

ANGIODYNAMICS INC

Form 4

February 08, 2005

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Shea Paul J

(Last) (First) (Middle)

603 QUEENSBURY AVE.

(Street)

QUEENSBURY, NY 12804

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
ANGIODYNAMICS INC [ANGO]

3. Date of Earliest Transaction
(Month/Day/Year)
02/04/2005

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 _____ Other (specify
below) below)

VP - Sales

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	02/04/2005		M		4,100	A	\$ 4.3478	4,100	D
Common Stock	02/04/2005		S		4,100	D	\$ 20.3378	0	D
Common Stock	02/07/2005		M		7,282	A	\$ 4.3478	7,282	D
Common Stock	02/07/2005		M		6,591	A	\$ 4.3478	13,873	D
Common Stock	02/07/2005		S		3,873	D	\$ 20.75	10,000	D

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Common Stock 02/07/2005 S 10,000 D \$ 21.57 0 D

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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 4.3478	02/04/2005		M	4,100	12/30/2004 03/04/2007	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 4.3478	02/07/2005		M	7,282	12/30/2004 03/04/2007	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 4.3478	02/07/2005		M	6,591	12/30/2004 10/20/2007	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 13.18					07/20/2005 ⁽²⁾ 07/20/2014	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Shea Paul J 603 QUEENSBURY AVE. QUEENSBURY, NY 12804			VP - Sales	

Signatures

By: Ronald F. Lamy For: Paul J.
Shea

02/08/2005

__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) Exercise of common stock options - see column 2 for conversion price.

(2) Options for 25% of the shares are each exercisable on 7/20/05, 7/20/06, 7/20/07, 7/20/08, respectively.

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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Net cash used in financing activities of continuing operations

\$

(21,130

)

\$

(8,444

)

	September 30, 2016	December 31, 2015
Cash and cash equivalents	\$ 64,739	\$ 59,959
Unused and available funds under revolving credit facility	\$ 215,000	\$ 105,000

Operating Cash Flows

Cash provided by operating activities of continuing operations was \$34.7 million for the nine months ended September 30, 2016, versus \$25.5 million for the prior year. Cash provided by operating activities of continuing operations for the nine months ended September 30, 2016 increased from the prior year primarily due to the increase in income from continuing operations adjusted for depreciation and amortization, share-based compensation, gain on disposal of business, gain on sale of fixed assets, acquisition related costs recognized under earn-out agreements in

connection with acquisitions and, the dividend from equity method investment.

Cash provided by operating activities of continuing operations was positively impacted by an increase in our days payables outstanding which increased from 41 days at December 31, 2015 to 45 days at September 30, 2016 and by a decrease in inventories, excluding inventories from the Reach acquisition, as our inventory turnover ratio increased from 3.6 at December 31, 2015 to 3.8 at September 30, 2016. Cash provided by operating activities of continuing operations was negatively impacted by the higher amount of sales occurring later in the three months ended September 30, 2016 versus the three months ended December 31, 2015.

Cash provided by operating activities of continuing operations for the nine months ended October 2, 2015 was positively impacted by an increase in our days payables outstanding from 46 days at December 31, 2014 to 48 days at October 2, 2015. Cash provided by operating activities of continuing operations was negatively impacted by an increase in our days sales outstanding from 51 days at December 31, 2014 to 55 days at October 2, 2015 and an increase in inventories, excluding inventories sold as part of the

JK Lasers divestiture and inventories from the Applimotion acquisition. In addition, cash provided by operating activities of continuing operations was negatively impacted by the higher amount of sales occurring later in the three months ended October 2, 2015 versus the three months ended December 31, 2014.

Investing Cash Flows

Cash used in investing activities of our continuing operations was \$8.9 million during the nine months ended September 30, 2016, compared to cash provided of \$12.5 million during the nine months ended October 2, 2015. Cash used in investing activities for the nine months ended September 30, 2016 was primarily related to \$9.4 million cash consideration paid for the Reach acquisition in May 2016 and \$7.0 million in capital expenditures, partially offset by \$3.6 million in net cash consideration received from the sale of our Orlando, Florida facility in March 2016, \$3.4 million in net cash consideration received from the sale of our Chatsworth, California facility in August 2016, and \$0.4 million received from the finalization of the Lincoln Laser acquisition working capital adjustments. Cash provided by investing activities for the nine months ended October 2, 2015 was primarily due to cash proceeds of 29.6 million received from the sale of the JK Lasers business in April 2015, partially offset by cash consideration of \$13.0 million paid for the Applimotion acquisition in February 2015 and \$4.1 million in capital expenditures.

Cash provided by investing activities of discontinued operations for the nine months ended September 30, 2016 was primarily related to a \$1.5 million release of escrow related to our July 2014 Scientific Lasers divestiture.

We expect capital expenditures to be approximately \$8 million for the full year 2016.

Financing Cash Flows

Cash used in financing activities of continuing operations was \$21.1 million during the nine months ended September 30, 2016, consisting of \$5.6 million of contractual term loan payments, \$8.8 million of optional repayments of borrowings under our revolving credit facility, \$1.7 million of payroll withholding tax payments on stock-based compensation awards, \$1.6 million of repurchases of the Company's common stock, and \$0.9 million of capital lease payments. We also paid \$2.5 million for debt issuance costs as a result of the Second Amended and Restated Credit Agreement signed in May 2016.

Cash used in financing activities of continuing operations was \$8.4 million during the nine months ended October 2, 2015, consisting of \$5.6 million of contractual term loan payments, \$13.0 million of optional repayments of borrowings under our revolving credit facility and \$1.0 million of repurchases of the Company's common stock, partially offset by \$13.0 million of borrowings under our revolving credit facility to fund the Applimotion acquisition. The Company also made \$1.4 million of payroll withholding tax payments on stock-based compensation awards and \$0.4 million of capital lease payments.

Off-Balance Sheet Arrangements, Contractual Obligations

Contractual Obligations

Our contractual obligations primarily consist of the principal and interest associated with our debt, operating and capital leases, purchase commitments and pension obligations. Such contractual obligations are described in our Management's Discussion and Analysis of Financial Condition and Results of Operations and in the Notes to Consolidated Financial Statements, each included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015. In May 2016, we entered into the Second Amended and Restated Credit Agreement which provides an aggregate credit facility of \$300.0 million, consisting of a \$75.0 million 5-year term loan facility and a \$225.0 million 5-year revolving credit facility. The following table summarizes contractual obligations at September

30, 2016 related to the Second Amended and Restated Credit Agreement (in thousands):

		2016			
		(remainder			
Contractual Obligations	Total	of year)	2017-2018	2019-2020	Thereafter
Senior Credit Facilities (1)	\$83,125	1,875	15,000	15,000	51,250
Interest on Senior Credit Facilities (2)	7,910	540	3,871	3,067	432
Total	\$91,035	\$ 2,415	\$ 18,871	\$ 18,067	\$ 51,682

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- (1) As of September 30, 2016, a total of \$73.1 million of term loan debt and \$10.0 million of revolving credit facility borrowings were outstanding under the Senior Credit Facilities. The term loan is payable in 19 quarterly installments of \$1.9 million with the remaining amount due upon maturity in May 2021. The revolving credit facility is due upon maturity in May 2021.
- (2) For the purpose of this calculation, the effective interest rates as of September 30, 2016 have been applied to all future periods.

Off-Balance Sheet Arrangements

The Company has an equity method investment in Laser Quantum Ltd. (“Laser Quantum”), a privately held company located in the United Kingdom. The Company has an ownership interest of approximately 41% in the Laser Quantum business. We continue to recognize our share of the earnings of this entity under the equity method.

Through September 30, 2016, we have not entered into any other off-balance sheet arrangements or material transactions with any unconsolidated entities or other persons.

Critical Accounting Policies and Estimates

The critical accounting policies that we believe impact significant judgments and estimates used in the preparation of our consolidated financial statements presented in this periodic report on Form 10-Q are described in our Management’s Discussion and Analysis of Financial Condition and Results of Operations and in the Notes to Consolidated Financial Statements, each included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015. There have been no material changes to our critical accounting policies through September 30, 2016 from those discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Recent Accounting Pronouncements

See Note 1 to Consolidated Financial Statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our primary market risk exposures are foreign currency exchange rate fluctuations and interest rate sensitivity. During the three months ended September 30, 2016, there have been no material changes to the information included under Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk,” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Securities and Exchange Act of 1934 (the “Exchange Act”), our management carried out an evaluation, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) as of September 30, 2016, the end of the period covered by this report. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of September 30, 2016.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting that occurred during the fiscal quarter ended September 30, 2016 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting other than the migration of our Photonics segment's laser beam delivery product line to the Company's primary ERP system.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. The Company does not believe that the outcome of these claims will have a material adverse effect upon its financial condition or results of operations but there can be no assurance that any such claims, or any similar claims, would not have a material adverse effect upon its financial condition or results of operations.

Item 1A. Risk Factors

The Company's risk factors are described in Part I, Item 1A, "Risk Factors", of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015. Other than the risk mentioned below, there have been no other material changes in the risks affecting the Company since the filing of such Annual Report on Form 10-K.

The results of the United Kingdom's referendum on withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and our business, which could reduce the price of common shares.

We are a multinational company with worldwide operations, including business operations and investments in the United Kingdom and Europe. In June 2016, a majority of voters in the United Kingdom elected to withdraw from the European Union in a national referendum. The referendum was advisory, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the United Kingdom formally initiates a withdrawal process. Nevertheless, the referendum has created significant uncertainty about the future relationship between the United Kingdom and the European Union, and has given rise to calls for the governments of other European Union member states to consider withdrawal.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates and credit ratings may be especially subject to increased market volatility. Lack of clarity about future United Kingdom laws and regulations as the United Kingdom determines which European Union laws to replace or replicate in the event of a withdrawal could depress economic activity and restrict our access to capital. If the United Kingdom and the European Union are unable to negotiate acceptable withdrawal terms or if other European Union member states pursue withdrawal, barrier-free access between the United Kingdom and other European Union member states or among the European economic area overall could be diminished or eliminated. Any of these factors could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our common shares.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table sets forth certain information with respect to repurchases of the Company's common stock during the three months ended September 30, 2016.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾⁽²⁾	Approximate Dollar Value that May Yet Be Purchased under the Plans or Programs ⁽¹⁾
July 1 - July 29, 2016	18,670	\$ 15.16	18,670	\$ 6,215,062
July 30 - August 26, 2016	100	\$ 15.53	100	\$ 6,213,509
August 27 - September 30, 2016	—	\$ —	—	\$ 6,213,509
Total	18,770	\$ 15.16	18,770	

(1) In October 2013, the Company's Board of Directors authorized a share repurchase plan for the repurchase of up to an aggregate of \$10.0 million of the Company's common stock, which was announced in the quarterly report for the period ended September 27, 2013 filed on November 5, 2013. The shares may be repurchased from time to time, at the Company's discretion, based on ongoing assessment of the capital needs of the business, the market price of the Company's common stock, and general market conditions. No time limit was set for the completion of the share repurchase program, and the program may be suspended or discontinued at any time.

(2) The Company has repurchased 281,893 shares of its common stock pursuant to the share repurchase program since its adoption.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

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Item 6. Exhibits

List of Exhibits

See the Company's SEC filings on Edgar at: <http://www.sec.gov/> for all Exhibits.

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed/ Furnished Herewith
		Form	File No.	Exhibit	
3.1	Certificate and Articles of Continuance of the Registrant, dated March 22, 1999.	S-3333	180098	3.1	03/14/12
3.2	By-Laws of the Registrant, as amended	10-Q	000-25705	3.2	04/13/10
3.3	Articles of Reorganization of the Registrant, dated July 23, 2010.	8-K	000-25705	3.1	07/23/10
3.4	Articles of Amendment of the Registrant, dated December 29, 2010.	8-K	000-25705	3.1	12/29/10
3.5	Articles of Amendment of the Registrant, dated May 11, 2016.	8-K	001-35083	10.1	05/12/16
10.1	Employment Agreement, dated July 27, 2016, between				*

Novanta Inc.
and Matthijs
Glastra.

10.2	Letter Agreement, dated July 27, 2016, between Novanta Inc. and John Roush.	*
10.3	Amendment to Employment Agreement, dated July 27, 2016, between Novanta Inc. and Robert Buckley.	*
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	*
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	*
32.1	Chief Executive Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	**

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32.2	Chief Financial Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	**
101.INS	XBRL Instance Document.	*
101.SCH	XBRL Schema Document	*
101.CAL	XBRL Calculation Linkbase Document.	*
101.DEF	XBRL Definition Linkbase Document.	*
101.LAB	XBRL Labels Linkbase Document.	*
101.PRE	XBRL Presentation Linkbase Document.	*

* Filed herewith

** Furnished herewith

Attached as Exhibit 101 to this report are the following formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets at September 30, 2016 and December 31, 2015, (ii) Consolidated Statements of Operations for the three and nine months ended September 30, 2016 and October 2, 2015,

Explanation of Responses:

(iii) Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2016 and October 2, 2015, (iv) Consolidated Statements of Cash Flows for the nine months ended September 30, 2016 and October 2, 2015, and (v) Notes to Consolidated Financial Statements.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Novanta Inc. (Registrant)

Name	Title	Date
/s/ Matthijs Glastra	Director, Chief Executive Officer	November 2, 2016
Matthijs Glastra		
/s/ Robert J. Buckley	Chief Financial Officer	November 2, 2016
Robert J. Buckley		

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U.S.C. Section
1350, as
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