fixed charges and to combined fixed charges and preferred stock dividends for the years ended December 31, 2010, 2011, 2012, 2013, 2014 and the three months ended March 31, 2015⁽¹⁾

	Years Ended December 31			
	2010	2011	2012	2013
Ratio of earnings to fixed charges ⁽²⁾				

Ratio of earnings to Combined Fixed Charges and Preferred Stock dividends ⁽³⁾

- (1) We reported a loss from continuing operations for the years ended December 31, 2010, 2011, 2012, 2013, 2014 and the three months ended March 31, 2015 and would have needed to generate additional income of \$17,638,746, \$19,712,980, \$66,083,532, \$36,140,133 and \$10,582,871, respectively, to cover our fixed charges of \$146,520, \$298,980, \$411,510 and \$102,300, respectively.
- (2) For purposes of computing the ratio of earnings to fixed charges, earnings consist of net loss plus fixed charges. Combined fixed charges consist of interest expense and an estimate of the interest within rental expense.
- (3) For purposes of computing the ratio of earnings to combined fixed charges and preferred stock dividends, earnings consist of net loss plus fixed charges. Combined fixed charges and preferred stock dividends consist of interest expense and an estimate of the interest within rental expense and preferred stock dividends.

USE OF PROCEEDS

Except as described in any prospectus supplement or in any related free writing prospectus that we may provide to you, we currently intend to use the net proceeds from the sale of the securities offered hereby for general corporate purposes, including research and development and clinical trial costs, including the costs associated with preparing for and conducting potential Phase 1, Phase 2 and Phase 3 clinical trials. We may also use a portion of the net proceeds to acquire other businesses, products and technologies that are complementary to our own. Pending these uses, we expect to invest the net proceeds in short-term, investment-grade securities.

Table of Contents**SELECTED FINANCIAL DATA**

The following table sets forth our historical selected financial information. The share and per share information in this table reflects the 4:1 reverse split of each share of our outstanding common stock effected on June 5, 2014.

	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010
<i>Operations Data:</i>					
Revenue under collaborative research and development arrangements, including from affiliated entity	\$ 7,896,032	\$ 9,664,547	\$ 660,003	\$ 567,856	\$ 527,222
Grants and miscellaneous revenue	2,560,734	3,802,799	3,458,649	9,227,401	5,617,483
Total revenues	10,456,766	13,467,346	4,118,652	9,795,257	6,144,705
Loss from operations	(39,495,961)	(19,544,332)	(23,493,532)	(21,638,540)	(19,220,162)
Interest and other income, net	331,461	132,214	166,113	34,285	147,406
Change in fair value of common stock warrants	348,143	(45,632,669)	1,982,620	8,690,658	2,403,924
(Loss) Gain on investment in affiliated entity	2,676,224	(1,038,745)	1,631,819	(2,390,498)	(969,914)
Net loss	(36,140,133)	(66,083,532)	(19,712,980)	(15,304,095)	(17,638,746)
Net loss attributable to non-controlling interest	18,420	55,084	44,025	51,150	24,950
Net loss attributable to Inovio Pharmaceuticals, Inc.	\$ (36,121,713)	\$ (66,028,448)	\$ (19,668,955)	\$ (15,252,945)	\$ (17,613,796)

Net loss per common share attributable to

*Inovio
Pharmaceuticals,
Inc. stockholders:*

Basic	\$	(0.61)	\$	(1.43)	\$	(0.58)	\$	(0.48)	\$	(0.68)	\$
Diluted	\$	(0.64)	\$	(1.43)	\$	(0.58)	\$	(0.48)	\$	(0.68)	\$

*Weighted average
number of
common shares
outstanding used
in per share
calculations:*

Basic	59,127,349	46,087,773	34,127,312	31,559,834	25,800,470
Diluted	59,408,252	46,087,773	34,127,312	31,559,834	25,800,970

Balance Sheet

Data:

Cash and cash equivalents	\$	40,543,982	\$	33,719,796	\$	5,646,021	\$	17,350,116	\$	19,998,489	\$
Short-term investments		53,075,974		18,905,608		8,034,001		12,863,420		1,849,271	
Total assets		131,785,097		88,287,207		45,138,754		61,106,561		56,067,391	
Current liabilities		14,023,752		28,966,456		8,376,577		11,043,021		6,436,708	
Accumulated deficit		(331,910,290)		(295,788,577)		(229,760,129)		(210,091,174)		(194,838,229)	
Total stockholders equity		111,537,594		52,902,683		34,857,405		47,861,662		47,100,911	

Table of Contents

DESCRIPTION OF CAPITAL STOCK

This prospectus contains summary descriptions of the common stock, preferred stock, warrants, debt securities that we may offer and sell from time to time. When we offer one or more of these securities in the future, a prospectus will explain the particular terms of the securities and the extent to which these general provisions may apply. The descriptions and any summary descriptions in the applicable prospectus supplement do not purport to be complete and the terms and conditions of each security and are qualified in their entirety by reference to our certificate of incorporation, by-laws, each as amended to date, the Delaware General Corporation Law, or DGCL, and any other documents, including summary descriptions and from which such summary descriptions are derived. If any particular terms of an applicable prospectus supplement differ from any of the terms described in this prospectus, then the terms of the prospectus will be deemed superseded by the terms set forth in that prospectus supplement.

We may issue securities in book-entry form through one or more depositaries, such as The Depository Trust Company, as applicable prospectus supplement. Each sale of a security in book-entry form will settle in immediately available form with the applicable depositary, unless otherwise stated. We will issue the securities only in registered form, without interest, unless we may issue the securities in bearer form if so specified in the applicable prospectus supplement. If any security is quoted on a securities exchange or quotation system, the applicable prospectus supplement will so indicate.

Capital Stock

Our authorized capital stock consists of 600,000,000 shares of common stock, \$0.001 par value per share, and 10,000,000 shares of preferred stock, \$0.001 par value per share. As of May 20, 2015, there were:

71,810,186 shares of common stock outstanding; and

23 shares of Series C Cumulative Convertible Preferred Stock outstanding.

Common Stock

The holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders and do not have any cumulative voting rights. Any election at a meeting of stockholders is determined by the votes cast by the stockholders entitled to vote at the election, and all other matters are generally determined by the votes cast on the matter. Holders of our common stock are entitled to receive ratably such dividends, if any, as our board of directors out of funds legally available. In the event of our liquidation, dissolution or wind up, after payment of our debts and liabilities, and subject to the preferential rights, if any, of any outstanding preferred stock, the holders of our common stock are entitled to share ratably in all assets. Our common stock has no preemptive or conversion rights or other special rights, and there are no redemptive or sinking funds provisions applicable to the our common stock. We have no authority to call for all outstanding shares of our common stock and cannot require our stockholders to make further payments.

Preferred Stock

Pursuant to our certificate of incorporation, our board of directors has the authority, without further action by the stockholders (unless such stockholder action is required by applicable law or NASDAQ Stock Market rules), to designate up to 10,000,000 shares of preferred stock in one or more series, to establish from time to time the number of shares in each such series, to fix the designations, powers, preferences and rights of the shares of each wholly unissued series, and to increase or decrease the number of shares of any series, subject to the qualifications, limitations or restrictions thereon, and to increase or decrease the number of shares of any series.

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the number of shares of such series then outstanding.

8

Table of Contents

We will fix the designations, powers, preferences and rights of the preferred stock of each series, as well as limitations or restrictions thereon, in the certificate of designation relating to that series. We will file as an exhibit to this statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, a certificate of designation that describes the terms of the series of preferred stock we are offering before the offering of the preferred stock. This description will include:

the title and stated value;

the number of shares we are offering;

the liquidation preference per share;

the purchase price;

the dividend rate, period and payment date and method of calculation for dividends;

whether dividends will be cumulative or non-cumulative and, if cumulative, the date from which dividends will begin to accumulate;

the procedures for any auction and remarketing, if any;

the provisions for a sinking fund, if any;

the provisions for redemption or repurchase, if applicable, and any restrictions on our ability to redeem or repurchase the preferred stock;

any listing of the preferred stock on any securities exchange or market;

whether the preferred stock will be convertible into our common stock, and, if applicable, the conversion price and how it will be calculated, and the conversion period;

whether the preferred stock will be exchangeable into debt securities, and, if applicable, the exchange price and how it will be calculated, and the exchange period;

voting rights, if any, of the preferred stock;

preemptive rights, if any;

restrictions on transfer, sale or other assignment, if any;

whether interests in the preferred stock will be represented by depositary shares;

a discussion of any material United States federal income tax considerations applicable to the pro

the relative ranking and preferences of the preferred stock as to dividend rights and rights if we liquidate, dissolve or wind up our affairs;

any limitations on the issuance of any class or series of preferred stock ranking senior to or on a par with any other class or series of preferred stock as to dividend rights and rights if we liquidate, dissolve or wind up our affairs; and

any other specific terms, preferences, rights or limitations of, or restrictions on, the preferred stock. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could dilute the voting power or other rights of the holders of our common stock. Preferred stock could be issued quickly without the delay or prevent a change in control of our company or make removal of management more difficult. Additional issuances of preferred stock may have the effect of decreasing the market price of our common stock.

Table of Contents

Stock Options, Warrants, Restricted Stock Units and Convertible Preferred Stock

As of May 20, 2015, we have reserved 9,144,700 shares of common stock for issuance under our equity compensation plans for the exercise of outstanding stock options, warrants or upon conversion of outstanding convertible preferred stock. We have reserved 6,204,865 shares for issuance upon exercise of outstanding options and restricted stock units granted under our stock option plans, 2,019,319 shares for issuance upon exercise of options that we may grant under our stock option plans, 912,060 shares for issuance upon exercise of outstanding warrants and 8,456 shares for the conversion of outstanding shares of preferred stock.

Delaware Anti-Takeover Law and Certain Charter Provisions

Delaware Section 203. We are subject to the provisions of Section 203 of the Delaware General Corporation Law. This statute prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder within a period of three years following the date that the stockholder became an interested stockholder unless:

prior to such date, the board of directors of the corporation approved either the business combination or the business combination that resulted in the stockholder becoming an interested stockholder;

upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the business combination was approved, excluding for purposes of determining the number of shares outstanding, those shares owned by the corporation, its directors and also officers, and employee stock plans in which employee participants do not have a right to redeem their shares confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer;

on or subsequent to such date, the board of directors approves the business combination and stockholder approval of the business combination at an annual or special meeting of stockholders, and not by written consent, of at least two-thirds of the outstanding voting stock that the interested stockholder does not own.

A business combination includes a merger, asset or stock sale or other transaction resulting in financial control of the corporation passing to the interested stockholder. An interested stockholder is a person who, together with affiliates and associates, owns, or within three years has owned, more of a corporation's outstanding voting stock.

Charter Provisions. Our amended and restated certificate of incorporation includes the following provisions:

the authority of our board of directors to issue shares of undesignated preferred stock and to determine the terms, preferences and privileges of these shares, without stockholder approval;

all stockholder actions must be effected at a duly called meeting of stockholders and not by written consent;

the elimination of cumulative voting.

Indemnification. Our certificate of incorporation and our bylaws provide that we will indemnify officers and directors as they incur in investigations and legal proceedings resulting from their services to us, which may include proceedings with takeover.

These provisions may have the effect of deterring hostile takeovers or delaying changes in our control or management. We have adopted these provisions to enhance the likelihood of continued stability in the composition of our board of directors, to implement, and to discourage certain types of transactions that may involve an actual or threatened change of control. We designed these provisions to reduce our vulnerability to an unsolicited acquisition proposal. We also intend to discourage certain tactics that may be

Table of Contents

used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our shares that could be caused by rumored takeover attempts. Such provisions may also have the effect of preventing changes in our management.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare. Its address is 3rd Floor 510 Burr Street, Boston, MA 02114-1000, V6C 3B9, and its telephone number is (604) 661-0258. The transfer agent for any series of preferred stock described in this prospectus will be named and described in the prospectus supplement for that series.

DESCRIPTION OF DEBT SECURITIES

We may issue debt securities, in one or more series, as either senior or subordinated debt or as senior or subordinated debt. While the terms we have summarized below will apply generally to any debt securities that we may offer in this prospectus, we will describe the particular terms of any debt securities that we may offer in more detail in the prospectus supplement. The terms of any debt securities offered under a prospectus supplement may differ from the terms of any debt securities offered under this prospectus. Unless the context requires otherwise, whenever we refer to the indentures, we also are referring to any supplements to the indentures that specify the terms of a particular series of debt securities.

We will issue the senior debt securities under the senior indenture that we will enter into with the trustee named in the senior indenture. We will issue the subordinated debt securities under the subordinated indenture that we will enter into with the trustee named in the subordinated indenture. The indentures will be qualified under the Trust Indenture Act of 1939. We will use the term "debenture trustee" to refer to either the trustee under the senior indenture or the trustee under the subordinated indenture, as applicable. We have filed forms of indentures to the registration statement of which this prospectus is a part. The forms of the senior indentures and forms of debt securities containing the terms of the debt securities being offered will be filed with the SEC. The forms of the subordinated indentures and forms of debt securities containing the terms of the debt securities being offered will be filed with the SEC. The registration statement of which this prospectus is a part or will be incorporated by reference from reports filed with the SEC.

The following summaries of material provisions of the senior debt securities, the subordinated debt securities, and the terms of the debt securities, subject to, and qualified in their entirety by reference to, all of the provisions of the indenture applicable to the debt securities. We urge you to read the applicable prospectus supplements and any related free writing prospectus supplements for the debt securities that we may offer under this prospectus, as well as the complete indentures that contain the terms of the debt securities. Except as we may otherwise indicate, the terms of the senior indenture and the subordinated indenture are incorporated by reference to the registration statement of which this prospectus is a part.

General

We will describe in the applicable prospectus supplement the terms of the series of debt securities being offered, including:

the title;

the principal amount being offered, and if a series, the total amount authorized and the total amount outstanding;

any limit on the amount that may be issued;

whether or not we will issue the series of debt securities in global form, the terms and who the d

Table of Contents

the maturity date;

whether and under what circumstances, if any, we will pay additional amounts on any debt security who is not a United States person for tax purposes, and whether we can redeem the debt securities for additional amounts;

the annual interest rate, which may be fixed or variable, or the method for determining the rate and when it begins to accrue, the dates interest will be payable and the regular record dates for interest payments for determining such dates;

whether or not the debt securities will be secured or unsecured, and the terms of any secured debt;

the terms of the subordination of any series of subordinated debt;

the place where payments will be payable;

restrictions on transfer, sale or other assignment, if any;

our right, if any, to defer payment of interest and the maximum length of any such deferral period;

the date, if any, after which, and the price at which, we may, at our option, redeem the series of debt securities and any optional or provisional redemption provisions and the terms of those redemption provisions;

the date, if any, on which, and the price at which we are obligated, pursuant to any mandatory sinking fund provisions or otherwise, to redeem, or at the holder's option to purchase, the series of debt securities, and the currency unit in which the debt securities are payable;

whether the indenture will restrict our ability and/or the ability of our subsidiaries to:

incur additional indebtedness;

issue additional securities;

create liens;

pay dividends and make distributions in respect of our capital stock and the capital stock of

redeem capital stock;

place restrictions on our subsidiaries' ability to pay dividends, make distributions or trans-

make investments or other restricted payments;

sell or otherwise dispose of assets;

enter into sale-leaseback transactions;

engage in transactions with stockholders and affiliates;

issue or sell stock of our subsidiaries; or

effect a consolidation or merger;

whether the indenture will require us to maintain any interest coverage, fixed charge, cash flow-
other financial ratios;

a discussion of any material United States federal income tax considerations applicable to the de-

information describing any book-entry features;

provisions for a sinking fund purchase or other analogous fund, if any;

Table of Contents

the applicability of the provisions in the indenture on discharge;

whether the debt securities are to be offered at a price such that they will be deemed to be offered at a discount as defined in paragraph (a) of Section 1273 of the Internal Revenue Code;

the denominations in which we will issue the series of debt securities, if other than denominations that are an integral multiple thereof;

the currency of payment of debt securities if other than U.S. dollars and the manner of determining the value of such securities in U.S. dollars; and

any other specific terms, preferences, rights or limitations of, or restrictions on, the debt securities, including any additional events of default or covenants provided with respect to the debt securities, and any terms, conditions or provisions by us or advisable under applicable laws or regulations.

Conversion or Exchange Rights

We will set forth in the prospectus supplement the terms on which a series of debt securities may be convertible or exchangeable for our common stock or our other securities. We will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at our option. We may include provisions pursuant to which the number of shares of common stock or our other securities that the holders of the series of debt securities receive would be subject to adjustment.

Consolidation, Merger or Sale

Unless we provide otherwise in the prospectus supplement applicable to a particular series of debt securities, the indentures will not contain any covenant that restricts our ability to merge or consolidate, or sell, convey, transfer or otherwise dispose of substantially all of our assets. However, any successor to or acquirer of such assets must assume all of our obligations under the indentures or the debt securities, as appropriate. If the debt securities are convertible into or exchangeable for securities of other entities, the person with whom we consolidate or merge or to whom we sell all of our property will be subject to the provisions for the conversion of the debt securities into securities of the other entity that the holders of the debt securities would have received had they converted the debt securities before the consolidation, merger or sale.

Events of Default Under the Indenture

Unless we provide otherwise in the prospectus supplement applicable to a particular series of debt securities, the indentures will contain events of default under the indentures with respect to any series of debt securities that we may issue:

if we fail to pay interest when due and payable and our failure continues for 90 days and the time for payment has not been extended or deferred;

if we fail to pay the principal, premium or sinking fund payment, if any, when due and payable and the time for payment has not been extended or delayed;

if we fail to observe or perform any other covenant contained in the debt securities or the indenture, or if we fail to observe or perform any covenant specifically relating to another series of debt securities, and our failure continues for 90 days after we receive written notice from the debenture trustee or holders of at least 25% in aggregate principal amount of the debt securities of the applicable series; and

if specified events of bankruptcy, insolvency or reorganization occur.

If an event of default with respect to debt securities of any series occurs and is continuing, other than an event of default described in the last bullet point above, the debenture trustee or the holders of at least 25% in aggregate principal amount of the debt securities of that series, by notice to us in writing, and to the

Table of Contents

debenture trustee if notice is given by such holders, may declare the unpaid principal of, premium, if any, and interest, if any, due and payable immediately. If an event of default specified in the last bullet point above occurs with respect to the principal amount of and accrued interest, if any, of each issue of debt securities then outstanding shall be deemed to constitute any notice or other action on the part of the debenture trustee or any holder.

The holders of a majority in principal amount of the outstanding debt securities of an affected series may waive or cure the event of default with respect to the series and its consequences, except defaults or events of default regarding payment of principal, premium, if any, or interest, unless we have cured the default or event of default in accordance with the terms of the indenture. We will cure the default or event of default.

Subject to the terms of the indentures, if an event of default under an indenture shall occur and be continuing, we will be under no obligation to exercise any of its rights or powers under such indenture at the request or direction of the holders of the applicable series of debt securities, unless such holders have offered the debenture trustee reasonable indemnity. The holders of a majority in principal amount of the outstanding debt securities of any series will have the right to institute a proceeding by any method and place of conducting any proceeding for any remedy available to the debenture trustee, or exercise any other right conferred on the debenture trustee, with respect to the debt securities of that series, provided that:

the direction so given by the holder is not in conflict with any law or the applicable indenture; and

the holder, subject to its duties under the Trust Indenture Act of 1939, the debenture trustee need not take any action that would involve it in personal liability or might be unduly prejudicial to the holders not involved in the proceeding. A holder of the debt securities of any series will have the right to institute a proceeding under the indenture or trustee, or to seek other remedies only if:

the holder has given written notice to the debenture trustee of a continuing event of default with respect to the debt securities of that series;

the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series have made a written request, and such holders have offered reasonable indemnity to the debenture trustee to institute the proceeding; and

the debenture trustee does not institute the proceeding, and does not receive from the holders of a majority in principal amount of the outstanding debt securities of that series other conflicting directions with respect to the proceeding, notice, request and offer.

These limitations do not apply to a suit instituted by a holder of debt securities if we default in the payment of principal, premium, if any, or interest on, the debt securities.

We will periodically file statements with the debenture trustee regarding our compliance with specified covenants.

Modification of Indenture; Waiver

We and the debenture trustee may change an indenture without the consent of any holders with respect to such

to fix any ambiguity, defect or inconsistency in the indenture;

to comply with the provisions described above under Description of Debt Securities Consolidated

Table of Contents

to comply with any requirements of the SEC in connection with the qualification of any indenture under the Securities Act of 1933 and the Securities Indenture Act of 1939;

to add to, delete from or revise the conditions, limitations, and restrictions on the authorized amount of issue, authentication and delivery of debt securities, as set forth in the indenture;

to provide for the issuance of and establish the form and terms and conditions of the debt securities provided under Description of Debt Securities General to establish the form of any certificate or certificates pursuant to the terms of the indenture or any series of debt securities, or to add to the rights of the holders of debt securities;

to evidence and provide for the acceptance of appointment hereunder by a successor trustee;

to provide for uncertificated debt securities in addition to or in place of certificated debt securities and to make appropriate changes for such purpose;

to add to our covenants such new covenants, restrictions, conditions or provisions for the protection of the holders of debt securities, or to make the occurrence, or the occurrence and the continuance, of a default in any such additional covenants, restrictions, conditions or provisions an event of default; or

to change anything that does not materially adversely affect the interests of any holder of debt securities. In addition, under the indentures, the rights of holders of a series of debt securities may be changed by us and our successors with the written consent of the holders of at least a majority in aggregate principal amount of the outstanding debt securities of that series that is affected. However, unless we provide otherwise in the prospectus supplement applicable to a series of debt securities, we and the debenture trustee may make the following changes only with the consent of each holder of the debt securities affected:

extending the fixed maturity of the series of debt securities;

reducing the principal amount, reducing the rate of or extending the time of payment of interest, or extending the time of payment of interest payable upon the redemption of any debt securities; or

reducing the percentage of debt securities, the holders of which are required to consent to any amendment, modification or waiver.

Discharge

Each indenture provides that we can elect to be discharged from our obligations with respect to one or more series of debt securities, except for specified obligations, including obligations to:

register the transfer or exchange of debt securities of the series;

replace stolen, lost or mutilated debt securities of the series;

maintain paying agencies;

hold monies for payment in trust;

recover excess money held by the debenture trustee;

compensate and indemnify the debenture trustee; and

appoint any successor trustee.

In order to exercise our rights to be discharged, we must deposit with the debenture trustee money or government securities sufficient to pay all the principal of, any premium, if any, and interest on, the debt securities of the series or the amount due.

Table of Contents

Form, Exchange and Transfer

We will issue the debt securities of each series only in fully registered form without coupons and, unless we specify otherwise in the applicable prospectus supplement, in denominations of \$1,000 and any integral multiple thereof. The issuer may issue debt securities of a series in temporary or permanent global form and as book-entry securities through or on behalf of, The Depository Trust Company or another depository named by us and identified in a prospectus supplement with respect to that series. See "Legal Ownership of Securities" for a further description of the terms relating to global securities.

At the option of the holder, subject to the terms of the indentures and the limitations applicable to global securities set forth in the applicable prospectus supplement, the holder of the debt securities of any series can exchange the debt securities of that series for debt securities of the same series, in any authorized denomination and of like tenor and aggregate principal amount.

Subject to the terms of the indentures and the limitations applicable to global securities set forth in the applicable prospectus supplement, holders of the debt securities may present the debt securities for exchange or for registration of transfer or with the form of transfer endorsed thereon duly executed if so required by us or the security registrar, at the office of the registrar or at the office of any transfer agent designated by us for this purpose. Unless otherwise provided in the applicable prospectus supplement, the holder presents for transfer or exchange, we will impose no service charge for any registration of transfer or exchange. We may require payment of any taxes or other governmental charges.

We will name in the applicable prospectus supplement the security registrar, and any transfer agent in addition to the security registrar, that we initially designate for any debt securities. We may at any time designate additional transfer agents, and we may designate or approve a change in the office through which any transfer agent acts, if so required to maintain a transfer agent in each place of payment for the debt securities of each series.

If we elect to redeem the debt securities of any series, we will not be required to:

issue, register the transfer of, or exchange any debt securities of that series during a period beginning on the date of mailing of a notice of redemption and ending at the close of business on the day of the mailing; or

register the transfer of or exchange any debt securities so selected for redemption, in whole or in part, other than the unredeemed portion of any debt securities we are redeeming in part.

Information Concerning the Debenture Trustee

The debenture trustee, other than during the occurrence and continuance of an event of default under an indenture, will perform only those duties as are specifically set forth in the applicable indenture. Upon an event of default under an indenture, the debenture trustee must use the same degree of care as a prudent person would exercise or use in the conduct of its own affairs. Subject to this provision, the debenture trustee is under no obligation to exercise any of the powers or to incur any liabilities at the request of any holder of debt securities unless it is offered reasonable security and indemnity against the liabilities that it might incur.

Payment and Paying Agents

Unless we otherwise indicate in the applicable prospectus supplement, we will make payment of the interest on any interest payment date to the person in whose name the debt securities, or one or more predecessor owners,

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the close of business on the regular record date for the interest.

Table of Contents

We will pay principal of and any premium and interest on the debt securities of a particular series at the office designated by us, except that unless we otherwise indicate in the applicable prospectus supplement, we will pay by check that we will mail to the holder or by wire transfer to certain holders. Unless we otherwise indicate in the applicable prospectus supplement, we will designate the corporate trust office of the debenture trustee in the City of New York as the paying agent for payments with respect to debt securities of each series. We will name in the applicable prospectus supplement other paying agents that we initially designate for the debt securities of a particular series. We will maintain the place of payment for the debt securities of a particular series.

All money we pay to a paying agent or the debenture trustee for the payment of the principal of or any premium on debt securities that remains unclaimed at the end of two years after such principal, premium or interest has been paid will be repaid to us, and the holder of the debt security thereafter may look only to us for payment thereof.

Governing Law

The indentures and the debt securities will be governed by and construed in accordance with the laws of the State of New York, except to the extent that the Trust Indenture Act of 1939 is applicable.

Subordination of Subordinated Debt Securities

The subordinated debt securities will be unsecured and will be subordinate and junior in priority of payment to all other indebtedness to the extent described in a prospectus supplement. The subordinated indenture does not limit our ability to issue subordinated debt securities that we may issue, nor does it limit us from issuing any other secured or unsecured debt securities.

DESCRIPTION OF WARRANTS

We may issue warrants for the purchase of common stock, preferred stock and/or debt securities in one or more series. We may issue warrants independently or together with common stock, preferred stock and/or debt securities, and the warrants may be attached to or separate from these securities. While the terms summarized below will apply generally to any series of warrants we offer, we will describe the particular terms of any series of warrants in more detail in the applicable prospectus supplement. The terms of any warrants offered under a prospectus supplement may differ from the terms described below.

We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference, that we file with the SEC, the form of warrant agreement, including a form of warrant certificate, that describe the terms of any particular series of warrants we are offering before the issuance of the related series of warrants. The following material provisions of the warrants and the warrant agreements are subject to, and qualified in their entirety by, the provisions of the warrant agreement and warrant certificate applicable to the particular series of warrants described in this prospectus. We urge you to read the applicable prospectus supplements related to the particular series of warrants we offer under this prospectus, as well as any related free writing prospectuses, and the complete warrant agreement and warrant certificates that contain the terms of the warrants.

General

We will describe in the applicable prospectus supplement the terms of the series of warrants being offered,

the offering price and aggregate number of warrants offered;

the currency for which the warrants may be purchased;

Table of Contents

if applicable, the designation and terms of the securities with which the warrants are issued and the price at which the warrants are issued with each such security or each principal amount of such security;

if applicable, the date on and after which the warrants and the related securities will be separated;

in the case of warrants to purchase debt securities, the principal amount of debt securities purchasable upon the exercise of one warrant and the price at, and currency in which, this principal amount of debt securities may be exercised;

in the case of warrants to purchase common stock or preferred stock, the number of shares of common stock, as the case may be, purchasable upon the exercise of one warrant and the price at which the shares of common stock are purchasable upon such exercise;

the effect of any merger, consolidation, sale or other disposition of our business on the warrant agreements and warrants;

the terms of any rights to redeem or call the warrants;

any provisions for changes to or adjustments in the exercise price or number of securities issuable upon the exercise of the warrants;

the dates on which the right to exercise the warrants will commence and expire;

the manner in which the warrant agreements and warrants may be modified;

a discussion of any material or special United States federal income tax consequences of holding the warrants;

the terms of the securities issuable upon exercise of the warrants; and

any other specific terms, preferences, rights or limitations of or restrictions on the warrants.

Before exercising their warrants, holders of warrants will not have any of the rights of holders of the securities underlying the warrants upon such exercise, including:

in the case of warrants to purchase debt securities, the right to receive payments of principal of, interest on, the debt securities purchasable upon exercise or to enforce covenants in the applicab

in the case of warrants to purchase common stock or preferred stock, the right to receive dividends upon our liquidation, dissolution or winding up or to exercise voting rights, if any.

Exercise of Warrants

Each warrant will entitle the holder to purchase the securities that we specify in the applicable prospectus s price that we describe in the applicable prospectus supplement. Holders of the warrants may exercise the w the specified time on the expiration date that we set forth in the applicable prospectus supplement. After th expiration date, unexercised warrants will become void.

Holders of the warrants may exercise the warrants by delivering the warrant certificate representing the wa together with specified information, and paying the required amount to the warrant agent in immediately a provided in the applicable prospectus supplement. We will set forth on the reverse side of the warrant certi applicable prospectus supplement the information that the holder of the warrant will be required to deliver

Upon receipt of the required payment and the warrant certificate properly completed and duly executed at t of the warrant agent or any other office indicated in the applicable prospectus

Table of Contents

supplement, we will issue and deliver the securities purchasable upon such exercise. If fewer than all of the the warrant certificate are exercised, then we will issue a new warrant certificate for the remaining amount indicate in the applicable prospectus supplement, holders of the warrants may surrender securities as all or for warrants.

Governing Law

Unless we provide otherwise in the applicable prospectus supplement, the warrants and warrant agreement construed in accordance with the laws of the State of New York.

Enforceability of Rights by Holders of Warrants

Each warrant agent will act solely as our agent under the applicable warrant agreement and will not assume relationship of agency or trust with any holder of any warrant. A single bank or trust company may act as v than one issue of warrants. A warrant agent will have no duty or responsibility in case of any default by us warrant agreement or warrant, including any duty or responsibility to initiate any proceedings at law or oth demand upon us. Any holder of a warrant may, without the consent of the related warrant agent or the hold enforce by appropriate legal action its right to exercise, and receive the securities purchasable upon exercis

DESCRIPTION OF UNITS

We may issue, in one more series, units consisting of common stock, preferred stock, debt securities and/or purchase of common stock, preferred stock and/or debt securities in any combination. While the terms we l will apply generally to any units that we may offer under this prospectus, we will describe the particular ter in more detail in the applicable prospectus supplement. The terms of any units offered under a prospectus s from the terms described below.

We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate b that we file with the SEC, the form of unit agreement that describes the terms of the series of units we are c supplemental agreements, before the issuance of the related series of units. The following summaries of ma provisions of the units are subject to, and qualified in their entirety by reference to, all the provisions of the supplemental agreements applicable to a particular series of units. We urge you to read the applicable prosp related to the particular series of units that we may offer under this prospectus, as well as any related free v the complete unit agreement and any supplemental agreements that contain the terms of the units.

General

We will issue each unit so that the holder of the unit is also the holder of each security included in the unit. unit will have the rights and obligations of a holder of each included security. The unit agreement under wh provide that the securities included in the unit may not be held or transferred separately, at any time or at a date.

We will describe in the applicable prospectus supplement the terms of the series of units being offered, inc

the designation and terms of the units and of the securities comprising the units, including wheth circumstances those securities may be held or transferred separately;

any provisions of the governing unit agreement that differ from those described below; and

any provisions for the issuance, payment, settlement, transfer or exchange of the units or of the s
units.

Table of Contents

The provisions described in this section, as well as those described under Description of Capital Stock, Securities and Description of Warrants will apply to each unit and to any common stock, preferred stock included in each unit, respectively.

Issuance in Series

We may issue units in such amounts and in such numerous distinct series as we determine.

Enforceability of Rights by Holders of Units

Each unit agent will act solely as our agent under the applicable unit agreement and will not assume any obligation of agency or trust with any holder of any unit. A single bank or trust company may act as unit agent for multiple units. A unit agent will have no duty or responsibility in case of any default by us under the applicable unit agreement, including any duty or responsibility to initiate any proceedings at law or otherwise, or to make any demand on any unit may, without the consent of the related unit agent or the holder of any other unit, enforce by appropriate legal action as holder under any security included in the unit.

We, and any unit agent and any of their agents, may treat the registered holder of any unit certificate as an owner of the units evidenced by that certificate for any purpose and as the person entitled to exercise the rights attaching to the units despite any notice to the contrary. See Legal Ownership of Securities below.

LEGAL OWNERSHIP OF SECURITIES

We can issue securities in registered form or in the form of one or more global securities. We describe global securities in detail below. We refer to those persons who have securities registered in their own names on the books that the trustee, depositary or warrant agent maintain for this purpose as the holders of those securities. These persons are the beneficial owners of the securities. We refer to those persons who, indirectly through others, own beneficial interests in securities registered in their own names, as indirect holders of those securities. As we discuss below, indirect holders of securities issued in book-entry form or in street name will be indirect holders.

Book-Entry Holders

We may issue securities in book-entry form only, as we will specify in the applicable prospectus supplement. These securities may be represented by one or more global securities registered in the name of a financial institution that holds the securities on behalf of other financial institutions that participate in the depositary's book-entry system. These participants are referred to as participants, in turn, hold beneficial interests in the securities on behalf of themselves or their customers.

Only the person in whose name a security is registered is recognized as the holder of that security. Securities issued in global form will be registered in the name of the depositary or its participants. Consequently, for securities issued in global form, we will recognize only the depositary as the holder of the securities, and we will make all payments on the securities through the depositary. The depositary passes along the payments it receives to its participants, which in turn pass the payments along to their customers. The depositary and its participants do so under agreements they have made with their customers; they are not obligated to do so under the terms of the securities.

As a result, investors in a book-entry security will not own securities directly. Instead, they will own beneficial interests in the security, through a bank, broker or other financial institution that participates in the depositary's book-entry system. As long as the securities are issued in global form, investors will be indirect holders of the securities.

Table of Contents

Street Name Holders

We may terminate a global security or issue securities in non-global form. In these cases, investors may choose to hold securities in their own names or in street name. Securities held by an investor in street name would be registered in the name of a bank, broker or other financial institution that the investor chooses, and the investor would hold only a beneficial interest in the securities through an account he or she maintains at that institution.

For securities held in street name, we will recognize only the intermediary banks, brokers and other financial institutions as the names the securities are registered as the holders of those securities, and we will make all payments on those securities. These institutions pass along the payments they receive to their customers who are the beneficial owners, but we will not agree to do so in their customer agreements or because they are legally required to do so. Investors who hold securities in street name will be indirect holders, not holders, of those securities.

Legal Holders

Our obligations, as well as the obligations of any applicable trustee and of any third parties employed by us, are to the legal holders of the securities. We do not have obligations to investors who hold beneficial interests in the securities in street name or by any other indirect means. This will be the case whether an investor chooses to be an indirect holder or not. We have no choice because we are issuing the securities only in global form.

For example, once we make a payment or give a notice to the holder, we have no further responsibility for that payment or notice, even if that holder is required, under agreements with depository participants or customers or by law, to pass on the payment or notice to the holders but does not do so. Similarly, we may want to obtain the approval of the holders to amend an indenture or the consequences of a default or of our obligation to comply with a particular provision of the indenture or for other reasons. In an event, we would seek approval only from the holders, and not the indirect holders, of the securities. Whether we contact the indirect holders is up to the holders.

Special Considerations For Indirect Holders

If you hold securities through a bank, broker or other financial institution, either in book-entry form or in physical form, check with your own institution to find out:

how it handles securities payments and notices;

whether it imposes fees or charges;

how it would handle a request for the holders' consent, if ever required;

whether and how you can instruct it to send you securities registered in your own name so you can vote, if permitted in the future;

how it would exercise rights under the securities if there were a default or other event triggering act to protect their interests; and

if the securities are in book-entry form, how the depositary's rules and procedures will affect the

Global Securities

A global security is a security that represents one or any other number of individual securities held by a depositor. All securities represented by the same global securities will have the same terms.

Table of Contents

Each security issued in book-entry form will be represented by a global security that we deposit with and register with a financial institution or its nominee that we select. The financial institution that we select for this purpose is the Depository Trust Company, New York, NY. Unless we specify otherwise in the applicable prospectus supplement, The Depository Trust Company, New York, NY, known as DTC, will be the depository for all securities issued in book-entry form.

A global security may not be transferred to or registered in the name of anyone other than the depository, its nominee or the depository, unless special termination situations arise. We describe those situations below under **Special Situations Where Security Will Be Terminated**. As a result of these arrangements, the depository, or its nominee, will be the registered holder of all securities represented by a global security, and investors will be permitted to own only beneficial interests in the security. Beneficial interests must be held by means of an account with a broker, bank or other financial institution, or an account with the depository or with another institution that does. Thus, an investor whose security is represented by a global security will not be a holder of the security, but only an indirect holder of a beneficial interest in the global security.

If the prospectus supplement for a particular security indicates that the security will be issued in global form, the security will be represented by a global security at all times unless and until the global security is terminated. If terminated, we may issue the securities through another book-entry clearing system or decide that the securities may no longer be issued in book-entry clearing system.

Special Considerations For Global Securities

The rights of an indirect holder relating to a global security will be governed by the account rules of the institution and of the depository, as well as general laws relating to securities transfers. We do not recognize ourselves as a holder of securities and instead deal only with the depository that holds the global security.

If securities are issued only in the form of a global security, an investor should be aware of the following:

an investor cannot cause the securities to be registered in his or her name, and cannot obtain non-qualified status for his or her interest in the securities, except in the special situations we describe below;

an investor will be an indirect holder and must look to his or her own bank or broker for payment and the legal protection of his or her legal rights relating to the securities, as we describe above;

an investor may not be able to sell interests in the securities to some insurance companies and to other investors required by law to own their securities in non-book-entry form;

an investor may not be able to pledge his or her interest in a global security in circumstances where the securities representing the securities must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective;

the depository's policies, which may change from time to time, will govern payments, transfers, and other matters relating to an investor's interest in a global security;

we and any applicable trustee have no responsibility for any aspect of the depositary's actions or ownership interests in a global security, nor do we or any applicable trustee supervise the depositary

the depositary may, and we understand that DTC will, require that those who purchase and sell a global security within its book-entry system use immediately available funds, and your broker or bank or other financial institution as well; and

financial institutions that participate in the depositary's book-entry system, and through which a holder has an interest in a global security, may also have their own policies affecting payments, notices and other matters relating to securities.

Table of Contents

There may be more than one financial intermediary in the chain of ownership for an investor. We do not make ourselves responsible for the actions of any of those intermediaries.

Special Situations When a Global Security Will Be Terminated

In a few special situations described below, the global security will terminate and interests in it will be exchanged for certificates representing those interests. After that exchange, the choice of whether to hold securities directly or indirectly will be up to the investor. Investors must consult their own banks or brokers to find out how to have their interests transferred to their own name, so that they will be direct holders. We have described the rights of holders above.

Unless we provide otherwise in the applicable prospectus supplement, the global security will terminate in the following situations occur:

if the depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary of the global security and we do not appoint another institution to act as depositary within 90 days;

if we notify any applicable trustee that we wish to terminate that global security; or

if an event of default has occurred with regard to securities represented by that global security and the trustee has waived.

The prospectus supplement may also list additional situations for terminating a global security that would apply to a particular series of securities covered by the applicable prospectus supplement. When a global security terminates, the trustee, and not we or any applicable trustee, is responsible for deciding the names of the institutions that will be the holders of the securities.

PLAN OF DISTRIBUTION

We may sell the securities from time to time pursuant to underwritten public offerings, negotiated transactions, or a combination of these methods. We may sell the securities to or through underwriters or dealers, through agents, or to more purchasers. We may distribute securities from time to time in one or more transactions:

at a fixed price or prices, which may be changed;

at market prices prevailing at the time of sale;

at prices related to such prevailing market prices; or

at negotiated prices.

A prospectus supplement or supplements will describe the terms of the offering of the securities, including

the name or names of the underwriters, if any;

the purchase price of the securities and the proceeds we will receive from the sale;

any over-allotment options under which underwriters may purchase additional securities from us;

any agency fees or underwriting discounts and other items constituting agents' or underwriters' commissions;

any public offering price;

any discounts or concessions allowed or reallocated or paid to dealers; and

any securities exchange or market on which the securities may be listed.

Only underwriters named in the prospectus supplement will be underwriters of the securities offered by the company.

Table of Contents

If underwriters are used in the sale, they will acquire the securities for their own account and may resell the securities at the time in one or more transactions at a fixed public offering price or at varying prices determined at the time of the offering. The purchase of the securities by the underwriters will be subject to the conditions set forth in the applicable underwriting agreement. We may offer the securities to the public through underwriting syndicates represented by managing underwriters or directly to the public without a syndicate. Subject to certain conditions, the underwriters will be obligated to purchase all of the securities offered in the prospectus supplement, other than securities covered by any over-allotment option. Any public offering price, underwriting concessions allowed or reallocated or paid to dealers may change from time to time. We may use underwriters who are not our material relationship. We will describe in the prospectus supplement, naming the underwriter, the nature of the relationship and the compensation to be received by the underwriter.

We may sell securities directly or through agents we designate from time to time. We will name any agent we designate and the nature of the relationship and sale of securities and we will describe any commissions we will pay the agent in the prospectus supplement. If the prospectus supplement states otherwise, our agent will act on a best-efforts basis for the period of its appointment.

We may authorize agents or underwriters to solicit offers by certain types of institutional investors to purchase securities at the public offering price set forth in the prospectus supplement pursuant to delayed delivery contracts providing for the delivery on a specified date in the future. We will describe the conditions to these contracts and the commission to be paid on the solicitation of these contracts in the prospectus supplement.

We may provide agents and underwriters with indemnification against civil liabilities, including liabilities for negligence or contribution with respect to payments that the agents or underwriters may make with respect to these liabilities. We will describe the indemnification underwriters may engage in transactions with, or perform services for, us in the ordinary course of business.

All securities we may offer, other than common stock, will be new issues of securities with no established trading market. The underwriter may make a market in these securities, but will not be obligated to do so and may discontinue the market at any time without notice. We cannot guarantee the liquidity of the trading markets for any securities.

Any underwriter may engage in over-allotment, stabilizing transactions, short-covering transactions and purchases in connection with Regulation M under the Exchange Act. Over-allotment involves sales in excess of the offering size, which may be used to stabilize the market position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bid does not exceed the specified maximum price. Syndicate-covering or other short-covering transactions involve purchases of the securities in the exercise of the over-allotment option or in the open market after the distribution is completed, to cover short positions. We will permit the underwriters to reclaim a selling concession from a dealer when the securities originally sold by the dealer are purchased in a stabilizing or covering transaction to cover short positions. Those activities may cause the price of the securities to be higher than it would otherwise be. If commenced, the underwriters may discontinue any of the activities at any time.

Any underwriters that are qualified market makers on the NASDAQ Stock Market may engage in passive market making transactions in the common stock on the NASDAQ Stock Market in accordance with Regulation M under the Exchange Act. On the business day prior to the pricing of the offering, before the commencement of offers or sales of the common stock, the market makers must comply with applicable volume and price limitations and must be identified as passive market makers. In general, a passive market maker must display its bid at a price not in excess of the highest independent bid and must not lower independent bids below the passive market maker's bid, however, the passive market maker may lower its bid when certain purchase limits are exceeded. Passive market making may stabilize the market price of the securities, which may be higher than that which might otherwise prevail in the open market and, if commenced, may be discontinued at any time.

Table of Contents

In compliance with guidelines of the Financial Industry Regulatory Authority, or FINRA, the maximum commission to be received by any FINRA member or independent broker dealer may not exceed 8% of the aggregate amount of securities offered pursuant to this prospectus and any applicable prospectus supplement.

VALIDITY OF SECURITIES

Unless otherwise indicated in the applicable prospectus supplement, Duane Morris LLP, Philadelphia, Pennsylvania, is the legal counsel to the issuer and is responsible for the validity of the securities offered by this prospectus.

EXPERTS

The consolidated financial statements of Inovio Pharmaceuticals, Inc. appearing in Inovio Pharmaceuticals, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2014, and the effectiveness of Inovio Pharmaceuticals, Inc.'s internal control over financial reporting as of December 31, 2014 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such reports and the accounting and auditing.

Table of Contents

\$75,000,000

Inovio Pharmaceuticals, Inc.

Common Stock

PRELIMINARY PROSPECTUS SUPPLEMENT

July , 2017

Joint Book-Running Managers

Citigroup

Piper Jaffray

RBC Capital Markets

