

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

1. Name and Address of Reporting Person* <u>Watanabe Todd Franklin</u> (Last) (First) (Middle) C/O ARCUTIS BIOTHERAPEUTICS, INC. 3027 TOWNSGATE ROAD, SUITE 300 (Street) WESTLAKE CA 91361 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Arcutis Biotherapeutics, Inc. [ARQT]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) See Remarks
	3. Date of Earliest Transaction (Month/Day/Year) 02/13/2024	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/13/2024		A		21,666	A	(1)	648,685	D	
Common Stock	02/13/2024		A		33,066	A	(2)	681,751	D	
Common Stock	02/13/2024		A		94,050	A	(3)	775,801	D	
Common Stock	02/13/2024		A		116,100	A	(4)	891,901	D	
Common Stock								24,413	I	By Trust ⁽⁵⁾
Common Stock								24,413	I	By Trust ⁽⁶⁾
Common Stock								124,956	I	By Trust ⁽⁷⁾
Common Stock								57,358	I	By LLC ⁽⁸⁾

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (right to buy)	\$27.61	02/13/2024		D			65,000	(9)	02/27/2030	Common Stock	65,000	(1)	0	D	
Stock Option (right to buy)	\$32.44	02/13/2024		D			99,200	(10)	03/03/2031	Common Stock	99,200	(2)	0	D	
Stock Option (right to buy)	\$17.67	02/13/2024		D			188,100	(11)	03/03/2032	Common Stock	188,100	(3)	0	D	
Stock Option (right to buy)	\$15.82	02/13/2024		D			232,200	(12)	03/02/2033	Common Stock	232,200	(4)	0	D	

Explanation of Responses:

- On February 13, 2024, the Issuer canceled, pursuant to the Issuer's option exchange program, an option granted to the Reporting Person on February 27, 2020, and received in exchange for the option, these Restricted Stock Units ("RSUs") that vest in four equal quarterly installments commencing May 1, 2024.
- On February 13, 2024, the Issuer canceled, pursuant to the Issuer's option exchange program, an option granted to the Reporting Person on March 3, 2021, and received in exchange for the option, these RSUs that vest in eight equal quarterly installments commencing May 1, 2024.
- On February 13, 2024, the Issuer canceled, pursuant to the Issuer's option exchange program, an option granted to the Reporting Person on March 3, 2022, and received in exchange for the option, these RSUs that vest in eight equal quarterly installments commencing May 1, 2024.
- On February 13, 2024, the Issuer canceled, pursuant to the Issuer's option exchange program, an option granted to the Reporting Person on March 2, 2023, and received in exchange for the option, these RSUs that vest in twelve equal quarterly installments commencing May 1, 2024.
- The securities are held of record by The John Franklin Watanabe Trust, of which the Reporting Person is the trustee. The Reporting Person disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of such securities for purposes of Section 16 or for any other purposes.

6. The securities are held of record by The Anderson Prest Watanabe Irrevocable Trust, of which the Reporting Person is the trustee. The Reporting Person disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of such securities for purposes of Section 16 or for any other purposes.
7. The securities are held of record by The Watanabe 2016 Irrevocable Trust, of which the Reporting Person's children are beneficiaries. The Reporting Person disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of such securities for purposes of Section 16 or for any other purposes.
8. The securities are held of record by Watanabe Ventures, LLC, of which the Reporting Person is the Chief Operating Officer. The Reporting Person disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of such securities for purposes of Section 16 or for any other purposes.
9. The canceled option vest in equal monthly installments over a period of 48 months commencing on the grant date so that 100% of the shares become fully vested and exercisable on February 27, 2024, subject to the Reporting Person's provision of service to the Issuer on each vesting date.
10. The canceled option vest as to 1/48 of the shares subject to the option vest on each monthly anniversary measured from March 3, 2021 (the "Vesting Commencement Date"), such that 100% of the shares subject to the option will be fully vested and exercisable on the fourth anniversary of the Vesting Commencement Date, subject to the Reporting Person's continued service to the Issuer.
11. The canceled option vest as to 1/48 of the shares subject to the option vest on each monthly anniversary measured from March 1, 2022 (the "Vesting Commencement Date"), such that 100% of the shares subject to the option will be fully vested and exercisable on the fourth anniversary of the Vesting Commencement Date, subject to the Reporting Person's continued service to the Issuer.
12. The canceled option vest as to 1/48 of the shares subject to the option vest on each monthly anniversary measured from March 1, 2023 (the "Vesting Commencement Date"), such that 100% of the shares subject to the option will be fully vested and exercisable on the fourth anniversary of the Vesting Commencement Date, subject to the Reporting Person's continued service to the Issuer.

Remarks:

Reporting Person's title: President and Chief Executive Officer

[/s/ John W. Smither as](#)
[Attorney-in-Fact for Todd](#) [02/15/2024](#)
[Franklin Watanabe](#)

** Signature of Reporting Person Date

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

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

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

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

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