

SPECTRUM PHARMACEUTICALS INC
Form 11-K
June 25, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

ý ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2014

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

For the transition period from to
Commission File Number: 001-35006

SPECTRUM PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
Spectrum Pharmaceuticals, Inc. 401(k) Plan

B. Name of the issuer of the securities held pursuant to the plan and the address of its principal executive office:
Spectrum Pharmaceuticals, Inc.
11500 South Eastern Avenue, Suite 240
Henderson, Nevada 89052

Spectrum Pharmaceuticals, Inc. 401(k) Plan
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Report of Independent Registered Public Accounting Firm

To the Administrative Committee of

The Spectrum Pharmaceuticals, Inc. 401(k) Plan:

We have audited the accompanying statements of net assets available for benefits of the Spectrum Pharmaceuticals, Inc. 401(k) Plan (the "Plan") as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014 and 2013, and the changes in net assets available for benefits for the year ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America.

The supplemental information in the accompanying schedules of assets (held at end of year) and of delinquent participant contributions as of December 31, 2014, have been subjected to the audit procedures performed in conjunction with the audits of the Plan's financial statements. The supplemental information is presented for the purpose of additional analysis and is not a required part of the basic financial statements but include supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion, on the supplemental information in the accompanying schedules, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information in the accompanying schedules is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Raimondo Pettit Group
Torrance, California
June 24, 2015

Spectrum Pharmaceuticals, Inc. 401(k) Plan
 Statements of Net Assets Available for Benefits

	December 31, 2014	2013
ASSETS		
Investments, at fair value		
Registered investment companies	\$7,776,727	\$6,644,854
Common/collective trust	883,189	1,112,420
Spectrum Pharmaceuticals, Inc. common stock fund	1,968,004	2,255,731
	10,627,920	10,013,005
Receivables:		
Employer contributions	—	329
Participant contributions	58,479	48,304
Notes receivable from participants	255,865	174,340
	314,344	222,973
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	10,942,264	10,235,978
Adjustment from fair value to contract value for fully benefit-responsive investment contract	(12,211) (8,856)
NET ASSETS AVAILABLE FOR BENEFITS	\$ 10,930,053	\$ 10,227,122
The accompanying notes are an integral part of these financial statements.		

Spectrum Pharmaceuticals, Inc. 401(k) Plan
 Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2014
ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Contributions:	
Participant	\$1,947,134
Participant rollover contributions	294,244
Employer	1,028,083
	3,269,461
Investment Income:	
Interest and dividends	441,895
Net depreciation in fair value of investments	(602,401)
	(160,506)
Interest income from notes receivable from participants	10,624
Total additions	3,119,579
DEDUCTIONS TO NET ASSETS ATTRIBUTED TO:	
Distributions to participants	2,410,776
Administrative expenses	5,872
Total deductions from net assets	2,416,648
NET INCREASE IN NET ASSETS	702,931
NET ASSETS AVAILABLE FOR BENEFITS, AT BEGINNING OF YEAR	10,227,122
NET ASSETS AVAILABLE FOR BENEFITS, AT END OF YEAR	\$10,930,053

The accompanying notes are an integral part of these financial statements.

Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements
December 31, 2014

1. Description of the Plan

The following description of the Spectrum Pharmaceuticals, Inc. 401(k) Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution pension plan covering eligible employees of Spectrum Pharmaceuticals, Inc. (the "Company" or "Spectrum") as defined in the Plan Document. The Plan was adopted January 1, 1990, and established for the purpose of providing retirement benefits for eligible employees of the Company. The Plan is subject to regulation under the Employee Retirement Income Security Act of 1974 ("ERISA") and the qualification provisions of the Internal Revenue Code (the "Code").

Effective as of January 1, 2010, the Plan was amended to comply with the additional guidance provided in Internal Revenue Service ("IRS") Notice 2010-15 regarding the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act) and the Worker, Retiree and Employer Recovery Act of 2008 (WRERA). (See Note 9.)

On September 5, 2012, the Company acquired Allos Therapeutics, Inc. ("Allos"). As of that date, the Plan was amended and restated to allow the Allos employees to be eligible for the Plan and give prior service credit.

Administration

The Plan had designated Rajesh C. Shrotriya, MD, Chairman of the Board of Directors and Chief Executive Officer, and Earl Falls, Vice President of Human Resources, as trustees of the Plan. MG Trust Company, LLC, ("MG Trust") serves as the account custodian for the Plan. Digital Retirement Solutions, Inc. ("DRS") performs administrative and record keeping services for the Plan.

Eligibility

All employees of the Company may become eligible to participate in the Plan, provided the employee has completed three months of employment, and is not covered by a collective bargaining agreement as to which retirement benefits were the subject of good faith bargaining. An eligible employee may enter the Plan on the first day of the month following his or her satisfaction of the eligibility requirements.

The Plan gives employees of newly acquired entities credit for years of service earned prior to the Company's ownership. If this credit for prior service allows the acquisition employee to meet Plan eligibility requirements, they are granted the option of entering the Plan on the first day of the month following their date of hire.

Contributions

Each year, participants may elect to make pre-tax contributions up to 75% of their eligible compensation, as defined in the Plan. In addition, participants may elect to make after-tax (Roth) contributions up to 75% of their eligible compensation. Compensation deferrals cannot exceed the maximum deferral, as determined by the IRS each year.

Such deferral limitation was \$17,500 in 2014 and 2013. Employees who attained the age of 50 before the end of the plan year, were eligible to make catch-up contributions of up to \$5,500 during those respective Plan years.

Participants may also rollover to the Plan amounts representing distributions from other qualified plans.

The Company provides matching contributions in the form of Company stock, under a Safe Harbor arrangement, equal to 100 percent of the first three percent of compensation deferred by a participant and 50 percent of the next two percent of compensation deferred by a participant. The Company's matching contribution made on behalf of any participant for any Plan year shall not exceed four percent of compensation. The Company has the right under the Plan to discontinue or modify its matching contributions at any time. The Company's aggregate matching contribution under the Plan was \$1,028,083 for the year ended December 31, 2014. Additional amounts may be contributed at the discretion of the Company's Board of Directors.

Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements (Continued)

Participant Accounts

MG Trust maintains an account in the name of each participant. Each eligible participant's account is credited with (a) the participant's contributions, (b) the Company's Safe Harbor matching contributions, and (c) an allocation of interest, dividends and any change in the market value of the various investment funds. Each eligible participant's account is charged with any withdrawals or distributions requested by the participant and an allocation of administrative expenses, if applicable. Allocations are based on the ratio that each participant's account balance in the fund bears to the total account balances of all participants in the respective fund. All amounts in participant accounts are participant directed.

Investment Options

Participants direct the investment of their contributions and the Company's matching contributions into various investment options offered by the Plan. These options include numerous registered investment companies, a common/collective trust and Spectrum's common stock. Participants may change their investment elections as often as a daily basis for both existing account balances and future contributions.

Vesting

Participant contributions are fully vested when made. Company Safe Harbor matching contributions are fully vested when made. Participants in the Plan receive vesting credit for Company discretionary matching contributions, if any, based upon years of service, beginning with the date of employment with the Company or one of its subsidiaries, as follows:

Years of Service (whole years)	Discretionary Matching Contribution Vesting
Less than 2	—%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Distributions and Payments of Benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. The Plan also permits in-service withdrawals for participants attaining certain age requirements and distributions for hardships, as defined in the Plan document.

Withdrawals by participants from their accounts are permitted in accordance with the Plan's provisions.

Forfeitures

Forfeitures of terminated participants' non-vested account balances may be used to pay administrative expenses or reduce any Company contributions. Forfeiture account balances totaled \$29 and \$1,955 at December 31, 2014 and 2013, respectively, due to excess match and will be used to pay Plan expenses. During the year ended December 31, 2014, forfeitures of \$4,187 were used to pay Plan expenses.

Investment Management Fees and Operating Expenses

Investment management fees and operating expenses charged to the Plan for investments in the various funds are deducted from the income earned on a daily basis and are reflected as a component of the net appreciation in the fair value of investments.

Administrative Expenses

The compensation or fees of accountants, counsel and other specialists and any other costs of administering the Plan are generally paid by the Company (see Note 5). Administrative expenses that are not paid by the Company are paid by the

Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements (Continued)

Plan. Administrative expenses for the year ended December 31, 2014 paid by the Plan was \$5,872 and is included in administrative expenses.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants will become fully vested in their accounts.

Notes Receivable from Participants

Loans to participants are secured by the participant's account balance and may not exceed the lesser of 50% of the participant's account balance or \$50,000 in the aggregate for any individual participant. Loans bear interest at fixed annual rates, as determined by the Plan trustees, that are the prime interest rate plus two percent on the date the loan is processed. At December 31, 2014 and 2013, the annual interest rate of all loans outstanding was between 5.25% and 10.25%. Principal and interest are paid ratably through payroll deductions over a term not to exceed 5 years, unless the loan qualifies as a home loan, in which case the term may not exceed 15 years. A participant applying for a loan through the Plan will be charged a \$100 loan application fee. The loan application fee is nonrefundable and will be used to offset the administrative expenses associated with the loan.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Plan's financial statements are prepared on the accrual basis, in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP).

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic No. 962 Plan Accounting Defined Contribution Pension Plans, requires investment contracts held by a defined-contribution plan to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by ASC Topic No. 962, the Statements of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements. Significant estimates are made in determining fair value of investments. Actual results could differ from those estimates. The current economic environment has increased the level of uncertainty inherent in these estimates and assumptions.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value with the exception of the Wells Fargo Stable Return Fund (a common/collective trust fund) which is stated at its contract value. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. The Plan presents in the Statement of Changes in Net Assets Available for Benefits the net appreciation in the fair value of its investments which consists of the related gains or losses and the unrealized appreciation or depreciation on these investments. Dividends are recorded on the record date. Interest income is recorded on the accrual basis.

Fully Benefit-Responsive Investment Contracts

One of the investment options offered by the Plan, the Wells Fargo Stable Value Fund M (the "Stable Value Fund"), which replaced the Wells Fargo Stable Return Fund N beginning in 2014, is a common collective trust that is fully invested in Wells Fargo Stable Return Fund G, which is fully invested in contracts deemed to be fully benefit-responsive. The Plan reports

Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements (Continued)

its investment in the Stable Value Fund at the fair value of the collective trust's underlying investments based on information reported by the investment advisor using audited financial statements of the Stable Value Fund at year end. However, contract value is the relevant measure to the Plan because it is the amount that is available for Plan benefits. Accordingly, in the Statements of Net Assets Available for Benefits, the Stable Value Fund, along with the Plan's other investments, is stated at fair value with a corresponding adjustment to reflect the investment in the Stable Value Fund at contract value.

There are no reserves against contract value for credit risk of a contract issuer or otherwise. Contract value at December 31, 2014 and 2013, as reported by Wells Fargo was \$870,978 and \$1,103,564, respectively. The crediting interest rate is based on a formula agreed upon with the issuer but it may not be less than zero percent. Such interest rates are reviewed on a periodic basis for resetting. At December 31, 2014 and 2013, the average crediting interest rate was 1.64% and 1.52%, respectively, and the average yields were approximately 1.40% and 1.36%, respectively. Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) any substantive modification to the Plan or administration of the Plan that is not consented to by the contract issuer (including complete or partial plan termination or merger with another plan), (2) establishment of a defined contribution plan that competes with the Plan for employee contributions, (3) plan sponsor events, such as divestitures, spin-offs or early retirement programs that cause a significant withdrawal from the Plan, (4) transfer of assets from the fund directly to a competing fund option, (5) the failure of the Plan to qualify under Section 401(a) or Section 401(k) of the Internal Revenue Code. The Plan administrator does not believe that the occurrence of any of these events, which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Risks and Uncertainties

The Plan assets consist of various investments which are exposed to a number of risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the Statements of Net Assets available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

Payment of Benefits

Benefit payments to participants are recorded when paid.

Contributions

Contributions made by participants and the Company are recorded on an accrual basis. Contributions are recognized during the period in which the related compensation was paid.

Operating Expenses

Except for certain administrative and loan expenses covered by forfeitures or loan fees, all expenses of maintaining the Plan are paid by the Company.

3. Fair Value Measurements

ASC Topic 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC Topic 820 are described as follows:

Level 1- Quoted prices in active markets for identical assets or liabilities.

Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements (Continued)

Level 2- Quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.

Level 3- Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of their investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. There have been no changes in the methodologies used at December 31, 2014 and 2013.

The registered investment companies are valued at the net asset value (“NAV”) of shares held by the Plan at year-end, based upon quoted market prices. The common/collective trust is valued at the net unit value (“NUV”) of units held by the Plan at year-end. The NUV is determined by the total value of fund assets divided by the total number of units of the fund owned. Spectrum common stock is valued at the NAV at year-end, based upon the closing quoted market price of the Company common stock held at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, the Plan believes the valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables represent the Plan’s fair value hierarchy for its investments as of December 31, 2014 and 2013:

Investment Category	Fair Value Measurements as of December 31, 2014			Total
	Level 1	Level 2	Level 3	
Registered Investment Companies:				
Large Growth Funds	\$2,115,440	\$—	\$—	\$2,115,440
Small/Mid Growth Funds	1,544,319	—	—	1,544,319
Balanced Funds	2,344,641	—	—	2,344,641
Value Funds	814,142	—	—	814,142
Fixed Income Funds	361,415	—	—	361,415
Commodities	57,631	—	—	57,631
Bonds	539,139	—	—	539,139
Total Registered Investment Companies	7,776,727	—	—	7,776,727
Common Stocks:				
Spectrum Pharmaceuticals Common Stock Fund	1,968,004	—	—	1,968,004
Total Common Stocks	1,968,004	—	—	1,968,004
Common/Collective Trust*	—	883,189	—	883,189
Total Investments at Fair Value	\$9,744,731	\$883,189	\$—	\$10,627,920

Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements (Continued)

Investment Category	Fair Value Measurements as of December 31, 2013			Total
	Level 1	Level 2	Level 3	
Registered Investment Companies:				
Large Growth Funds	\$1,943,356	\$—	\$—	\$1,943,356
Small/Mid Growth Funds	1,006,819	—	—	1,006,819
Balanced Funds	2,063,672	—	—	2,063,672
Value Funds	901,122	—	—	901,122
Fixed Income Funds	361,914	—	—	361,914
Commodities	62,494	—	—	62,494
Bonds	305,477	—	—	305,477
Total Registered Investment Companies	6,644,854	—	—	6,644,854
Common Stocks:				
Spectrum Pharmaceuticals Common Stock Fund	2,255,731	—	—	2,255,731
Total Common Stocks	2,255,731	—	—	2,255,731
Common/Collective Trust*	—	1,112,420	—	1,112,420
Total Investments at Fair Value	\$8,900,585	\$1,112,420	\$—	\$10,013,005

* As stated in Note 2, the Stable Value Fund, which is deemed to be fully benefit-responsive, is stated at fair value on the Statements of Net Assets Available for Benefits, with a corresponding adjustment to reflect contract value. The fair value of this fund as of December 31, 2014 and 2013, was \$883,189 and \$1,112,420, respectively. The contract value of the fund as of December 31, 2014 and 2013, which is a component of net assets available for benefits, totaled \$870,978 and \$1,103,564, respectively.

4. Investments

The following presents the Plan's individual investments, at fair value, that represent 5% or more of the Plan's net assets available for benefits at December 31, 2014 and 2013

Investment	As of December 31,	
	2014	2013
Spectrum Pharmaceuticals Common Stock Fund	\$1,968,004	\$2,255,731
Wells Fargo Stable Value*	883,189	1,112,420
Oppenheimer Developing Markets	651,025	713,171
American Funds American Balanced R3	869,517	675,911
American Funds Growth Fund R3	826,101	672,527
State Street Global Advisor SPDR S&P 500	739,253	n/a

* Beginning January 1, 2014, the Plan changed the common/collective trust from Wells Fargo Return Fund N to Wells Fargo Value Fund M.

During the year ended December 31, 2014, the Plan's investments, including gains and losses on investments sold during the year, changed in value as follows:

Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements (Continued)

Description	Year Ended December 31, 2014
Registered Investment Companies	\$(147,418)
Common/Collective Trust	1,832
Spectrum Common Stock	(456,815)
Net depreciation in fair value of investments	\$(602,401)

5. Related Party Transactions

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan. Certain Plan investments are shares of mutual funds managed by the custodian or are shares of Spectrum's common stock. The Plan issues loans to participants, which are secured by the vested balances in the participant's account. The Company may also pay certain administrative expenses on behalf of the Plan, which totaled approximately \$28,969 relating to the year ended December 31, 2014. Such transactions all qualify as exempt party-in-interest transactions under the provisions of ERISA.

6. Concentration, Market and Credit Risk

The Plan provides for various investment options including the Company's common stock. Investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amount reported in the Statements of Net Assets Available for Benefits. As of December 31, 2014 and 2013, approximately 18% and 22% respectively, of the investments of the Plan consisted of securities of its sponsor, Spectrum Pharmaceuticals, Inc. As of December 31, 2014 and 2013, Spectrum's stock price closed at \$6.93 and \$8.85, respectively.

7. Tax Status of the Plan

The IRS has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the Plan's net assets available for benefits per the financial statements to the Form 5500 as of December 31:

	As of December 31,	
	2014	2013
Net assets available for benefits per the financial statements	\$10,930,053	\$10,227,122
Add: adjustment to fair value from contract value for fully benefit-responsive investment contract	12,211	8,856

Net assets available for benefits per the Form 5500

\$10,942,264

\$10,235,978

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Spectrum Pharmaceuticals, Inc. 401(k) Plan
Notes to Financial Statements (Continued)

The following is a reconciliation of the Plan's net depreciation in fair value of investments per the financial statements to the Form 5500 as of for the year ended December 31, 2014:

Net depreciation in fair value of investments per the financial statements	\$(602,401)
Add: adjustment to contract value for fully benefit responsive investment contract	12,211	
Less: prior year adjustment to contract value for fully benefit-responsive investment contract	(8,856)
Net depreciation in fair value of investments per the Form 5500	\$(599,046)

9. Subsequent Events

Effective January 1, 2015, the Plan was amended and restated to bring the plan into compliance with the Pension Protection Act of 2006 and other legislative and regulatory changes. Such amendment and restatement did not have a significant impact on the operations of the Plan.

The Company evaluated all events and transactions that occurred from the balance sheet date of December 31, 2014 through June 24, 2015, the date the financial statements were available to be issued.

Spectrum Pharmaceuticals, Inc. 401(k) Plan
 EIN: 93-0979187, PN: 001

Supplementary Information
 Schedule of Assets (Held at Year End)
 As of December 31, 2014

Identity of Issue	Description of Investment	Type of Investment	Current Value
AllianceBernstein L.P.	AllianceBernstein Discovery Value	RIC	\$316,144
Capital Research and Management Co.	American Funds American Balanced R3	RIC	869,517
Capital Research and Management Co.	American Funds Bond Fund America R3	RIC	251,643
Capital Research and Management Co.	American Funds Capital World Bond R3	RIC	62,514
Capital Research and Management Co.	American Funds Capital World Growth & Income R3	RIC	262,599
Capital Research and Management Co.	American Funds EuroPacific R3	RIC	431,747
Capital Research and Management Co.	American Funds Growth Fund R3	RIC	826,101
Capital Research and Management Co.	American Funds Small Cap World R3	RIC	327,168
Columbia Management	Columbia Technology	RIC	460,081
DWS Mutual Funds, Inc.	DWS Gold & Precious Metals Fund	RIC	178,234
Energy Select Sector SPDR	Energy Select Sector SPDR ETF	RIC	190,452
Federated Government Obligations	Federated Government Obligations IC	RIC	47,261
Harbor Mid Cap Value	Harbor Mid Cap Value Instl	RIC	376,515
Janus Investment Funds	Janus Enterprise Fund	RIC	403,960
Oppenheimer Funds	Oppenheimer Developing Markets	RIC	651,025
Selected Funds	Selected American Shares	RIC	304,123
*Spectrum Pharmaceuticals, Inc.	Spectrum Pharmaceuticals Common Stock Fund	SPCS	1,968,004
Victory Integrity	Victory Integrity Micro-Cap Equity	RIC	246,222
Wells Fargo Bank, N/A	Wells Fargo Stable Value Fund M	CCT	883,189
State Street Global Advisors	SPDR S&P 500	RIC	739,253
State Street Global Advisors	SPDR DOW Jones Industrial Average	RIC	235,399
State Street Global Advisors	SPDR Gold Shares	RIC	57,631
TCW Investment Management, Co.	TCW Total Return Bond	RIC	247,712
T. Rowe Price Associates, Inc.	T. Rowe Price Emerging Markets Bond	RIC	102,046
Vanguard Group, Inc.	Vanguard Long Term Investment Grade	RIC	189,380
	Total Investments		\$10,627,920
* Participant Loans	Participant Loans (maturing 2014 to 2027) at interest rates of 5.25% to 10.25%		\$255,865

* Indicates a party-in-interest to the Plan.

RIC - Registered investment Company

CCT - Common Collective Trust

SPCS - Spectrum Pharmaceutical Common Stock

Spectrum Pharmaceuticals, Inc. 401(k) Plan
 EIN: 93-0979187, PN: 001

Supplementary Information
 Schedule H, Part IV, Item 4a
 Schedule of Delinquent Participant Contributions
 As of December 31, 2014

During the year ended December 31, 2014, there were no late remittances to the plan. However, there were late remittances related to 2013 of \$61,069 of which the lost earnings were not deposited into the Plan until March 2014. Accordingly, we have included the 2013 late remittances in the below table as follows:

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP* and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP*	Contributions Pending Correction in VFCP*	
Check here if Late Participant Loan Repayments are included: <input checked="" type="checkbox"/>	\$61,069	\$—	\$—	\$—

* Voluntary Fiduciary Correction Program

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan administrator of the Spectrum Pharmaceuticals, Inc. 401(k) Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

SPECTRUM PHARMACEUTICALS, INC.

Date: June 24, 2015

By: /s/ Earl Falls
Earl Falls
Vice President of Human Resources of
Spectrum Pharmaceuticals, Inc. and Plan
Trustee of Spectrum Pharmaceuticals, Inc.
401(k) Plan.

EXHIBIT INDEX

Exhibit Number	Exhibit Title
23.1	Consent of Independent Registered Public Accounting Firm, Raimondo Pettit Group

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Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (No. 333-134566 and 333-164014) on Form S-8 of Spectrum Pharmaceuticals, Inc. of our report dated June 24, 2015, with respect to the statements of net assets available for benefits of Spectrum Pharmaceuticals, Inc. 401(k) Plan as of December 31, 2014 and December 31, 2013, the related statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related supplemental schedules as of December 31, 2014, appearing in this Annual Report on Form 11-K of Spectrum Pharmaceuticals, Inc. 401(k) Plan.

/s/ Raimondo Pettit Group

Torrance, California

June 24, 2015