US CONCRETE INC
Form 4
May 03, 2007

FORM 4

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

OMB APPROVAL

OMB Number:	3235-0287
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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).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
ALBANESE THOMAS J

(Last) (First) (Middle)

2925 BRIARPARK, SUITE 1050

(Street)

HOUSTON, TX 77042

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
US CONCRETE INC [RMIX]

3. Date of Earliest Transaction (Month/Day/Year)
05/01/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Exec VP Sales, Bay Area Region

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/01/2007		F		1,508 (1)	D	$ 8.51	35,694	D	
Common Stock								25,130	I	By self as co-trustee of the Thomas J. Albanese Trust
Common Stock								1,191,311	I	By self as trustee of the Maureen H.

Albanese
QTIP Trust

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

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SEC 1474
(9-02)

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 Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ALBANESE THOMAS J 2925 BRIARPARK, SUITE 1050 HOUSTON, TX 77042			Exec VP Sales, Bay Area Region	

Signatures

/s/ Stephanie Schweigart Collins, as Attorney-in-Fact for Thomas J. Albanese	05/03/2007
**Signature of Reporting Person	Date

Explanation of Responses:

* 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).

(1) Represents 1,508 shares withheld on May 1, 2007 to cover taxes associated with the vesting of certain shares of restricted stock previously granted to the Reporting Person under the U.S. Concrete, Inc. 1999 Incentive Plan.

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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(4)

Proposed maximum aggregate value of transaction:

(5)

Total fee paid:

o

Fee paid previously with preliminary materials.

o

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1)

Amount Previously Paid:

(2)

Form, Schedule or Registration Statement No.:

(3)

Filing Party:

(4)

Date Filed:

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BioTelemetry, Inc.

Notice of 2017 Annual Meeting of Stockholders

1000 Cedar Hollow Road, Suite 102

Malvern, PA 19355

March 27, 2017

The 2017 Annual Meeting of Stockholders of BioTelemetry, Inc. will be held:

Thursday, May 11th, 2017

8:30 AM, local time

Philadelphia Marriott West

111 Crawford Avenue

West Conshohocken, Pennsylvania 19428

The items of business are:

1. Election of three Class I director nominees named in the proxy statement to hold office until the 2020 Annual Meeting of Stockholders or until their successors are elected and qualified;
2. Approval, on an advisory basis, of the compensation of our named executive officers;
3. Approval, on an advisory basis, of the frequency of holding an advisory vote on executive compensation;

4. Approval of the BioTelemetry, Inc. 2017 Omnibus Incentive Plan;

5. Approval of the BioTelemetry, Inc. 2017 Employee Stock Purchase Plan;

6. Approval of amendments to our Bylaws to change the voting requirement relating to the election of directors;

7. Approval of amendments to our Certificate of Incorporation to eliminate the supermajority voting requirement relating to the adoption, amendment or repeal of any provision of our Bylaws;

8. Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2017; and

9. Conducting any other business properly brought before the meeting and any adjournment or postponement of the meeting.

Only stockholders of record of our common stock at the close of business on March 22, 2017 are entitled to vote at the meeting and any postponements or adjournments of the meeting.

Peter Ferola
Secretary

Important Notice Regarding the Internet Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on May 11th, 2017

We mailed a Notice of Internet Availability of Proxy Materials (the Notice) containing instructions on how to access our proxy statement and Annual Report on Form 10-K for the year ended December 31, 2016, including our annual report wrapper (the 2016 Annual Report), on or about March 27, 2017. Our proxy statement and the 2016 Annual Report are available on our website at *http://www.gobio.com* in the *Investors* section.

Your Vote is Important

It is important that your shares be represented at the meeting, regardless of the number you may hold. Whether or not you plan to attend, please vote using the proxy card or voting instruction card as promptly as possible in order to ensure your representation at the meeting. This will not prevent you from voting your shares in person if you are present at the meeting.

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Proxy Summary

Here are highlights of important information you will find in this proxy statement. This summary does not contain all of the information that you should consider and you should read the entire proxy statement carefully before voting.

Summary of Stockholder Voting Matters

	For More Information	Board Vote Recommendation
Proposal 1: Election of Three Class I Directors	Page 45	ü **FOR** Each Nominee
Joseph H. Capper / Joseph A. Frick / Colin Hill		
Proposal 2: Say on Pay Advisory Vote	Page 50	ü **FOR**
Approval, on an advisory basis, of the compensation of our named executive officers		
Proposal 3: Say on Frequency Advisory Vote	Page 51	ü **FOR** One Year
Approval, on an advisory basis, of the frequency of holding an advisory vote on executive compensation		
Proposal 4: Approval of Omnibus Incentive Plan	Page 51	ü **FOR**
Approval of the BioTelemetry, Inc. 2017 Omnibus Incentive Plan		
Proposal 5: Approval of Employee Stock Purchase Plan	Page 59	ü **FOR**
Approval of the BioTelemetry, Inc. 2017 Employee Stock Purchase Plan		

Proposal 6: Adoption of Majority Vote Standard For Election of Directors	Page 62	ü **FOR**
Approval of amendments to our Bylaws to change the voting requirement relating to the election of directors		
Proposal 7: Elimination of the Super-Majority Vote Provisions Regarding Amendment of Bylaws	Page 63	ü **FOR**
Approval of amendments to our Certificate of Incorporation to change the voting requirement relating to the adoption, amendment or repeal of any provision of our Bylaws		
Proposal 8: Ratification of Ernst & Young LLP	Page 64	ü **FOR**
Ratification of Appointment of Ernst & Young LLP (EY) as our Independent Registered Public Accounting Firm for 2017		

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Our Director Nominees

You are being asked to vote on the election of Joseph H. Capper, Joseph A. Frick and Colin Hill as Class I directors to serve for a three-year term. The number of members of our Board of Directors (the Board) is currently set at nine members and is divided into three classes of equal size, each of which has a three-year term. Currently, Class I consists of three directors, Class II consists of two directors and Class III consists of two directors. Mr. Hill was appointed to the Board on May 3, 2016, filling a Class I vacancy. We are continuing to seek to identify an individual to fill the vacancy in Class II. Our Board, by a majority vote of sitting directors, may fill any vacancies unless the Board has determined, by resolution, that any such vacancies shall be filled by stockholders. A director elected by the Board to fill a vacancy in a class, including vacancies created by an increase in the number of directors, shall serve for the remainder of the full term of that class and until the director s successor is elected and qualified.

The term of office of our Class I directors expires at the 2017 Annual Meeting of Stockholders (the 2017 Annual Meeting). We are nominating Mr. Capper, Mr. Frick and Mr. Hill for reelection at the 2017 Annual Meeting to serve until the 2020 Annual Meeting of Stockholders and until each director s successor is elected and qualified. Directors are elected by a plurality of the votes of the holders of shares present in person or represented by proxy and entitled to vote on the election of directors. The three nominees receiving the most **FOR** votes (among votes properly cast in person or by proxy) will be elected. If no contrary indication is made, shares represented by executed proxies will be voted **FOR** the election of Mr. Capper, Mr. Frick and Mr. Hill or, if any nominee becomes unavailable for election as a result of an unexpected occurrence, **FOR** the election of a substitute nominee designated by our Board. Each nominee has agreed to serve as a director if elected, and we have no reason to believe that any nominee will be unable to serve.

Detailed information about each director s and director nominee s background and areas of expertise can be found beginning on page 46.

					Committee Memberships			
Name	Age	Director Since	Occupation	Independent	AC	CC	NCGC	Other Current Public Company Boards
Joseph H. Capper	53	2010	President and Chief Executive Officer, BioTelemetry, Inc.	No				0
Joseph A. Frick	64	2013	Diversified Search Inc., Senior Advisor	Yes		C		1
Colin Hill	44	2016	Chairman and Chief Executive Officer, GNS Healthcare, Inc.	Yes		M	M	0

AC	Audit Committee	CC	Compensation and Talent Development Committee	M	Member
NCGC	Nominating and Corporate Governance Committee			C	Chair

2016 Performance and Compensation Highlights

Under the leadership of Joseph H. Capper, our President and Chief Executive Officer, and the rest of our management team, we had a record year, posting the highest revenue, patient and study volumes, income before taxes and adjusted EBITDA in our corporate history. These achievements are a direct result of the successful implementation of our corporate strategy. Compared to 2015, revenue grew by 16.7%, gross profit grew by 21.5%, income before taxes grew 99.7% and adjusted EBITDA grew by 43.6%.

(1)

(1) For a reconciliation of 2016 GAAP income from operations ($18.0 million) to adjusted EBITDA, please see Non-GAAP Financial Measures on page 18.

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The following table shows the components of 2016 compensation paid to our named executive officers (NEOs). This table is not a substitute for our 2016 Summary Compensation Table set forth on page 33.

2016 Compensation

Name and Principal Position	Salary ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
Joseph H. Capper President and Chief Executive Officer	556,500	535,001	535,000	556,000	21,087	2,203,588
Heather C. Getz Senior Vice President and Chief Financial Officer	345,000	126,783	126,788	207,000	21,359	826,930
Daniel Wisniewski Senior Vice President, Operations	326,500	79,996	80,002	163,250	23,433	673,181
Peter Ferola Senior Vice President and General Counsel	316,500	77,498	77,501	158,250	19,750	649,499
Fred (Andy) Broadway III Senior Vice President, Sales and Marketing	291,000	85,585	85,587	145,000	21,467	628,639

Key Compensation Features

- No tax gross-ups, including no excise tax gross-ups.

- No single trigger feature on parachute payments in employment agreements, with the exception of our Chief Executive Officer whose equity awards immediately accelerate and become fully vested upon a change in control.
- No hedging of company stock.
- Engagement of independent compensation consultant.
- Option repricing forbidden without stockholder approval.
- Have not paid any dividend equivalents.
- Maintain stringent share-ownership requirements for NEOs.
- Adopted a clawback policy allowing us to recoup incentive compensation paid in the event of a material restatement of our financial statements.

Auditors

Set forth below is summary information with respect to EY s fees for services provided in 2016 and 2015.

Type of Fee	2016	2015
Audit (1)	1,114,500	849,500
Audit Related (2)	175,029	43,500
Tax Services (3)	18,000	78,826
Total	**1,307,529**	**971,826**

(1) Audit fees were principally for services rendered for the audit and/or review of our consolidated financial statements.

(2) Audit-related fees were for professional services related to merger and acquisition due diligence and an audit of our Employee Benefit Plan.

(3) Tax Fees consist of fees billed in the indicated year for professional services performed by EY with respect to tax compliance, tax advice and tax planning.

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General Information About the Meeting

Proxy Solicitation

Our Board is soliciting your vote on matters that will be presented at the 2017 Annual Meeting and at any adjournment or postponement thereof. This proxy statement contains information on these matters to assist you in voting your shares.

Stockholders Entitled to Vote

All stockholders of record of our common stock, par value $0.001 per share, at the close of business on March 22, 2017, are entitled to receive the Notice and to vote their shares at the 2017 Annual Meeting. As of that date, [•] shares of our common stock were outstanding. Each share is entitled to one vote on each matter properly brought to the meeting.

Voting Methods

You may vote at the 2017 Annual Meeting by delivering a proxy card in person or you may cast your vote in any of the following ways:

Mailing your signed proxy card or voter instruction card.

Using the Internet at *www.voteproxy.com*.

Calling toll-free from the United States, U.S. territories and Canada to 1-800-776-9437.

How Your Shares Will Be Voted

In each case, your shares will be voted as you instruct. If you return a signed card, but do not provide voting instructions, your shares will be voted **FOR** each of the proposals. If you sign and return your proxy marked abstain on any proposal, your shares will not be voted on that proposal. If you are the record holder of your shares, you may revoke or change your vote any time before the proxy is exercised by filing with our Corporate Secretary a notice of revocation or a duly executed proxy bearing a later date. You may also vote in person at the meeting, although attendance at the meeting will not by itself revoke a previously granted proxy. If your shares are held by your broker, bank or other holder of record as a nominee or agent (i.e., the shares are held in street name), you should follow the instructions provided by your broker, bank or other holder of record.

Deadline for Voting. The deadline for voting by telephone or Internet is 11:59 PM Eastern Time on May 10, 2017. If you are a registered stockholder and attend the meeting, you may deliver your completed proxy card in person. Street name stockholders who wish to vote at the meeting will need to obtain a proxy form from the institution that holds their shares.

Broker Voting

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the beneficial owner of shares held in street name. The Notice has been forwarded to you by your broker, bank or other holder of record who is considered the stockholder of record of those shares. As the beneficial owner, you may direct your broker, bank or other holder of record on how to vote your shares by using the proxy card included in the materials made available or by following their instructions for voting on the Internet.

A broker non-vote occurs when a broker or other nominee that holds shares for another does not vote on a particular item because the nominee does not have discretionary voting authority for that item and has not received instructions from the beneficial owner of the shares. The following table summarizes how broker non-votes and abstentions are treated with respect to our proposals:

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Proposal	Votes Required	Broker Discretionary Voting	Treatment of Abstentions and Broker Non-Votes
Proposal 1 -Election of three Class I Directors to hold office until the 2020 Annual Meeting of Stockholders	Plurality of the votes of the shares present in person or represented by proxy and entitled to vote on the proposal	No	Abstentions and broker non-votes will not be taken into account in determining the outcome of the proposal
Proposal 2 Say on Pay Advisory Vote	Not applicable	No	Not applicable
Proposal 3 Say on Frequency Advisory Vote	Not applicable	No	Not applicable
Proposal 4 Approval of Omnibus Incentive Plan	Majority of the votes of the shares present in person or represented by proxy and entitled to vote on the proposal	No	Abstentions and broker non-votes will have the effect of negative votes
Proposal 5 Approval of Employee Stock Purchase Plan	Majority of the votes of the shares present in person or represented by proxy and entitled to vote on the proposal	No	Abstentions and broker non-votes will have the effect of negative votes
Proposal 6 Adoption of Majority Vote Standard For Election of Directors	Affirmative vote of 66 2/3% of the outstanding shares entitled to vote generally at an election of directors	No	Abstentions and broker non-votes will have the effect of negative votes
Proposal 7 Elimination of the Super-Majority Vote for Provisions Regarding Amendment of Bylaws	Affirmative vote of 66 2/3% of the outstanding shares entitled to vote generally at an election of directors	No	Abstentions and broker non-votes will have the effect of negative votes
Proposal 8 -Ratification of appointment of EY as our independent registered public accounting firm for the year ending December 31, 2017	Majority of the shares present in person or represented by proxy and entitled to vote on the proposal	Yes	Abstentions will have the effect of negative votes

Proposals 2 and 3 are non-binding, advisory votes, which means that while we ask stockholders to approve resolutions regarding Say on Pay and Say on Frequency, these are not actions that require stockholder approval. Consequently, our Bylaw provisions regarding voting requirements do not apply to these proposals. We will report the results of the stockholder vote on these proposals based on the number of votes cast. We will take into account the outcome of the Say on Pay vote when making executive compensation decisions and will consider the Say on Frequency vote when determining the frequency of future Say on Pay votes.

Board Facts

- 6 out of 7 independent directors
- Independent Chairman of the Board
- Average Board tenure is less than 6 years
- None of our directors serve on more than 1 other public company board
- Strong Board oversight of risk management and compliance process
- No related person transactions in 2016

Quorum

We must have a quorum to conduct business at the 2017 Annual Meeting. A quorum consists of the presence at the meeting either in person or represented by proxy of the holders of a majority of the outstanding shares of our common stock entitled to vote. For the purpose of establishing a quorum, abstentions, including brokers holding customers shares of record who cause abstentions to be recorded at the meeting, and broker non-votes are considered stockholders who are present and entitled to vote, and count toward the quorum. If there is no quorum, the holders of a majority of shares present at the meeting in person or represented by proxy or the chairman of the meeting may adjourn the meeting to another date.

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Mailings to Multiple Stockholders at the Same Address

We have adopted a procedure called householding . Under this procedure, stockholders of record who share the same last name and address will receive only one copy of the Notice, unless we are notified that one or more of these stockholders wishes to continue receiving additional copies.

We will continue to make a proxy card available to each stockholder of record. If you prefer to receive multiple copies of the Notice at the same address, or if you are eligible for householding but you and other stockholders of record with whom you share the same last name and address currently receive multiple copies of the Notice, or if you hold stock in more than one account, and in either case you wish to receive only a single copy, please contact us in writing: Corporate Secretary, BioTelemetry, Inc., 1000 Cedar Hollow Road, Suite 102, Malvern, PA 19355, or by telephone: (610) 729-7000. Beneficial stockholders can request information about householding from their broker, bank or other holder of record.

Proxy Solicitation Costs

We pay the cost of soliciting proxies. Proxies will be solicited on behalf of the Board by mail, telephone, and other electronic means or in person. Directors and employees will not be paid any additional compensation for soliciting proxies. We have engaged D.F. King & Co., a professional proxy solicitation firm, located at 48 Wall Street, New York, New York 10005, to assist with the solicitation of proxies for a fee of $7,500 plus reasonable out-of-pocket expenses. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

Results of the 2017 Annual Meeting

We will report final voting results from the 2017 Annual Meeting on a Current Report on Form 8-K to be filed with the SEC within four business days after the conclusion of the 2017 Annual Meeting.

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Corporate Governance and Board Matters

During 2016, our Board met sixteen times in person and telephonically (four meetings were in person and twelve meetings were telephonic). Each director attended at least 75% of the Board meetings and the meetings of the Board committees on which he or she served. It is our policy to invite our directors and nominees for director to attend our annual meetings of stockholders. All of our directors then in office attended our 2016 Annual Meeting of Stockholders in person and we expect that all of our current directors and nominees for director will attend our 2017 Annual Meeting in person.

Our principal governance documents are our Board committee charters and Code of Business Conduct and Ethics. Aspects of our governance documents are summarized below.

We encourage our stockholders to read our governance documents, as they present a comprehensive picture of how the Board addresses its governance responsibilities to ensure our vitality and success. The documents are available in the *Investors Corporate Governance* section of our website at *www.gobio.com* and copies of these documents may be requested by writing to our Corporate Secretary, BioTelemetry, Inc., 1000 Cedar Hollow Road, Suite 102, Malvern, PA 19355.

Code of Business Conduct and Ethics

All of our employees, officers and directors are required to comply with our Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics covers fundamental ethical and compliance-related principles and practices such as accurate accounting records and financial reporting, avoiding conflicts of interest, the protection and use of our property and information and compliance with legal and regulatory requirements. If we make any substantive amendments to the Code of Business Conduct and Ethics or grant any waiver from a provision of the Code of Business Conduct and Ethics to any executive officer or director, we will promptly disclose the nature of the amendment or waiver on our website.

Board Leadership Structure

The Board is currently composed of an independent Chairman of the Board and independent committees of the Board. Kirk E. Gorman has served as a member of our Board since 2008 and the Chairman of our Board since October 2011.

As Chairman, Mr. Gorman leads the activities of the Board, including:

- calling meetings of the Board and independent directors;
- setting the agenda for Board meetings in consultation with the Chief Executive Officer and Corporate Secretary;
- chairing executive sessions of the independent directors; and
- acting as an advisor to Mr. Capper on strategic aspects of the Chief Executive Officer role with regular consultations on major developments and decisions likely to interest the Board.

Our Board believes its leadership structure effectively allocates authority, responsibility and oversight between management and the independent members of our Board. It gives primary responsibility for the operational leadership and strategic direction of our company to our Chief Executive Officer, while the Chairman facilitates our Board s independent oversight of management, promotes communication between management and our Board, and leads our Board s consideration of key governance matters.

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The Board s Role in Risk Oversight

Our Board recognizes the importance of effective risk oversight in running a successful business, and in fulfilling its fiduciary responsibilities to us and our stockholders. While the Chief Executive Officer, the General Counsel and other members of our senior leadership team are responsible for the day-to-day management of risk, our Board is responsible for ensuring that an appropriate culture of risk management exists within our company and for setting the right tone at the top, overseeing our aggregate risk profile, and assisting management in addressing specific risks, such as strategic and competitive risks, financial risks, brand and reputation risks, legal risks, regulatory risks, operational risks and cybersecurity risks. While our Board focuses on the overall risks affecting us, each committee has been delegated the responsibility for the oversight of specific risks that fall within its area of responsibility. For example:

- the Compensation and Talent Development Committee (the Compensation Committee) is responsible for overseeing the management of risks relating to our executive compensation policies, plans and arrangements and the extent to which those policies or practices increase or decrease risk for our company.

- the Audit Committee oversees management of financial reporting, compliance and litigation risks as well as the steps management has taken to monitor and control such exposure.

- the Nominating and Corporate Governance Committee manages risks associated with the independence of the Board, potential conflicts of interest and the effectiveness of the Board.

Although each committee is responsible for evaluating certain risks and overseeing the management of those risks, the full Board is regularly informed about those risks through committee reports.

Our Board believes that our current leadership structure best facilitates its oversight of risk by combining independent leadership, through the independent Chairman, independent Board committees, and majority independent Board composition. The Chairman, independent committee chairs, and other independent directors also are experienced professionals or executives who can and do raise issues for Board consideration and review. Our Board believes there is a well-functioning and effective balance between the independent Chairman and non-executive Board members, which enhances risk oversight.

Committees

The Board has three standing committees: the Audit Committee; the Compensation Committee; and the Nominating and Corporate Governance Committee. Each committee consists solely of independent directors. Each committee has a written charter, each of which is posted in the *Investors Corporate Governance* section of our website at *www.gobio.com*. You may request a printed copy of each committee s charter from our Corporate Secretary.

Audit Committee

Anthony J. Conti (Chair)

Kirk E. Gorman

Robert J. Rubin, M.D.

The Audit Committee assists our Board in its oversight of (1) our corporate accounting and financial reporting processes; (2) our systems of internal control over financial reporting and audits of our financial statements; (3) the quality and integrity of our financial statements and reports; and (4) the qualifications, independence and performance of the firm or firms of certified public accountants engaged as our independent outside auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services. In carrying out these responsibilities, the Audit Committee, among other things:

- reviews and discusses our annual and quarterly financial statements with management and the independent auditors;
- manages our relationship with the independent auditors, including having sole authority for their appointment, compensation, retention and oversight;
- reviews the scope of their work; approving non-audit and audit services; and confirming the independence of the independent auditors;

- confers with management and the independent auditors, as appropriate, regarding the scope, adequacy and effectiveness of our internal control over financing reporting; and

- reports to the Board with respect to material issues that arise regarding the quality or integrity of our financial statements, our compliance with legal or regulatory requirements, the performance or independence of the independent auditors or such other matters as the Audit Committee deems appropriate from time to time.

Pursuant to the NASDAQ Marketplace Rules (the NASDAQ Listing Rules), each member of our Audit Committee must be able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement. In addition, our Board has determined that Mr. Conti is an audit committee financial expert within the meaning of SEC regulations and has financial sophistication in accordance with the NASDAQ Listing Rules. In 2016, the Audit Committee met six times in person. All members of the Audit Committee are independent within the meaning of applicable SEC rules and regulations and the NASDAQ Listing Rules.

Compensation Committee

Joseph A. Frick (Chair)

Rebecca W. Rimel

Colin Hill

The Compensation and Talent Development Committee develops our overall compensation philosophy, and, either as a committee or together with the other independent directors;

- determines and approves our executive compensation programs;

- makes all decisions about the compensation of our executive officers (with the exception of our Chief Executive Officer);

- evaluates the Chief Executive Officer s performance in light of his goals and objectives approved by the Compensation Committee and recommends to the full Board the Chief Executive Officer s base salary, and short-term and long-term incentive compensation;

- oversees our cash and equity-based incentive compensation plans;

- oversees and approves our management continuity and succession planning process;
- reviews our workforce demographics and metrics related to hiring, promotions, employee turnover and diversity; and
- reviews our initiatives related to employee training and development, culture and mission, employee engagement and civic involvement.

Additional information about the roles and responsibilities of the Compensation Committee can be found under the heading Compensation Discussion and Analysis. In 2016, the Compensation Committee met four times in person. All members of the Compensation Committee are independent within the meaning of the NASDAQ Listing Rules.

Nominating and Corporate Governance Committee

Rebecca W. Rimel *(Chair)*

Robert J. Rubin, M.D.

Colin Hill

The Nominating and Corporate Governance Committee oversees all aspects of our corporate governance functions on behalf of the Board, including:

- making recommendations to the Board regarding corporate governance issues;
- identifying, reviewing and evaluating candidates to serve as Board members consistent with criteria approved by the Board and reviewing and evaluating incumbent directors;

- serving as the focal point for communication between Board candidates, non-committee directors and our management;
- nominating candidates to serve as directors;
- making recommendations to the Board regarding affairs relating to our directors;
- overseeing our director orientation and continuing education programs;
- overseeing our available defense mechanisms; and
- overseeing matters impacting our image and reputation and our standing as a responsible corporate citizen.

In 2016, the Nominating and Corporate Governance Committee met three times in person. All members of the Nominating and Corporate Governance Committee are independent within the meaning of the NASDAQ Listing Rules.

Director Independence

The NASDAQ Listing Rules require that a majority of the Board and all members of our Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee be comprised of directors who are independent, as such term is defined by the NASDAQ Listing Rules. Each year, the Board undertakes a review of director independence, which includes a review of each director s responses to questionnaires asking about any relationships with us. This review is designed to identify and evaluate any transactions or relationships between a director or any member of his or her immediate family and us, or members of our senior management or other members of the Board, and all relevant facts and circumstances regarding any such transactions or relationships. Consistent with these considerations, after review of all relevant transactions or relationships between each director, or any of his or her family members, and us, in early 2017 the Board affirmatively determined that all of our directors are independent other than Mr. Capper, our President and Chief Executive Officer, who is not an independent director by virtue of his employment with us.

Compensation Committee Interlocks and Insider Participation

None of our executive officers or employees serves as a member of the compensation committee, or other committee serving an equivalent function, of any entity that has one or more of its executive officers serving as a member of our Board or our Compensation Committee. None of the members of our Compensation Committee has ever been an officer or employee of ours.

Executive Sessions of Independent Directors

Our Board also holds regular executive sessions of only independent directors to conduct a self-assessment of its performance and to review management s strategy and operating plans, the criteria by which our Chief Executive Officer and other senior executives are measured, management s performance against those criteria and other relevant topics. In 2016, our independent directors held sixteen executive sessions.

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Communicating with the Board

Our Board has adopted a formal process by which stockholders may communicate with the Board or any of its directors. Stockholders wishing to communicate with the Board or an individual director may send a written communication to the Board or such director at our corporate office. Each communication will be reviewed by our Corporate Secretary to determine whether it is appropriate for presentation to the Board or such director. Communications determined by the Corporate Secretary to be appropriate for presentation to the Board or such director will be submitted to the Board or such director on a periodic basis. This information is available in the *Investors Corporate Governance* section of our website at *www.gobio.com*.

Nomination of Director Candidates

Candidates for nomination to our Board are selected by the Nominating and Corporate Governance Committee in accordance with its charter, our Amended and Restated Certificate of Incorporation and our Bylaws. All persons recommended for nomination to our Board, regardless of the source of the recommendation (including director candidates recommended by stockholders), are evaluated in the same manner by the Nominating and Corporate Governance Committee.

The Board and the Nominating and Corporate Governance Committee consider, at a minimum, the following qualifications:

- a candidate s ability to read and understand basic financial statements;
- a candidate s age;
- a candidate s personal integrity and ethics;
- a candidate s background, skills and experience;

- a candidate s expertise upon which to be able to offer advice and guidance to management;
- a candidate s ability to devote sufficient time to the affairs of our company;
- a candidate s ability to exercise sound business judgment; and
- a candidate s commitment to rigorously represent the long-term interests of our stockholders.

Candidates for director are reviewed in the context of the current composition of the Board, our operating requirements and the long-term interests of stockholders. In conducting its assessment, the Nominating and Corporate Governance Committee considers diversity, age, skills, and such other factors as it deems appropriate given the current needs of us and the Board, in an effort to maintain a balance of knowledge, experience and capability.

The Nominating and Corporate Governance Committee places a high priority on identifying individuals with diverse skill sets and types of experience, including identification of individuals from among the medical professional and medical device communities. In the case of incumbent directors whose terms of office are set to expire, the Nominating and Corporate Governance Committee reviews these directors overall service to our company during their terms, including the number of meetings attended, level of participation, quality of performance, and any other relationships and transactions that might impair the directors independence. In the case of new director candidates, the Nominating and Corporate Governance Committee also determines whether the nominee is independent.

The Nominating and Corporate Governance Committee then uses its network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm. The Nominating and Corporate Governance Committee typically conducts any appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates after considering the function and needs of the Board. The Nominating and Corporate Governance Committee typically meets to discuss and consider the candidates qualifications and then selects a nominee by majority vote.

Under the heading Director Qualifications and Biographies in this proxy statement, we provide an overview of each director s and director nominee s principal occupation, business experience and other directorships of publicly-traded companies, together with the qualifications, experience, key attributes and skills the Nominating and Corporate Governance Committee and the Board believe will best serve the interests of the Board, our company and our stockholders.

Stockholders who wish to recommend or nominate director candidates must provide information about themselves and their candidates and comply with procedures and timelines contained in our Bylaws. These procedures are described under Other Information 2018 Stockholder Proposals or Nominations in this proxy statement.

Related Person Transactions and Procedures

The Board has adopted a written policy and procedures relating to the Audit Committee s review and approval of transactions with related persons that are required to be disclosed in proxy statements under SEC regulations. A related person includes our directors, executive officers, 5% stockholders, as well as immediate family members of such persons and any entity owned or controlled by such persons.

Under the policy, where a transaction has been identified as a related person transaction, management must present information regarding the proposed related person transaction to our Audit Committee, or, where review by our Audit Committee would be inappropriate, to another independent body of our Board, for review. The presentation must include a description of, among other things, the material facts, the direct and indirect interests of the related persons, the benefits of the transaction to us and whether any alternative transactions are available.

In approving a transaction, the Audit Committee will take into account, among other factors, the risks, costs and benefits to us, the terms of the transaction, the availability of other sources for comparable services or products and the terms available to or from, as the case may be, unrelated third parties or to or from our employees generally. Our policy requires that, in reviewing a related person transaction, our Audit Committee must consider, in light of known circumstances, whether the transaction is in, or is not inconsistent with, the best interests of us and our stockholders, as our Audit Committee determines in the good faith exercise of its discretion.

The Audit Committee reviews and pre-approves certain types of related person transactions, including the following:

- director and executive officer compensation that is otherwise required to be reported in our proxy statement under SEC regulations;

- certain transactions with companies at which the related person is an employee only; and

- charitable contributions that would not disqualify a director s independent status.

We have no related person transactions required to be reported under applicable SEC rules.

Director Compensation

2016 Director Compensation

Under our compensation program for non-employee directors (the Board Compensation Program), our non-employee directors receive the following forms of consideration for service on our Board:

- an initial grant of restricted stock units (RSUs) equal to $80,000;
- an annual Board retainer of $50,000, payable, at the director s election, in cash or RSUs;
- an annual grant of RSUs valued at $80,000;
- fees for committee membership in the following amounts: (i) $7,500 for Audit Committee membership, (ii) $5,000 for Compensation and Talent Development Committee membership and (iii) $5,000 for Nominating and Corporate Governance Committee membership, in each case payable, at the director s election, in cash or RSUs; and
- fees for committee chair positions in the following amounts: (i) $17,500 for Audit Committee Chair, (ii) $17,500 for Compensation and Talent Development Committee Chair and (iii) $12,500 for Nominating and Corporate Governance Committee Chair, in each case payable, at the director s election, in cash or RSUs; and

Our Chairman also receives an additional retainer of $50,000, payable, at his election, in cash or RSUs.

All RSU grants, including those paid in lieu of the cash retainer, currently have a 100% retention requirement since shares are not delivered until Board service terminates. Upon termination of Board service, a director receives all RSUs that have vested as of that date.

All non-employee director compensation is pro-rated, as applicable, based on the start date of Board service.

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2016 Non-Employee Director Compensation

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	All Other Compensation ($)	Total ($)
Kirk E. Gorman	37,500	137,531	—	175,031
Anthony J. Conti	67,500	80,014	—	147,514
Joseph A. Frick	36,875	113,784	—	150,659
Colin Hill	30,000	160,029	—	190,029
Rebecca W. Rimel	65,000	80,014	—	145,014
Robert J. Rubin, M.D.	24,063	130,021	—	154,084

Fees Earned or Paid in Cash

The amounts in the Fees Earned or Paid in Cash column are retainers earned for serving on our Board, its committees and as committee chairs and as our Chairman. All annual cash retainers are paid in 4 quarterly installments over the calendar year as of the last day of each calendar quarter beginning with the first calendar quarter following the date of the annual meeting.

Stock Awards

The amounts in the Stock Awards column reflect the grant date fair value of RSU awards made in 2016. The grant date fair value is determined under Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 718. For additional information on the valuation assumptions regarding the fiscal 2016 grants, refer to Note 12 in our financial statements for the year ended December 31, 2016, which is included in our 2016 Annual Report.

All RSUs vest in four successive quarters following the award date and are distributed in the form of common stock on the earliest to occur of the non-employee director s death, disability, separation from service or a change in the ownership or effective control of our company.

All Other Compensation

We reimburse our non-employee directors for their travel, lodging and other reasonable expenses incurred in attending meetings of the Board and committees of the Board.

RSUs and Stock Options

The following table sets forth the aggregate number of RSUs and unexercised stock options outstanding at December 31, 2016 for each of our non-employee directors.

Outstanding Director Stock Awards and Stock Options at Year-End 2016

Name	Aggregate Number of RSUs Outstanding (#)	Aggregate Value of RSUs Outstanding ($)(1)	Aggregate Number of Unexercised Stock Options Outstanding (#)(2)
Kirk E. Gorman	4,463	99,748	27,286

Anthony J. Conti	2,595	57,998	—
Joseph A. Frick	3,691	82,494	—
Colin Hill	5,190	115,997	—
Rebecca W. Rimel	2,595	57,998	9,338
Robert J. Rubin, M.D.	4,218	94,272	28,489

(1) Value based on the closing stock price of a share of our common stock on December 30, 2016 ($22.35).

(2) Represents stock options granted in 2007, 2008 and 2009.

Executive Officers

Executive Officer Biographies

The following are biographical summaries of our executive officers and their ages, except for Mr. Capper, whose biography is included under the heading Director Qualifications and Biographies in this proxy statement.

Heather C. Getz, CPA

Age: 42

Position:

Senior Vice President and Chief Financial Officer

Ms. Getz was appointed Senior Vice President and Chief Financial Officer in January 2010. Ms. Getz joined us in May 2009 as Vice President of Finance. From April 2008 to May 2009, Ms. Getz was Vice President of Finance at Alita Pharmaceuticals, Inc., a privately held specialty pharmaceutical company, where she was responsible for all areas of finance, accounting and information systems. Prior to joining Alita Pharmaceuticals, Inc., from March 2002 to April 2008, Ms. Getz held various financial leadership positions at VIASYS Healthcare Inc., a healthcare technology company acquired by Cardinal Health, Inc. in July 2007, including directing the company s global financial planning, budgeting and analysis, and external reporting functions. From June 1997 to February 2002, Ms. Getz began her career at Sunoco, Inc., where she held various positions of increasing responsibility. Ms. Getz is a certified public accountant, and received her undergraduate degree in Accountancy and a Master of Business Administration degree from Villanova University.

Peter F. Ferola

Age: 48

Position:

Mr. Ferola joined us in February 2011 as our Senior Vice President, Corporate Development and General Counsel, with over 20 years of progressive leadership experience in business management, legal affairs and corporate governance. From 2009 to 2011, Mr. Ferola served as Vice President, General Counsel and Secretary of Nipro Diagnostics, Inc. (formerly Home Diagnostics, Inc., NASDAQ: HDIX). Prior to joining Home Diagnostics, Mr. Ferola worked as a corporate and securities attorney with Greenberg Traurig, LLP and with Dilworth Paxson, LLP in Washington, D.C., focusing on mergers, acquisitions, public securities offerings and corporate governance matters. From 1989 to 2002, Mr. Ferola worked in executive management roles for an American Stock Exchange listed company, most recently serving as Vice

Senior Vice President, Corporate Development, General Counsel, and Secretary	President Administration and Corporate Secretary, overseeing the company s administrative functions, legal matters and investor relations. Mr. Ferola earned a Bachelor of Science and Juris Doctor degree from Nova Southeastern University and a Master of Laws in Securities and Financial Regulation from Georgetown University Law Center. Mr. Ferola has authored numerous articles on corporate and securities laws, with a particular focus on audit committees and regulations implemented in the wake of the Sarbanes Oxley Act of 2002.

Fred (Andy) Broadway III

Age: 47 **Position**: Senior Vice President, Sales and Marketing	Mr. Broadway joined us in June 2009 as our Vice President, Marketing, bringing 15 years of progressive leadership experience in sales and marketing, including extensive therapeutic knowledge in Cardiology and Neurology. In September 2012, Mr. Broadway was promoted to Senior Vice President, Marketing, and in January 2013, Mr. Broadway became our Senior Vice President, Sales and Marketing. Prior to joining us, from 2006 to June 2009, Mr. Broadway was Director of Marketing at Bristol Myers Squibb, leading the commercialization launch efforts of a potential new therapy for the treatment of stroke prevention in atrial fibrillation. Earlier in his career, Mr. Broadway was on the marketing team at Pfizer, responsible for developing yearly and long-term strategic plans, brand and portfolio positioning, asset life cycle development, and overseeing commercialization tactics for several leading brands. Mr. Broadway started his career with Sanofi Pharmaceuticals, where he held numerous positions of increasing responsibility including sales, marketing, and eventually leadership positions in both sales and marketing. Mr. Broadway received his undergraduate degree in Zoology from Auburn University.

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Daniel Wisniewski

Age: 53

Position:

Senior Vice President, Technical Operations

Mr. Wisniewski joined us in December 2010 as our Senior Vice President, Operations, and is now serving as our Senior Vice President, Technical Operations. Mr. Wisniewski has over 20 years of experience in executive leadership, information systems, and operations. Most recently, from 2000 to 2010, Mr. Wisniewski served as Chief Information Officer with CCS Medical, Inc. As the Chief Information Officer, Mr. Wisniewski was responsible for developing a highly scalable patient centric operational infrastructure focused on compliance, growth and expense control within the healthcare industry. Prior to joining CCS Medical, Inc., Mr. Wisniewski held various roles within the nuclear and banking industries with increasing responsibilities in information systems and general management. Mr. Wisniewski began his career as an U.S. Navy Nuclear Trained Naval Officer. Mr. Wisniewski received his undergraduate degree in Electrical Engineering from Virginia Military Institute.

George Hrenko

Age: 54

Position:

Senior Vice President, Human Resources and Organizational Excellence

Mr. Hrenko joined us in 2008 as our Vice President of Human Resources and was named Senior Vice President, Human Resources and Organizational Excellence in May 2010. Most recently, Mr. Hrenko served as a Director of Human Resources for Target Corporation from February 2002 to March 2007. From December 1998 to February 2002, Mr. Hrenko held several positions with Bank One Corporation, including First Vice President, Human Resources Generalist, Vice President, Compensation, and Vice President, Corporate Staffing. From 1996 to 1998 he served as Managing Director, Human Resources for Continental Airlines. Prior to joining Continental Airlines, Mr. Hrenko served as Human Resources Manager at Pepsi Cola Co. and PepsiCo, Inc., from 1987 to 1996. Mr. Hrenko received an undergraduate degree in English and Psychology from Pennsylvania State University.

Executive Compensation

Executive Summary

Our Compensation Philosophy and Goals

We believe that our long-term success is directly related to our ability to attract, motivate and retain highly talented individuals with outstanding ability and potential who are committed to continually improving financial performance, achieving profitable growth and enhancing stockholder value.

To that end, our compensation program is generally designed to provide performance-oriented incentives that fairly compensate our executive officers and enable us to attract, motivate and retain executives with outstanding ability and potential. Our compensation program consists of both short-term and long-term components, including cash and equity-based compensation, and is intended to reward consistent performance that meets or exceeds formally established corporate and financial performance goals and objectives. Our Compensation Committee and our senior management are focused on providing an appropriate mix of short-term and long-term incentives. Our compensation program provides long-term incentives to ensure that our executives continue in employment with us and directly tie executive compensation to the generation of long-term stockholder value.

The Management Incentive Plan (MIP), our annual cash incentive bonus plan, is based primarily on two financial measures and several corporate performance objectives. The two financial measures are revenue and adjusted EBITDA, which is our earnings before interest, taxes, depreciation and amortization and excluding expenses that are considered not necessary to support the ongoing business or which are nonrecurring in nature. The corporate performance objectives vary by year and are intended to encourage our executives to build and maintain an infrastructure that supports growth and strategy and increases revenues. In 2016, these corporate performance objectives included launching new products, increasing efficiencies, further advancing our hospital sales initiative and increasing our service capabilities.

Our Long-Term Incentive Plan (LTIP) is based on the same metrics as our MIP. The long term incentive awards are split equally between RSUs and stock options. The RSUs vest on the third anniversary of the grant date and the stock options vest over a four-year period from the grant date. We believe that the time-vested aspect of the RSUs and stock options promotes the retention of key talent and encourages share ownership.

Most Recent Say on Pay Results

Consistent with the preference expressed by our stockholders at our 2011 Annual Meeting of Stockholders, our stockholders have been voting on a say on pay proposal every three years. At our 2014 Annual Meeting of Stockholders, we held a stockholder Say on Pay advisory vote to approve the compensation of our NEOs as disclosed in our proxy statement. Stockholders expressed overwhelming support for the compensation of our NEOs, with approximately 97.4% of the votes present at the meeting and entitled to vote approving NEO compensation.

The Compensation Committee considered this vote as demonstrating strong support for our compensation programs and continued to apply the same effective principles and philosophies that have been applied in prior years when making compensation decisions for 2016. These principles and philosophies are highlighted above and described more fully below.

At the 2017 Annual Meeting, out stockholders will vote on executive compensation and the frequency of the advisory vote on executive compensation.

2016 Financial Highlights

2016 was a record year for us. We delivered exceptional financial performance in 2016, achieving record revenue, gross profit, income before taxes and adjusted EBITDA. Compared to 2015, revenue grew by 16.7%, gross profit grew by 21.5%, income before taxes grew by 99.7% and adjusted EBITDA grew by 43.6%. We operate under three reportable segments: (1) Healthcare, (2) Technology and (3) Research. Our Healthcare segment benefitted from continued volume strength and favorable pricing. In addition, we are investing in and expanding our product offerings in our Technology segment and we continue to experience double-digit growth in our Research segment study volume. We made three acquisitions in 2016 including an acquisition of a leading provider of clinical trial imaging solutions in our Research segment and the acquisition of a digital population health management company. We were also able to achieve numerous crucial operational and performance objectives, including an increase in patient volume, FDA approval for mobile cardiac telemetry service patch device and successful outcomes on several patent litigation claims. Our stock price finished the year at $22.35 per share, up 91% year over year.

Non-GAAP Financial Measures

The following table contains reconciliations of 2016 GAAP net income to adjusted EBITDA for short-term and long-term incentive purposes relating to the MIP and LTIP financial metrics set forth in this proxy statement. Management uses adjusted EBITDA so that investors have the same financial data that management uses with the belief that it will assist the investment community in properly assessing the performance of the Company for the period being reported. Adjusted EBITDA excludes certain non-cash and non-operating items to facilitate comparisons and provides a meaningful measurement that is focused on the performance of our ongoing operations.

2016 Financial Measures

Consolidated Performance

Net income — GAAP	$	53,437,000
Impact of tax valuation allowance release		(37,554)
Income taxes excluding valuation allowance release		(113)
Interest, other loss (net)		2,242
Other charges(1)		8,639,000
Depreciation and amortization expense		14,269,000
Stock compensation expense		6,502,000
Adjusted EBITDA(2)	$	47,422,000

(1) For the year ended December 31, 2016, we incurred $8.6 million of other charges, primarily due to patent litigation and the acquisitions completed in the current year.

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(2) A full discussion of components of adjusted EBITDA is found in our fourth-quarter and full-year 2016 earnings press release furnished on Form 8-K with the SEC on February 22, 2017.

Executive Compensation Elements

Compensation Component	Objectives	Key Features
Base Salary	Fair and competitive compensation to attract, retain and reward executive officers by providing a fixed level of cash compensation tied to responsibility, experience, skills and capability relative to the market	• Annual cash compensation that is not at risk • Targeted to the 50th percentile of our peer group, with variations based on experience, skills and other factors • Adjustments considered annually based on level of pay relative to our peer group, individual responsibilities and individual and corporate performance
MIP	Focuses executives on annual results by rewarding them for achieving key budgeted financial and corporate performance targets Links executives interests with those of stockholders by promoting profitable growth Helps retain executives by providing market-competitive compensation	• At-risk cash awards based on revenue, adjusted EBITDA and certain corporate performance objectives • Annual awards vary from 0% to 200% of the targeted amount • Cash bonuses are generally paid out within the first quarter

		• Targeted so that the total of base salary and bonus is expected to fall between the 50th and 75th percentile of our peer group if the earned bonus is 100% of the targeted amount
LTIP (RSUs and Stock Options)	Aligns executives interests with those of stockholders by linking compensation with financial and corporate performance Drives stockholder value Provides a retention incentive for key employees through time-based RSUs and stock options Promotes a sensible balance of risk and reward, without encouraging unnecessary or unreasonable risk-taking Rewards key employees for demonstrated value creation	• At-risk long-term compensation • Targeted so that total compensation approximates the 50th percentile of our peer group (actual grant values may vary from the target value based on consideration of both company and individual executive performance) • RSUs vest on the third anniversary of the grant date; stock options vest in equal annual increments over a four-year period • Time-based equity awards encourage share ownership and promote the retention of NEOs

2016 MIP Bonuses (Cash)

MIP payouts for all executives, including the NEOs, are based on our performance against revenue, adjusted EBITDA and certain corporate performance objectives. The target bonus is set as a percentage of base salary, which for the NEOs, ranges from 50% to 100%. 2016 MIP target goals were set by the Compensation Committee based on the budget approved by the Board and the Compensation Committee s determination that the targets contained sufficient stretch. For 2016, the Compensation Committee determined that the financial and corporate performance goals under the MIP were to be weighted as follows:

% of Payout	Goal
30%	Revenue
30%	Adjusted EBITDA
40%	Corporate objectives

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For 2016, we achieved 99% of our revenue target and 127.5% of our adjusted EBITDA target as shown in the table below. See footnotes to Financial Results for MIP Purposes on page 24.

2016 MIP and LTIP Performance Against Primary Financial Metrics

Threshold, Target and Actual Performance(1)

(1) Excludes results of operations from 2016 acquisitions.

2016 LTIP Awards (RSUs and Stock Options)

Long-term incentive compensation opportunities for our executives, including the NEOs, are entirely equity-based and are determined by the Compensation Committee and Board based, in large part, on the same financial and corporate performance objectives as our MIP: (i) revenue, (ii) adjusted EBITDA and (iii) certain corporate performance objectives. Our LTIP grants are designed to encourage share ownership and promote the retention of key talent. Under our LTIP, eligible executives receive an award of time-vested RSUs and stock options, approximately equal in expected value. The grants made in a particular year reflect the Company s prior year performance against the financial and corporate performance objectives discussed above. The RSUs vest on the third anniversary of the grant date while the stock options vest annually over a four-year period from the grant date. The value of each NEO s LTIP grant is determined by the Compensation Committee based on its review of peer-group market data, the executive s roles and responsibilities, his or her impact on our results, and advancement potential. Our achievement levels with respect to our 2016 financial performance goals are set forth above.

Our Compensation Practices

We continue to incorporate leading practices into our compensation programs:

- Our compensation philosophy targets total direct compensation of our NEOs at the 50th percentile of peer group companies.

- We prohibit our employees, officers and directors from hedging or engaging in any speculative trading with respect to our common stock.

- We do not provide tax gross-ups for perquisites provided to our executive officers.

- Our equity-incentive plan prohibits the repricing or exchange of equity awards without stockholder approval.

- We do not have single trigger features on parachute payments in any employment agreements, with the exception of our Chief Executive Officer whose equity awards immediately accelerate and become fully vested upon a change in control.

- We have not provided golden-parachute excise-tax gross-ups in any employment agreements offered to executives.

- We require our executive officers to meet share-ownership guidelines with respect to shares acquired upon vesting or exercise. The ownership guideline for our Chief Executive Officer is four times base salary, the guideline for our Chief Financial Officer is two times base salary and the guideline for our other executive officers is one times base salary. Executive officers must retain 100% of the shares (on a net, after-tax basis) acquired upon the exercise of options or vesting of restricted shares until the guideline is satisfied.

- The Compensation Committee has engaged an independent outside compensation consultant. See Role of the Compensation Consultant and Executives.

- In the event of a material restatement of our financial results, the Board or the Compensation Committee will review the incentive compensation that was paid or awarded, with respect to the period to which the restatement relates, to our current and former officers who engaged in fraud or other misconduct that resulted in the restatement, and may, in its sole discretion recoup any incentive-based compensation paid or awarded to the current or former officer(s) in excess of the amount that would have been paid or awarded to the current or former officer(s) under our restated financial statements.

Compensation Discussion and Analysis

This section discusses our executive compensation program for 2016, the compensation decisions made under those programs and the factors that were considered by the Compensation Committee in making those decisions. It focuses on the compensation for each of our NEOs for 2016:

- Joseph H. Capper, President and Chief Executive Officer;
- Heather C. Getz, Senior Vice President and Chief Financial Officer;
- Daniel Wisniewski, Senior Vice President, Technical Operations;
- Peter Ferola, Senior Vice President and General Counsel; and
- Fred (Andy) Broadway III, Senior Vice President, Sales and Marketing.

This Compensation Discussion and Analysis is divided into two parts:

Part 1 discusses our 2016 performance, the Compensation Committee s actions, our compensation practices and the compensation decisions for our NEOs.

Part 2 discusses our compensation framework in more detail, including how we apply our compensation philosophy and determine competitive positioning of our executive compensation and other policies.

Part 1 2016 Performance, Compensation and Talent Development Committee Actions, Compensation Practices and Decisions

2016 Performance Overview

2016 was an outstanding year for us and our stockholders. Among the accomplishments of our executive team, led by Mr. Capper, were:

- Exceptional financial performance in 2016, achieving record revenue, gross profit, income before taxes and adjusted EBITDA, including a 43.6% increase in adjusted EBITDA;
- Completion of three acquisitions in 2016 including an acquisition of a leading provider of clinical trial imaging solutions in our Research segment and the acquisition of a digital population health management company;
- An increase of 3% in the Medicare reimbursement rates for remote cardiac monitoring services;
- Successful outcomes on several outstanding patent litigation claims; and
- We were also able to achieve numerous crucial operational and performance objectives, including an increase in patient volume, FDA approval for mobile cardiac telemetry service patch device and successful outcomes on several patent litigation claims.

Executive Compensation Elements

The following chart summarizes the key features of each element of our executive compensation program: Cash (salary and annual bonus); Equity (long-term incentive); Retirement (retirement benefit program) and Other (perquisites). Each type is discussed in detail in the remainder of this Compensation Discussion and Analysis, and the accompanying tables.

Compensation Element	Type	Key Features
Cash	Salary	• Fixed amount of compensation based on experience, contribution and responsibilities. • Salaries reviewed annually and adjusted based on market practice, individual performance and contribution, length of service and other internal factors.
	MIP	• Cash awards based on revenue, adjusted EBITDA and certain corporate performance objectives. See Financial Results for MIP Purposes on page 24. • Annual awards vary from 0% to 200% of the targeted amount.
LTIP Compensation (100% Equity)	RSUs and Incentive stock options (50% of grant value each)	• Grant values vary from target based on revenue, adjusted EBITDA and certain corporate performance objectives achieved in the prior year. • RSUs vest on the third anniversary of the grant date. • Options vest annually over a four-year period and expire 10 years from the grant date.
Retirement	401(k) Plan	• Qualified 401(k) plan that provides participants the opportunity to defer taxation on a portion of their income, up to code limits, and receive a matching company contribution of 100% on the first 3% of compensation deferred under the 401(k) plan and 50% on the next 2% of compensation deferred under the 401(k) plan.

Summary of Key 2016 Compensation Decisions

The following highlights the Compensation Committee s key NEO compensation decisions for 2016, as reported in the Summary Compensation Table on page 33. The decisions were made after considering input from the Compensation Committee s independent compensation consultant, Willis Towers Watson & Co. (Willis Towers Watson).

Chief Executive Officer Compensation

In February 2016, the Compensation Committee took the following actions on Mr. Cappers compensation:

- His base salary was $556,500 (an increase of 3.9%);
- His MIP target award opportunity was $556,500 (100% of base salary); and
- His LTIP target expected value was maintained at $1,355,600 (200% of base salary).

After benchmarking Mr. Capper s compensation with our peer group, the Compensation Committee determined that Mr. Capper was between the 50th and 75th percentiles for overall compensation.

Compensation of Other NEOs

The Compensation Committee approved salaries and set incentive-compensation targets of the other NEOs taking into account the Chief Executive Officer s recommendations, the advice of Willis Towers Watson, peer group salary data, relative duties and responsibilities, advancement potential and impact on our financial and strategic performance. Consistent with the approach for the Chief Executive Officer, the Compensation Committee provided no increases in target MIP or LTIP incentive compensation and provided nominal 2% increases in annual base salaries to the other NEOs for 2016.

2015-2017 NEO Base Salaries and MIP Target

Name	2015 Base Salary	2016 Base Salary	2017 Base Salary	MIP Target as % of Salary
Joseph H. Capper	$535,000	$556,500	$579,000	100%
Heather C. Getz	$338,100	$345,000	$359,000	60%
Daniel Wisniewski	$320,000	$326,500	$333,500	50%
Peter Ferola	$310,000	$316,500	$324,500	50%
Fred (Andy) Broadway III	$285,285	$291,000	$303,000	50%

Our Management Incentive Plan

Plan Criteria and Rationale

The annual incentives for all MIP participants, including the NEOs, are based on our financial and corporate performance as a whole measured primarily by revenue, adjusted EBITDA and certain corporate performance objectives.

In 2016, as in past years, the Compensation Committee evaluated the continued use of the MIP financial and corporate performance objectives using the following principles:

- Metrics that support achievement of an annual Board-approved operating plan;
- Metrics that support profitable growth while preserving cash for longer-term investment;
- Metrics that provide a clear line of sight i.e., that are clearly understood and can be affected by the performance of our executives and employees;
- Metrics that are consistent with market practice and commonly used within our peer group; and
- Corporate performance metrics that encourage our executives to build and maintain an infrastructure that supports our growth and financial performance.

Following this review, the Compensation Committee concluded that the continued use of these measures supports these principles because they are linked to top-line growth, the creation of stockholder value and encourage our executives to continue to build a successful and growing commercial organization. For 2016, the Compensation Committee determined that the financial and corporate performance goals under the MIP were weighted as follows:

% of Payout	Goal
30%	Revenue
30%	Adjusted EBITDA
40%	Corporate objectives

Target Setting

The target MIP awards for our NEOs are set as a percentage of base salary. Target awards are reviewed annually to ensure alignment with our compensation philosophy to target total direct compensation at the market median. Variances from this goal are based on an evaluation of competitive market data, internal equity considerations among the Chief Executive Officer s direct reports and individual performance evaluations.

For 2016, target MIP opportunities for the NEOs ranged from 50% to 100% of their year-end base salary rate, as follows:

NEO	Target %
Joseph H. Capper	100%
Heather C. Getz	60%
Daniel Wisniewski, Peter Ferola, Fred (Andy) Broadway III	50%

The Compensation Committee has historically approved funding of MIP awards at less than 100%, as set forth below:

Year	MIP Funding %
2010	57.5%
2011 and 2012	50.0%
2013 and 2014	85%
2015	100%

Financial Results for MIP Purposes

The Compensation Committee set the MIP targets based on its evaluation of the budget amounts and its assessment that the targets contained a sufficient degree of stretch.

2016 Performance Metrics, Weight and Achievement

(all amounts in millions)

MIP Objective	Metric Weight	Objectives Threshold	Target	Maximum	Results	Milestone Achievement % of Target
Revenue	30%	$ 176.4	$ 196.0	$ 215.6	$ 194.5	99.0%
Adjusted EBITDA(1)	30%	$ 32.0	$ 40.0	$ 48.0	$ 45.1(3)	127.5%
Corporate objectives(2)	40%	—	—	—	—	—

(1) For a reconciliations of 2016 GAAP income from operations to adjusted EBITDA for short-term and long-term incentive purposes relating to the MIP and LTIP financial metrics, please set Non-GAAP Financial Measures on page 18.

(2) Our 2016 corporate performance objectives included launching new products, increasing efficiencies, further advancing our hospital sales initiative and increasing our service capabilities.

(3) Excludes the impact of acquisitions.

2016 MIP Awards

In February 2017, our Compensation Committee evaluated the level of achievement of our financial and corporate performance objectives relating to operational commitments relative to the executive officer s position, and approved funding of the 2016 MIP award at 100% of target. In making its decision to approve 2016 MIP awards at 100% of target, our Compensation Committee acknowledged the management team s achievement of the corporate performance objectives and the adjusted revenue of $194.5 million and adjusted EBITDA of $45.1 million.

The table below sets forth 2016 target MIP opportunities for our NEOs and the actual payout amounts and percentage of achievement of the target amounts. The actual payout amounts are computed based on the actual performance.

2016 MIP Target and Actual Payouts and Achievement

Name	2016 Target Bonus Award ($)	2016 Actual Award ($)	Actual Achievement % of Target
Joseph H. Capper	556,500	556,500	100%
Heather C. Getz	207,000	207,000	100%
Daniel Wisniewski	163,250	163,250	100%
Peter Ferola	158,250	158,250	100%
Fred (Andy) Broadway III	145,500	145,500	100%

Our Long-Term Incentive Plan

Plan Criteria and Rationale

Long-term compensation for all our executives, including our NEOs, is entirely equity-based. Our LTIP is structured to align our executives interests with stockholders and to emphasize the Compensation Committee s expectation that our executive officers should focus their efforts on growing our business while carefully managing capital.

The objectives of the LTIP are as follows:

- drive growth in stockholder value;
- reward key employees for demonstrated value creation;
- promote retention for key employees; and
- build equity ownership among the executive team.

We believe that, by providing our executives the opportunity to increase their ownership of our stock, the best interests of stockholders and executives will be better aligned and we will encourage long-term performance objectives.

To help further these objectives, our Compensation Committee considers the same financial and corporate performance objectives that we use for non-equity based compensation under our MIP in determining the LTIP award values. At the beginning of each calendar year, awards are granted following the Compensation Committee s evaluation of the achievement of the goals under our MIP. For the 2016 performance year, these LTIP targets were revenue of $196.0 million, adjusted EBITDA of $40.0 million and certain corporate performance objectives.

One-half of an award is granted in the form of a stock option award, based on the Black-Scholes value of the option at the time of grant, with a ten-year term and vesting at the rate of 25% per year commencing on December 31st and on each of the first, second and third anniversaries thereafter while the other half of the award is granted in the form of an RSU award, based on the closing stock price on the date of grant. The RSU award will vest in full on the third anniversary of the date of grant.

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Stock awards enable our executive officers to participate in any increase in stockholder value and personally participate in the risks of business setbacks. It is our belief that long-term incentives motivate and reward successful long-term value creation and the achievement of financial goals for us and our stockholders, as well as help us retain top executive talent.

All executive officers and other employees selected by our Compensation Committee are eligible to receive awards under the LTIP. The participants in the LTIP will receive awards based on each individual s target dollar value, which is determined by our Compensation Committee. For our NEOs, the individual LTIP target dollar values approved by our Compensation Committee for fiscal 2016 performance, expressed as a percentage of each person s base salary, were as follows:

NEO	Target %
Joseph H. Capper	200%
Heather C. Getz	75%
Daniel Wisniewski, Peter Ferola and Fred (Andy) Broadway III	50%

In 2016, our Compensation Committee awarded at 100% of target equity payout to executives under the LTIP based on 2015 results, with the exception of Mr. Broadway and certain other executive employees who were granted LTIP awards at 120% of target equity payout because of their individual contributions to our record sales in the fiscal year ended December 31, 2015. In 2017, our Compensation Committee awarded at 120% of target equity payout to executives under the LTIP based on 2016 results. Despite the increase in grant value, the number of shares and options received by executives in 2017 was reduced by more than 50% as the Company s share price more than doubled from $9.57 to $24.65.

LTIP Award Values

	2016 LTIP Payout (based on 2015 performance) 100% of Target Value(2) Grant date price of $9.57			2017 LTIP Payout (based on 2016 performance) 120% of Target Value Grant date price of $24.65		
	Value	Options	Shares	Value	Options	Shares
Joseph H. Capper	1,070,000	94,752	55,904	1,335,600	45,917	27,091
Heather C. Getz, CPA	253,575	22,455	13,248	310,500	10,675	6,298
Daniel Wisniewski	160,000	14,169	8,359	195,900	6,735	3,974
Peter Ferola	155,000	13,726	8,098	189,900	6,529	3,852
Fred (Andy) Broadway III	171,171	15,158	8,943	174,600	6,003	3,542

(1) The 2016 LTIP Payout values are reflected in the Summary Compensation Table appearing on page 33 of this proxy statement. The 2017 LTIP Payout values will be reported in the Summary Compensation Table of the proxy statement for the 2018 Annual Meeting of Stockholders.

(2) Mr. Broadway s 2016 LTIP Payout (based on 2015 performance) was granted at 120% of target value as a bonus due to our record sales in 2015.

Equity Award Grant Practices

In 2014, the Compensation Committee changed the structure of the LTIP program, effective for the 2015 and 2016 payouts, which allowed them to vary from target based on prior year performance, year over year performance and other factors. The Compensation Committee also eliminated the minimum grant requirement of 60% of target.

The Compensation Committee also delegates authority to our Chief Executive Officer to make a limited number of grants between meetings to employees at the vice president and director level in connection with the hiring or promotion of employees or for retention purposes.

Equity Plans

2008 Equity Incentive Plan

In 2008, our Board adopted the 2008 Equity Incentive Plan (the 2008 EIP). The 2008 EIP is available to all executive officers on the same basis as our other employees.

Our 2008 EIP authorizes us to grant stock options, stock appreciation rights, restricted stock, RSUs, performance stock awards, performance cash awards and other stock-based awards. All stock options granted to our employees and directors were granted with an exercise price that was no less than the fair market value of a share of our common stock on the date such options were granted. Prior to January 2009, all option grants typically vested over four years, with one quarter of the shares subject to the stock option vesting on the one year anniversary of the vesting commencement date, and the remaining shares vesting in equal monthly installments thereafter over three years. Beginning in January 2009, the Compensation Committee approved a new vesting schedule for all post-2009 grants, such that all new grants would vest in annual 25% increments over a four year period beginning with the first anniversary of the date of grant as opposed to monthly vesting. All options have a ten-year term (unless terminated earlier due to termination of service with us).

2008 Employee Stock Purchase Plan

In 2008, we adopted the 2008 Employee Stock Purchase Plan, which became effective on March 18, 2008, upon the closing of our initial public offering. The 2008 Employee Stock Purchase Plan is available to all executive officers on the same basis as our other employees.

Special Performance-Contingent Awards in 2014

In 2014, the Compensation Committee approved a special, one-time, performance-contingent equity award under the 2008 EIP to LTIP participants, including our NEOs, as follows:

NEO	Target Bonus (in Performance Shares)
Joseph H. Capper	123,272
Heather C. Getz	27,823
Daniel Wisniewski	18,433
Peter Ferola	18,433
Fred (Andy) Broadway III	14,228

Shares underlying this one-time performance award had the following vesting criteria:

- 50% of the shares underlying the award will be earned if our quarterly revenues exceed $66.0 million for two consecutive quarters at any time between the grant date and the end of the first quarter of 2017 (the First Hurdle);

- 50% of the shares underlying the award will be earned if our quarterly adjusted EBITDA exceeds $9.5 million for two consecutive quarters at any time between the grant date and the end of the first quarter of 2017 (the Second Hurdle); and

- Our net debt as of each quarter-end must be less than three times our annualized EBITDA (quarterly EBITDA multiplied by 4) in order for either goal to be earned in a particular quarter.

During 2016, the First Hurdle was met and the first 50% of the shares were earned and vested. Based on performance through January 2017, it was determined that, the Second Hurdle would not be met and the second 50% of the performance shares were forfeited.

Part 2 Compensation Framework

Applying our Compensation Philosophy

We believe our approach to goal setting, setting of targets with payouts at multiple levels of performance, and evaluation of performance results assist in mitigating excessive risk-taking that could harm our value or reward poor judgment by our executives. The features of these practices and programs also reflect sound risk management practices. We believe we have allocated our compensation among base salary and short and long-term compensation target opportunities in such a way as to not encourage excessive risk-taking. This is based on our belief that applying company-wide metrics encourages decision making that is in the best long-term interests of us and our stockholders. In addition, we believe that the mix of equity award instruments used under our LTIP, including both stock options and RSUs, in each case, that vest over multi-year periods also mitigates risk and properly accounts for the time horizon of risk.

We apply our compensation philosophy and objectives as follows:

Compensation Component	Objectives
Base Salary	Fair and competitive compensation to attract, retain and reward executive officers by providing a fixed level of cash compensation tied to experience, skills and capability relative to the market.
MIP Award	At-risk cash bonuses focus NEOs on annual results by rewarding them for achieving key budgeted financial and corporate performance targets.
	Links interests of NEOs with those of stockholders by promoting strong profitable growth.
	Helps retain NEOs by providing market-competitive compensation.
LTIP Award (RSUs and Stock Options)	At-risk long-term compensation aligns interests of NEOs with those of stockholders by linking compensation with financial and corporate performance.

Retains NEOs through multi-year RSU and stock option vesting.

Promotes a sensible balance of risk and reward, without encouraging unnecessary or unreasonable risk-taking.

Compensation Philosophy and Objectives

Our compensation philosophy is to provide competitive executive pay opportunities tied to our company success. This overriding pay-for-performance approach enables us to attract, motivate and retain the type of executive leadership that will help us achieve our strategic objectives and realize increased stockholder value. To reach these goals, we have adopted the following program objectives:

- Have a strong pay-for-performance element with a major portion of executive pay at risk based on achievement of financial and corporate performance goals.
- Support achievement of both operating performance and strategic corporate performance objectives.
- Link management compensation with the interests of stockholders.
- Be fair and market-competitive to assure access to needed talent and encourage retention.
- Provide compensation opportunities that are consistent with each executive s responsibilities, experience and performance.
- Promote retention of key employees.
- Design compensation incentive programs that promote a sensible risk/reward balance, and that do not encourage unnecessary or unreasonable risk-taking.

Competitive Positioning

In support of our compensation philosophy, we target executive officer compensation at the median values of a peer group of publicly traded companies in the medical products and services sector. Generally, the Compensation Committee s consultant conducts a market analysis every other year, with the most recent one being completed during the fall of 2016. The results of this analysis were used by the Compensation Committee in determining executive officer compensation for 2015 and 2016. As described more fully below, the market references are among many different factors considered by the Compensation Committee when setting executive officer compensation.

Given our size and diverse business portfolio, identifying peer companies using conventional criteria such as revenues and industry classification can be challenging. The Compensation Committee believes that using a peer group that includes companies with which we compete for business and capital, and more broadly, those with which we compete for talent, provides the Compensation Committee with decision-quality data and context, and is a reasonable representation of our labor market for executive talent. The Compensation Committee regularly evaluates and, if appropriate, updates the composition of the peer group.

The companies included in the 2014 study peer group were recommended by Willis Towers Watson and approved by the Compensation Committee. The 17 peer companies reflected the following criteria as of the most recent fiscal year completed at the time the study was completed(1):

	Revenue (mm)	**EBITDA (mm)**	**Employees**	**Market Cap (mm)**
High	$334.1	$52.3	1,300	$1,047
Median	$150.8	$19.7	511	$507.6
Low	$63.9	-$32.1	320	$58.6

(1) Revenue, EBITDA and Employees all were reported as of the most recent fiscal year completed at the time the study was conducted. Market capitalization values were calculated as of October 2014 using the most recent common shares outstanding reported and an average share price over the prior 200 days.

All peer companies in the 2014 study were classified to one of the following industries by Standard & Poor s: Healthcare Equipment, Healthcare Supplies, Healthcare Services or Life Sciences Tools and Services. In addition, the proposed peer group considered whether companies used us as a peer in market analyses of executive officer compensation.

The peer group companies in the 2014 study used as a reference when establishing officer compensation for 2015 and 2016 consisted of the following:

Peer Group

ABIOMED, INC.	Affymetrix, Inc.	Alphatec Holdings, Inc.	Angiodynamics, Inc.
Atricure, Inc.	ATRION Corp.	Cardiovascular Systems, Inc.	Cryolife, Inc.
Endologix, Inc.	Exactech, Inc.	Landaur, Inc.	LeMaitre Vascular, Inc.
Natus Medical, Inc.	PDI, Inc.	Quidel Corp.	The Spectranetics Corp.
Vascular Solutions, Inc.			

In the fall of 2016, Willis Towers Watson provided a new peer group study that was used in determining 2017 compensation. Following is the updated peer group:

Abaxis, Inc.*	Accuray, Inc.*	Angiodynamics, Inc.	Atricure, Inc.
Cardiovascular Systems, Inc.	Cutera, Inc.*	Cryolife, Inc.	Endologix, Inc.*
Exactech, Inc.	ICU Medical, Inc.	Meridian Biosciences	Natus Medical, Inc.
NXSTAGE Medical	Orasure Technologies, Inc.*	Quidel Corp.	The Spectranetics Corp.
Vascular Solutions, Inc.			

* New companies included in 2017 peer group.

Setting Compensation

The Compensation Committee annually reviews the total compensation of each executive officer i.e., cash compensation (salary and target MIP opportunity) and long-term equity compensation (target long-term equity value). The Compensation Committee, with input from Willis Towers Watson, then sets the executive s compensation target for the current year. Salary adjustments, if any, typically become effective in February of each year. In making its decisions, the Compensation Committee uses several resources and tools, including competitive market information and compensation trends within the peer group and the larger executive compensation environment.

To achieve its objectives for our executive compensation program, the Compensation Committee evaluates our executive compensation program with the goal of setting compensation at levels the Compensation Committee believes are competitive with those of other similarly situated companies that compete with us for executive talent and has engaged Willis Towers Watson to provide additional assurance that our executive compensation programs are reasonable and consistent with its objectives. Willis Towers Watson reports directly to the Compensation Committee, periodically participates in committee meetings, and advises the Compensation Committee with respect to compensation trends and best practices, plan design and the reasonableness of individual compensation awards. Although the Compensation Committee reviews the compensation practices of the companies in our peer group as described above, the Compensation Committee does not adhere to strict formulas or survey data to determine the mix of compensation elements. Instead, the Compensation Committee considers various factors in exercising its discretion to determine compensation, including the experience, responsibilities and performance of each of our executive officers, as well as our overall financial performance. Our Compensation Committee believes this flexibility is particularly important in designing compensation arrangements to attract and retain executives.

Evaluating Performance

Determinations about corporate performance are based on the achievement of certain corporate performance objectives. Individual performance against goals are more subjective and are based on the judgments made at the discretion of our Compensation Committee and our Board, with input from our Chief Executive Officer, except as it relates to his own compensation. For our executive officers, other than himself, our Chief Executive Officer evaluates the performance of the executive officers on an annual basis and makes recommendations to our Compensation Committee with respect to annual salary adjustments, bonuses and annual equity awards. These recommendations are reviewed by our Compensation Committee on an aggregated basis so that our Compensation Committee can evaluate the compensation paid to our executives on a total compensation basis. While our Compensation Committee reviews the recommendations of our Chief Executive Officer with respect to executive officers other than himself, our Compensation Committee exercises its own discretion in approving salary adjustments for the upcoming year and discretionary cash and equity awards for all executives and communicates its final approval to our Board.

Post-Employment Compensation Arrangements

Retirement Plans

Consistent with our compensation philosophy, we intend to continue to maintain broad-based retirement and welfare employee benefit programs for all of our employees, in which our NEOs are also eligible to participate. However, our Compensation Committee, in its discretion, may in the future revise, amend or add to the benefits of any executive officer if it deems it advisable. Effective January 1, 2014, our Compensation Committee approved a matching contribution under our 401(k) retirement plan of 100% on the first 3% of compensation deferred under the plan and 50% on the next 2% of compensation deferred under the plan (up to the applicable statutory limits under the Internal Revenue Code).

Termination Payments

The employment agreements for each of our NEOs provide for payments in the event that the executive is terminated by us without cause or by the executive for good reason, in each case, without regard to whether the termination occurs in the context of a change in control. With the exception of Mr. Capper, if the executive s employment is terminated by us without cause or by the executive for good reason in connection with a change in control, all of the executive s equity awards will immediately accelerate and become fully vested. All of Mr. Capper s equity awards will immediately accelerate and become fully vested upon a change in control without regard to a termination of employment (unless he is terminated for cause). Payments and benefits to Messrs. Capper, Wisniewski, Ferola and Broadway and Ms. Getz will be modified to avoid any excise tax under Section 409A of the Internal Revenue Code to the extent the modification would result in a greater net after tax benefit to the executive. We believe these severance and change in control benefits are an essential element of our overall executive compensation package. The severance and change in control benefits were also determined through comparison to companies in our peer group. See Estimated Payments Following Termination or Change in Control below for further information regarding the payments and benefits under the employment agreements.

We believe that our existing arrangements help executives remain focused on our business in the event of a threat or occurrence of a change-in-control and encourage them to act in the best interests of the stockholders in assessing a transaction.

We do not have any single trigger features on parachute payments in any employment agreements, with the exception of our Chief Executive Officer whose equity awards immediately accelerate and become fully vested upon a change in control. We also have not provided golden-parachute excise-tax gross-ups in any employment agreements offered to executives.

Other Compensation Policies

Personal Benefits

We provide our NEOs with other benefits that we believe are reasonable and competitive so that we may attract and retain talented senior executives. In total, they represent a small percentage of the NEOs overall compensation, and the Compensation Committee has reduced many of them in recent years. We do not provide perquisite gross-ups. These benefits are reflected in the All Other Compensation column of the Summary Compensation Table.

Share-Ownership Requirements

Share-ownership goals align executives with the interests of stockholders and encourage a long-term focus. All of our executive officers must retain shares acquired upon vesting or exercise if their ownership level is below the value equal to particular multiples of their base salary. The Compensation Committee established a goal of four-times base salary for the Chief Executive Officer, two-times base salary for the Chief Financial Officer and one-time base salary for all other executives. Executive officers must retain 100% of the shares (on a net, after-tax basis) acquired upon the exercise of options or vesting of restricted shares until the guideline is satisfied. All NEOs currently meet these guidelines.

Policy on Hedging and Speculative Trading

We prohibit directors, officers, employees and consultants from engaging in short sales, transactions in put or call options, hedging transactions or other inherently speculative transactions with respect to our stock at any time. In addition, we prohibit our officers, directors, employees and consultants from margining, or making any offer to margin, any of our stock, including without limitation, borrowing against such stock, at any time.

Clawback Policy

In the event of a material restatement of our financial results, we will review the incentive compensation that was paid or awarded, with respect to the period to which the restatement relates, to our current and former officers who engaged in fraud or other misconduct that resulted in the restatement. To the extent permitted by law and as the Compensation Committee in its sole discretion deems appropriate and in our best interests, we may seek the recoupment or forfeiture of any incentive-based compensation paid or awarded to the officer in excess of the amount that would have been paid or awarded to the officer under our restated financial statements.

Risk Considerations in Our Compensation Programs

The Compensation Committee considers potential risks when reviewing and approving compensation programs. We have designed our compensation programs, including our incentive compensation plans, with specific features to address potential risks while rewarding employees for achieving long-term financial and corporate performance objectives through prudent business judgment and appropriate risk taking. The following elements have been incorporated in our programs available for our executive officers:

- A Balanced Mix of Compensation Components The target compensation mix for our executive officers is composed of salary, annual cash incentives and long-term equity incentives, representing a mix that is not overly weighted toward short-term cash incentives.

- Multiple Performance Factors Our incentive compensation plans use company-wide metrics, which encourage focus on the achievement of objectives for our overall benefit.

- The MIP and LTIP awards are each dependent on multiple performance metrics including revenue and adjusted EBITDA, as well as corporate goals related to specific strategic or operational objectives.

- The LTIP awards are equity-based and have two components: (1) achievement of certain financial and corporate performance objectives and (2) time-based vesting. The RSUs vest on the third anniversary of the grant date and the stock options vest annually over a four-year period.

- We have a stock ownership and holding policy to better align the financial interests of our executives with those of our stockholders.

- We have adopted a clawback policy allowing us to recoup incentive compensation paid in the event of a material restatement of our financial statements.

Additionally, the Compensation Committee considered an assessment of compensation-related risks for all of our employees. Based on this assessment, the Compensation Committee concluded that our compensation programs do not create risks that are reasonably likely to have a material adverse effect on us. In making this evaluation, the Compensation Committee reviewed the key design elements of our compensation programs in relation to industry norms as well as the means by which any potential risks may be mitigated, such as through our internal controls and oversight by management and the Board.

Role of the Compensation Consultant and Executives

The Compensation Committee approves all compensation decisions for our NEOs, other than our Chief Executive Officer, whose base salary and incentive compensation are approved by the Board with a recommendation from the Compensation Committee.

Our Compensation Committee has the sole authority to retain or replace, as necessary, compensation consultants to provide it with independent advice. The Compensation Committee has engaged Willis Towers Watson as its independent compensation consultant to advise it on executive and non-employee director compensation matters. This selection was made without the input or influence of management.

During 2016, the consultant performed the following tasks for the Compensation Committee:

- Prepared competitive market data for the compensation of the executive officer group;

- Provided an evaluation of market/peer practices in the area of retirement and other benefits for all salaried employees;

- Updated the Compensation Committee on executive compensation trends and regulatory developments; and

- Provided input on compensation program design and philosophy, incentive-pay mix and peer group companies against which executive pay is benchmarked.

The consultant provides no services to us other than its advice to the Compensation Committee on executive and director compensation matters. The Compensation Committee determined Willis Towers Watson to be independent from us under the NASDAQ Listing Rules and SEC regulations.

Our Chief Executive Officer annually reviews the performance of each of the other executive officers, including the other NEOs. He then recommends annual merit salary adjustments and any changes in annual or long-term incentive opportunities for other executives. The Compensation Committee considers the Chief Executive Officer s recommendations in addition to data and recommendations presented by the consultant.

The Chief Executive Officer and other members of management also work with the Compensation Committee and consultant in determining the companies to be included in the peer group.

Compensation and Talent Development Committee Report

The Compensation and Talent Development Committee has reviewed and discussed with management the Compensation Discussion and Analysis. Based on its review and discussions with management, the Compensation and Talent Development Committee recommended to the Board, and the Board approved, the inclusion of the Compensation Discussion and Analysis in this proxy statement and incorporated by reference in our 2016 Annual Report.

Compensation and Talent Development Committee

Joseph A. Frick, Chairman
Rebecca W. Rimel
Colin Hill

Compensation Tables

The following tables, narrative and footnotes discuss the compensation of the NEOs during 2016, 2015 and 2014.

2016 Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Stock Awards ($)(1)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)(2)	All Other Compensation ($)(3)	Total ($)

Joseph H. Capper	2016	556,500	535,001	535,000	556,000	21,087	2,203,588
President and Chief Executive Officer	2015	535,000	1,283,997	804,383	535,000	21,361	3,179,741
	2014	535,000	535,000	539,226	454,750	—	2,063,976
Heather C. Getz	2016	345,000	126,783	126,788	207,000	21,359	826,930
Senior Vice President and Chief Financial Officer	2015	338,100	298,250	190,629	202,860	23,183	1,053,022
	2014	338,100	120,747	121,701	172,431	10,142	763,121
Daniel Wisniewski	2016	326,500	79,996	80,002	163,250	23.433	673.181
Senior Vice President, Operations	2015	320,000	192,001	120,279	160,000	20,758	813,038
	2014	320,000	80,003	80,630	136,000	7,799	624,432
Peter Ferola	2016	316,500	77,498	77,501	158,250	19,750	649,499
Senior Vice President and General Counsel	2015	310,000	178,500	116,524	155,000	23,324	783,348
	2014	310,000	70,004	70,554	131,750	9,167	591,475
Fred (Andy) Broadway III	2016	291,000	85,585	85,587	145,000	21,467	628,639
Senior Vice President, Sales and Marketing	2015	285,285	156,844	102,128	142,643	23,120	710,020
	2014	271,700	61,749	62,239	111,150	23,254	530,092

(1) The amounts in these columns do not reflect compensation actually received by the NEO nor do they reflect the actual value that will be recognized by the NEO. Instead the amounts reflect the aggregate grant date fair value of awards computed in accordance with FASB ASC Topic 718. For additional information on that valuation of assumptions regarding the RSU awards and the option awards, please refer to the tables below and to note 12 to our financial statements for the year ended December 31, 2016, which are included in our Annual Report on Form 10 K for the year ended December 31, 2016, filed with the SEC on February 22, 2017.

(2) The amounts reported in this column reflect compensation earned for 2016, 2015 and 2014 performance under our MIP. We make payments under this program in the first quarter of the fiscal year following the fiscal year in which they were earned after finalization of our audited statements.

(3) These amounts reflect our contributions to our 401(k) Plan and the amount of health, life and disability insurance premiums paid by us on behalf of each NEO.

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Stock Awards

Stock Awards Grant Date Fair Value (Target) 2014-2016

Name	2016 Performance-Contingent Stock Awards ($)	2016 RSU Awards ($)	2015 Performance-Contingent Stock Awards ($)	2015 RSU Awards ($)	2014 Performance-Contingent Stock Awards ($)	2014 RSU Awards ($)
Joseph H. Capper	—	535,001	535,000	748,997	—	535,000
Heather C. Getz	—	126,783	120,752	177,498	—	120,747
Daniel Wisniewski	—	79,996	79,999	112,002	—	80,003
Peter Ferola	—	77,498	70,000	108,500	—	70,004
Fred (Andy) Broadway III	—	85,585	61,750	95,094	—	61,749

The table below shows the maximum payout value for our performance shares made in 2014.

Performance-Contingent Stock Awards Grant Date Maximum Value 2014

Name	2014 ($)(1)(2)
Joseph H. Capper	1,070,000
Heather C. Getz	253,575
Daniel Wisniewski	160,000
Peter Ferola	155,000
Fred (Andy) Broadway III	171,171

(1) The amounts reflect the aggregate grant date fair value of awards computed in accordance with FASB ASC Topic 718. For additional information on that valuation of assumptions regarding performance-contingent stock awards, please refer to the tables below and to note 12 to our financial statements for the year ended December 31, 2016, which are included in our Annual Report on Form 10 K for the year ended December 31, 2016, filed with the SEC on February 22, 2017.

(2) Fifty percent of the Performance-Contingent Stock Awards were paid in the third quarter of 2016. The other fifty percent of the Performance-Contingent Stock Awards were forfeited.

Stock Based Compensation

We estimate the fair value of our share-based awards to employees and directors using the Black-Scholes option valuation model. The Black-Scholes option valuation model requires the use of certain subjective assumptions. The most significant of these assumptions are the estimates of the expected volatility of the market price of our stock and the expected term of the award. We base our estimates of expected volatility on the historical volatility of our stock price. The expected term represents the period of time that stock-based awards granted are expected to be outstanding. Other assumptions used in the Black-Scholes option valuation model include the risk-free interest rate and expected dividend yield. The risk-free interest rate for periods pertaining to the contractual life of each option is based on the U.S. Treasury yield of a similar duration in effect at the time of grant. We have never paid, and do not expect to pay, dividends in the foreseeable future. The fair value of our stock-based awards was estimated at the date of grant using the following assumptions:

	Year Ended December 31,		
	2016	**2015**	**2014**
Expected volatility	64.4%	66.5%	62.8%
Expected term (in years)	7.96	6.72	6.49
Weighted average risk-free interest rate	1.61%	1.68%	1.85%
Expected dividends	0.0%	0.0%	0.0%
Weighted average grant date fair value per option	$9.47	$6.58	$5.00
Weighted average grant date fair value per RSU	$11.06	$9.71	$8.43

Non-Equity Incentive Plan Compensation

The amounts in the Non-Equity Incentive Plan Compensation column are MIP awards made with respect to 2016 performance. MIP awards are paid in cash in the first quarter of the fiscal year following the fiscal year in which they were earned after finalization of our audited financial statements.

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All Other Compensation

The amounts in the All Other Compensation column consist of: contributions to our 401(k) Plan and the amount of health, life and disability benefits. There were no tax gross-ups paid in 2016.

2016 Grants of Plan-Based Awards Table

Stock options granted to our NEOs consist of a mixture of incentive stock options and nonqualified stock options. The exercise price per share of each stock option granted to our NEOs was equal to the fair market value of our common stock as determined in good faith by our Board on the date of the grant. All stock options were granted under our 2008 EIP. The following table provides information on stock options and RSUs granted to our NEOs in 2016.

			Estimated Potential Payouts Under Non-Equity Incentive Plan Awards						
Name	Award Type	Grant Date	Target ($)		Maximum ($)	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards (1) ($)
Joseph H. Capper	2016 MIP(2)		556,500		1,113,000				
	2016 LTIP(3)	2/15/16				55,904			535,001
	2016 LTIP(3)	2/15/16					94,752	9.57	535,000
Heather C. Getz	2016 MIP(2)		207,000		414,000				
	2016 LTIP(3)	2/15/16				13,248			126,783
	2016 LTIP(3)	2/15/16					22,255	9.57	126,788
Daniel Wisniewski	2016 MIP(2)		163,250		326,500				
	2016 LTIP(3)	2/15/16				8,359			79,996
	2016 LTIP(3)	2/15/16					14,169	9.57	80,002
Peter Ferola	2016 MIP(2)		158,250		316,570				
	2016 LTIP(3)	2/15/16				8,098			77,498
	2016 LTIP(3)	2/15/16					13,726	9.57	77,501

Fred (Andy) Broadway III	2016 MIP(2)		145,500		291,000				
	2016 LTIP(3)	2/15/16				8,943			85,585
	2016 LTIP(3)	2/15/16					15,158	9.57	85,587

(1) The amounts reflect the aggregate grant date fair value of awards computed in accordance with FASB ASC Topic 718. For additional information on that valuation of assumptions regarding the RSU awards and the option awards, please refer to the tables below and to note 12 to our financial statements for the year ended December 31, 2016, which are included in our Annual Report on Form 10 K for the year ended December 31, 2016, filed with the SEC on February 22, 2017.

(2) Amounts represent cash bonus opportunities provided to NEOs in 2016. The criteria used to determine the amount of the annual bonus payable to each executive is described under Compensation Discussion and Analysis Our Management Incentive Plan. These bonuses were ultimately earned at the target level, which is 100% of such individual s target bonus opportunity.

(3) 2016 LTIP amounts represent the actual number of payouts under our LTIP in 2016 for service performed in 2015, which are payable one-half in RSUs and one-half in stock options. The stock options vest at the rate of 25% per year commencing on December 31st and on each of the first, second and third anniversaries thereafter. The RSUs vest on the third anniversary of the date of grant.

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Outstanding Equity Awards at Year-End 2016

The following table contains information on the outstanding equity awards granted to our NEOs that remained outstanding as of December 31, 2016.

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested ($)(2)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(6)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(7)
Joseph H. Capper	—(4)	9,652	10.36	2/16/2025	—	—	—	—
	—(4)	7,862	8.68	2/14/2024	—	—	—	—
	—(4)	12,500	2.54	2/19/2023	—	—	—	—
	60,972(3)	—	6.56	6/15/2020	—	—	—	—
	4(4)	—	4.67	3/4/2021	—	—	—	—
	35,714(4)	—	2.80	2/21/2022	—	—	—	—
	39,370(4)	—	2.54	2/19/2023	—	—	—	—
	61,268(4)	51,618	10.36	2/16/2025	—	—	—	—
	439,028(3)	—	6.56	6/15/2020	—	—	—	—
	167,807(4)	—	2.54	2/19/2023	—	—	—	—
	277,518(4)	—	2.80	2/21/2022	—	—	—	—
	78,351(4)	18,255	8.68	2/14/2024	—	—	—	—
	37,500(4)	—	2.54	2/19/2023	—	—	—	—
	54,231(4)	—	4.67	3/4/2021	—	—	—	—
	—(4)	10,449	9.57	2/15/2026	—	—	—	—
	23,688(4)	60,615	9.57	2/15/2026	—	—	—	—
	—	—	—	—	—	—	61,636	1,377,565
	—	—	—	—	61,636	1,377,565	—	—
	—	—	—	—	61,636	1,377,565	—	—

	—		—	—	—	72,297	1,615,838	—	—
	—		—	—	—	55,904	1,249,454	—	—
Heather C. Getz	15,000	(4)	—	4.67	3/4/2021	—	—	—	—
	8	(3)	—	6.95	8/12/2019	—	—	—	—
	51,986	(4)	—	2.80	2/21/2022	—	—	—	—
	10,000	(3)	—	6.43	1/22/2020	—	—	—	—
	5,570	(3)	—	8.79	5/10/2020	—	—	—	—
	1,848	(4)	11,972	10.36	2/16/2025	—	—	—	—
	6,697	(4)	5,896	8.68	2/14/2024	—	—	—	—
	5,733	(5)	—	17.44	5/11/2019	—	—	—	—
	21,405	(4)	—	4.67	3/4/2021	—	—	—	—
	23,381	(4)	—	2.54	2/19/2023	—	—	—	—
	23,379	(4)	—	2.54	2/19/2023	—	—	—	—
	17,068	(5)	—	17.44	5/11/2019	—	—	—	—
	9,992	(3)	—	6.95	8/12/2019	—	—	—	—
	13,463	(4)	—	2.80	2/21/2022	—	—	—	—
	12,672	(4)	2,548	10.36	2/16/2025	—	—	—	—
	10,985	(4)	—	8.68	2/14/2024	—	—	—	—
	17,199	(5)	—	17.44	5/11/2019	—	—	—	—
	—	(4)	8,206	9.57	2/15/2026	—	—	—	—
	5,613	(4)	8,636	9.57	2/15/2026	—	—	—	—
	—		—	—	—	—	—	13,912	310,933
	—		—	—	—	13,911	310,911	—	—
	—		—	—	—	13,911	310,911	—	—
	—		—	—	—	17,133	382,923	—	—
	—		—	—	—	13,248	296,093	—	—
Daniel Wisniewski	11,714	(4)	—	2.80	2/21/2022	—	—	—	—
	15,490	(4)	—	2.54	2/19/2023	—	—	—	—
	7,810	(4)	3,906	8.68	2/14/2024	—	—	—	—
	5,797	(4)	9,163	10.36	2/16/2025	—	—	—	—

Name	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested ($)(2)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(6)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(7)
	94,336(3)	—	4.24	12/6/2020	—	—	—	—
	5,664(3)	—	4.24	12/6/2020	—	—	—	—
	3,905(4)	—	8.68	2/14/2024	—	—	—	—
	3,363(4)	—	10.36	2/16/2025	—	—	—	—
	15,490(4)	—	2.54	2/19/2023	—	—	—	—
	35,124(4)	—	2.80	2/21/2022	—	—	—	—
	—(4)	9,033	9.57	2/15/2026	—	—	—	—
	3,542(4)	1,594	9.57	2/15/2026	—	—	—	—
	—	—	—	—	—	—	9,217	206,000
	—	—	—	—	9,216	205,978	—	—
	—	—	—	—	9,217	206,000	—	—
	—	—	—	—	10,811	241,626	—	—
	—	—	—	—	8,359	186,824	—	—
Peter Ferola	6,782(4)	—	2.54	2/19/2023	—	—	—	—
	25,532(4)	—	2.80	2/21/2022	—	—	—	—
	4,437(4)	8,877	10.36	2/16/2025	—	—	—	—
	3,417(4)	3,418	8.68	2/14/2024	—	—	—	—
	75,000(3)	—	4.38	2/7/2021	—	—	—	—
	4,437(4)	—	10.36	2/16/2025	—	—	—	—
	6,834(4)	—	8.68	2/14/2024	—	—	—	—
	15,452(4)	—	2.80	2/21/2022	—	—	—	—
	3,325(4)	—	2.54	2/19/2023	—	—	—	—
	747(4)	9,409	9.57	2/15/2026	—	—	—	—
	2,684(4)	886	9.57	2/15/2026	—	—	—	—
	—	—	—	—	—	—	8,065	180,253
	—	—	—	—	8,064	180,230	—	—
	—	—	—	—	8,065	180,253	—	—
	—	—	—	—	10,473	234,072	—	—
	—	—	—	—	8,098	180,990	—	—
Fred (Andy) Broadway III	26,963(4)	—	2.80	2/21/2022	—	—	—	—

	30,000	(4)	—	4.67	3/4/2021	—	—	—	—
	4,347	(4)	12,127	10.36	2/16/2025	—	—	—	—
	8,346	(4)	3,016	8.68	2/14/2024	—	—	—	—
	10,000	(4)	—	6.95	8/12/2019	—	—	—	—
	21,396	(4)	—	2.54	2/19/2023	—	—	—	—
	4,158	(4)	—	8.79	5/10/2020	—	—	—	—
	9,238	(4)	—	4.67	3/4/2021	—	—	—	—
	6,027	(3)	—	16.59	6/29/2019	—	—	—	—
	33,973	(3)	—	16.59	6/29/2019	—	—	—	—
	3,431	(4)	—	10.36	2/16/2025	—	—	—	—
	696	(4)	—	8.68	2/14/2024	—	—	—	—
	2,516	(4)	—	2.54	2/19/2023	—	—	—	—
	1,918	(4)	11,083	9.57	2/15/2026	—	—	—	—
	1,871	(4)	286	9.57	2/15/2026	—	—	—	—
	—		—	—	—	—	—	7,114	158,998
	—		—	—	—	7,114	158,998	—	—
	—		—	—	—	7,114	158,998	—	—
	—		—	—	—	9,179	205,151	—	—
	—		—	—	—	8,943	199,876	—	—

(1) Unless otherwise noted herein, the RSUs will vest in full on the third anniversary of the grant date, subject to accelerated vesting upon certain terminations of employment following certain corporate transactions involving the Company. The shares of common stock underlying the RSUs will be issued when the RSUs vest.

(2) Value based on the closing stock price of a share of our common stock on December 30, 2016 ($22.35).

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(3) The options will vest in four equal annual installments commencing on the first anniversary of the date of the grant and expire if not exercised within ten years from the date of the grant.

(4) The shares will vest at the rate of 25% on December 31 and on each of the first, second and third anniversaries of the Vesting Commencement Date.

(5) These options were fully vested in December 2009.

(6) Represents performance shares awarded to NEOs in 2014 as a special, one-time, performance-contingent equity award under the 2008 EIP. The amounts reflect the aggregate grant date fair value of awards computed in accordance with FASB ASC Topic 718. For additional information on that valuation of assumptions regarding performance-contingent stock awards, please refer to the tables below and to note 12 to our financial statements for the year ended December 31, 2016, which are included in our Annual Report on Form 10 K for the year ended December 31, 2016, filed with the SEC on February 22, 2017. During 2016, the First Hurdle was met and the first 50% of the shares were earned and vested. Based on performance through January 2017, it was determined that, the Second Hurdle would not be met and the second 50% of the performance shares were forfeited.

(7) Value based on the closing stock price of a share of our common stock on December 30, 2016 ($22.35).

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2016 Option Exercises and Stock Vested Table

The following table provides information about the value realized by our NEOs on the vesting of stock awards and the exercise of stock options during 2016.

	Stock Awards		Performance Stock Awards		Options	
Name	Number of Shares Acquired on Vesting (1) (#)	Value Realized on Vesting (2) ($)	Number of Shares Acquired on Vesting (3) (#)	Value Realized on Vesting (4) ($)	Number of Options Exercised (5) (#)	Value Realized on Exercise ($)
Joseph H. Capper	126,378	1,469,776	61,636	970,151		
Heather C. Getz	28,524	331,734	13,912	218,975		
Daniel Wisniewski	18,898	219,784	9,217	145,076		
Peter Ferola	16,535	192,302	8,065	126,943	17,000	268,624
Fred (Andy) Broadway III	14,587	169,647	7,114	111,974		

(1) This column reflects RSUs that were awarded on February 19, 2013 and vested on February 19, 2016.

(2) The value of RSUs was determined by multiplying the number of vested RSUs by $11.63, the last reported closing price of our common stock on February 19, 2016, which was the vesting date.

(3) This column reflects PSUs that were awarded on February 14, 2014 and vested on May 2, 2016.

(4) The value of PSUs was determined by multiplying the number of vested PSUs by $15.74, the last reported closing price of our common stock on May 2, 2016, which was the vesting date.

(5) This column reflects stock options that were awarded on February 19, 2013 and exercised between September 2, 2016 and September 13, 2016.

2016 Pension Benefits

None of our NEOs participate in or have account balances in qualified or non-qualified defined benefit plans sponsored by us. Our Compensation Committee may elect to adopt qualified or non-qualified benefit plans in the future if it determines that doing so is in our best interests.

2016 Nonqualified Deferred Compensation

None of our NEOs participate in or have account balances in nonqualified defined contribution plans or other nonqualified deferred compensation plans maintained by us. Our Compensation Committee may elect to provide our officers and other employees with non-qualified defined contribution or other nonqualified deferred compensation benefits in the future if it determines that doing so is in our best interests.

Payments on Disability or Death

Disability

Each current NEO has long-term disability coverage, which is available to all eligible employees. The coverage provides for sixty percent of the eligible employee s base earnings, up to a maximum of $15,000 per month, beginning after ninety consecutive days of disability. None of our executive employment agreements provide any severance payments or benefits on account of the executive s disability. The executive would be entitled only to base salary and unused vacation benefits earned through the date of the executive s termination of employment and the amount of any vested benefits under our benefit plans. We will have no further obligations to the executive under the executive agreements, except as provided by law.

Death

Each NEO has group life insurance benefits that are available to all eligible employees. The benefit is equal to one times pay with a maximum limit of $300,000, plus any supplemental life insurance elected and paid for by the NEO. None of our executive employment agreements provide any severance payments or benefits on account of the executive s death. The executive s heirs would be entitled only to base salary and unused vacation benefits earned through the date of the executive s termination of employment and the amount of any vested benefits under our benefit plans. We will have no further obligations to the executive or his or her heirs under the executive agreements, except as provided by law.

Estimated Payments Following Termination

We have employment agreements with each of our NEOs (collectively, the Agreements) that entitle them to severance benefits on certain types of employment terminations.

Executive Employment Agreements

The Agreements provide each of our NEOs severance payments and benefits upon termination of employment by us without cause or by the executives for good reason. Mr. Capper is entitled to a cash severance payment equal to the sum of (i) two times his respective annual base salaries as of the last day of active employment and (ii) two times his on-target annual performance incentive bonus in effect at the time of termination. With the exception of Mr. Capper, the other NEOs are entitled to a cash severance payment equal to the sum of (i) one times their annual base salaries as of the last day of active employment and (ii) one times their on-target annual performance incentive bonus in effect at the time of his termination.

In addition, we will continue to provide to each of our NEOs continued participation in our medical, dental and vision plans at the same premium rates and cost sharing as may be charged from time to time for employees generally for a specified period of time. Specifically, Mr. Capper will receive continued coverage for twenty-four months following the applicable date of termination and the other executives will have continued coverage for twelve months following the applicable date of termination.

The foregoing severance payments and benefits payable upon termination of employment to each NEO are conditioned on the execution of a written waiver and release of claims. In addition, for all of our NEOs, such payments and benefits are consideration for the restrictive covenants set forth in the Agreements. Specifically, during the term of each executive s employment with us and during any period thereafter in which severance payments or benefits are paid, the executive may not compete with us (as defined in the Agreement).

The Agreements also provide each NEO (with the exception of Mr. Capper) with accelerated vesting of their equit