

ANGIODYNAMICS INC
Form DEF 14A
September 17, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

AngioDynamics, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(1) Amount Previously paid:

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(4) Date Filed:

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14 Plaza Drive

Latham, New York 12110

(518) 798-1215

September 17, 2014

Dear Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders of AngioDynamics, Inc. to be held on Tuesday, October 28, 2014 at 2:00 p.m., local time, at the W New York Hotel, 541 Lexington Avenue, New York, NY 10022.

At this year's Annual Meeting you will be asked to:

- (i) consider and vote upon a proposal to elect three Class II directors, each for a term of three years;
- (ii) consider and vote upon a proposal to ratify the appointment of AngioDynamics' independent registered public accountants for the fiscal year ending May 31, 2015;
- (iii) consider and vote upon a Say-on-Pay advisory vote on the approval of the compensation of AngioDynamics' named executive officers;
- (iv) consider and vote upon a proposal to amend the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 5,750,000 to 6,750,000;
- (v) consider and vote upon a proposal to amend the AngioDynamics, Inc. Employee Stock Purchase Plan to increase the total number of shares of common stock reserved for issuance under the plan from 1,200,000 to 2,000,000;
- (vi) consider and vote upon an amendment to AngioDynamics' Amended and Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 45,000,000 to 75,000,000; and
- (vii) transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

As we did last year, we are pleased to furnish proxy materials to our shareholders over the internet. Instead of mailing printed copies to each shareholder, we are mailing a Notice Regarding Internet Availability which contains instructions on how to access your proxy materials, how each shareholder can receive a paper copy of proxy materials, including this Proxy Statement, our annual report on Form 10-K for the fiscal year ended May 31, 2014 and a form of proxy card, and how to access your proxy card to vote through the internet or by telephone. We believe that this e-proxy process will expedite shareholders' receipt of proxy materials and lower the costs and reduce the environmental impact of our Annual Meeting.

The Board of Directors unanimously believes that the election of its nominees for directors, the ratification of the independent registered public accountants, the approval of the compensation of its named executive officers, the approval of the amendment to the AngioDynamics, Inc. 2004

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Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 5,750,000 to 6,750,000, the amendment to the AngioDynamics, Inc. Employee Stock Purchase Plan to increase the total number of shares of common stock reserved for issuance under the plan from 1,200,000 to 2,000,000, and the amendment to AngioDynamics Amended and Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 45,000,000 to 75,000,000, are in the best interests of AngioDynamics and its shareholders, and, accordingly, recommends a vote FOR each proposal.

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In addition to the business to be transacted as described above, management will address shareholders with respect to AngioDynamics developments over the past year and respond to comments and questions of general interest to shareholders.

Whether or not you plan to attend the Annual Meeting, your vote is important and we encourage you to vote promptly. You may vote your shares via a toll-free telephone number or over the internet. If you requested and received a paper copy of the proxy card by mail, you may sign, date and mail the proxy card in the envelope provided. Instructions regarding all three methods of voting are contained on the proxy card. Voting by proxy will ensure your shares are represented at the Annual Meeting. As a result of changes in applicable law, banks and brokers can no longer exercise discretionary voting in uncontested elections of directors. If you are not a shareholder of record, please follow the instructions provided by the shareholder of record (your bank or broker) so that your shares are voted at the meeting on all matters.

Sincerely,

Joseph M. DeVivo

Chief Executive Officer

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

September 17, 2014

The 2014 Annual Meeting of Shareholders of AngioDynamics, Inc. will be held at the W New York Hotel, 541 Lexington Avenue, New York, NY 10022, on Tuesday, October 28, 2014 at 2:00 p.m., local time, for the following purposes:

1. to vote upon a proposal to elect three Class II directors, each for a term of three years;
2. to ratify the appointment of PricewaterhouseCoopers LLP as AngioDynamics' independent registered public accounting firm for the fiscal year ending May 31, 2015;
3. to vote upon a Say-on-Pay advisory vote on the approval of the compensation of AngioDynamics' named executive officers;
4. to vote upon a proposal to amend the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 5,750,000 to 6,750,000;
5. to vote upon a proposal to amend the AngioDynamics, Inc. Employee Stock Purchase Plan to increase the total number of shares of common stock reserved for issuance under the plan from 1,200,000 to 2,000,000;
6. to vote upon an amendment to AngioDynamics' Amended and Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 45,000,000 to 75,000,000; and
7. to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Only shareholders who held shares at the close of business on Tuesday, September 2, 2014, are entitled to notice of and to vote at the meeting or any adjournments or postponements thereof. Directions to the Annual Meeting can be found at www.Wnewyork.com.

It is important that your shares be represented and voted at the meeting. You can vote your shares by completing and returning your proxy card or by voting on the internet or by telephone. Please see the instructions below under the heading **How do I vote my shares without attending the meeting?**

The Annual Meeting for which this notice is given may be adjourned from time to time without further notice other than announcement at the meeting or any adjournment thereof. Any business for which notice is hereby given may be transacted at any such adjourned meeting.

By Order of the Board of Directors,

Stephen A. Trowbridge, Senior Vice President, General Counsel and Assistant Secretary

Latham, New York

Important Notice Regarding the Availability of Proxy Materials

for the Annual Meeting to be Held on October 28, 2014.

Our Proxy Statement for the 2014 Annual Meeting of Shareholders, the proxy card, and annual report on Form 10-K for our fiscal year ended May 31, 2014 are available on the following website: www.proxyvote.com. To view materials via the internet, please follow the instructions set forth on the Notice Regarding Internet Availability mailed to all shareholders of record on or about September 17, 2014.

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ANGIODYNAMICS, INC.

14 Plaza Drive

Latham, New York 12110

PROXY STATEMENT

FOR

ANNUAL MEETING OF SHAREHOLDERS

OF ANGIODYNAMICS, INC.

October 28, 2014

INTRODUCTION

We are furnishing this proxy statement to the shareholders of AngioDynamics, Inc. in connection with the solicitation by our Board of Directors of proxies to be voted at our 2014 Annual Meeting of Shareholders referred to in the attached notice and at any adjournments of that meeting (the Annual Meeting). The Annual Meeting will be held at the W New York Hotel, 541 Lexington Avenue, New York, NY 10022, on Tuesday, October 28, 2014 at 2:00 p.m., local time, or at any adjournment or postponement thereof. We expect to mail this proxy statement and the accompanying proxy card or voting instruction form beginning on September 17, 2014 to each shareholder entitled to vote at the Annual Meeting.

When used in this proxy statement, the terms we, us, our, the Company and AngioDynamics refer to AngioDynamics, Inc. The terms Board, Directors and Board refer to the Board of Directors of AngioDynamics, Inc. Our principal executive offices are located at 14 Plaza Drive, Latham, New York 12110.

GENERAL INFORMATION ABOUT THE MEETING AND VOTING

What am I voting on?

At the Annual Meeting, we will ask holders of our common stock to consider and vote upon the following items:

1. Election of Directors

The election of three directors, namely, Joseph M. DeVivo, Howard W. Donnelly and Sriram Venkataraman. If elected, these Class II directors will each serve until the 2017 Annual Meeting of Shareholders and until their respective successors are duly elected and qualified.

2. Ratification of Appointment of Independent Registered Public Accounting Firm

Ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending May 31, 2015.

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3. Advisory Vote on the Compensation of our Named Executive Officers

A Say-on-Pay advisory vote on the approval of the compensation of our named executive officers.

4. Amendment to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan

Approval of an amendment to AngioDynamics 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 5,750,000 shares to 6,750,000 shares.

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5. Amendment to the AngioDynamics, Inc. Employee Stock Purchase Plan

Approval of an amendment to the AngioDynamics, Inc. Employee Stock Purchase Plan to increase the total number of shares of common stock reserved for issuance under the plan from 1,200,000 shares to 2,000,000 shares.

6. Amendment to AngioDynamics Amended and Restated Charter

Approval of an amendment an amendment to AngioDynamics Amended and Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 45,000,000 to 75,000,000.

How can I receive proxy materials?

Under rules adopted by the U.S. Securities and Exchange Commission (the SEC), we are furnishing proxy materials to our shareholders primarily via the internet, instead of mailing printed copies of proxy materials to each shareholder. On or about September 17, 2014, we began mailing to our shareholders a Notice of Internet Availability of Proxy Materials (sometimes referred to herein as the Notice) containing instructions on how to access this proxy statement, the accompanying notice of Annual Meeting and our annual report for the fiscal year ended May 31, 2014 online. If you received the Notice by mail, you will not automatically receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access and review all of the important information contained in the proxy materials. The Notice also instructs you on how you may submit your proxy via the internet.

Finally, you can receive a copy of our proxy materials by following the instructions contained in the notice regarding how you may request to receive your materials electronically or in printed form on a one-time or ongoing basis. Requests for printed copies of the proxy materials can be made through the internet at <http://www.proxyvote.com>, by telephone at 1-800-579-1639 or by e-mail at sendmaterial@proxyvote.com by sending a blank e-mail with your control number in the subject line.

Who is entitled to vote?

Shareholders of record at the close of business on September 2, 2014, the record date for the Annual Meeting, are entitled to receive this proxy statement and to vote at the meeting and at any adjournment or postponement thereof. As of the close of business on the record date, there were 35,583,917 outstanding shares of our common stock entitled to notice of, and to vote at, the Annual Meeting. Holders of our common stock have one vote per share on each matter to be acted upon. A list of the shareholders of record entitled to vote at the Annual Meeting will be available at the Annual Meeting and for 10 days prior to the Annual Meeting, for any purpose germane to the meeting, between the hours of 9:00 a.m. and 4:30 p.m. at our principal executive offices at 14 Plaza Drive, Latham, New York 12110, by contacting our General Counsel.

How do I vote my shares without attending the meeting?

If you are a shareholder of record, you may vote by granting a proxy. For shares held in street name, you may vote by submitting voting instructions to your broker or nominee. In most circumstances, you may vote:

By Internet or Telephone If you have internet or telephone access, you may submit your proxy by following the voting instructions in the Notice of Annual Meeting no later than 11:59 p.m., New York City Time, on October 27, 2014. If you vote by internet or telephone, you need not return your proxy card.

By Mail If you received a paper copy of this proxy statement, you may vote by mail by signing, dating and mailing your proxy card in the envelope provided. You should sign your name exactly as it appears on the proxy card. If you are signing in a representative capacity (for example, as guardian, executor, trustee, custodian, or attorney or an officer of a corporation), you should indicate your name and title or capacity.

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How do I vote my shares in person at the meeting?

If you are a shareholder of record and prefer to vote your shares at the meeting, bring the accompanying proxy card (if you received a paper copy of the proxy statement) and proof of identification. You may vote shares held in street name only if you obtain a legal proxy from the record holder (bank, broker or other nominee) giving you the right to vote the shares.

Even if you plan to attend the meeting in person, we encourage you to vote in advance by internet, telephone or mail so that your vote will be counted in the event you are unable to attend.

How do I gain admission to the meeting?

If you wish to attend the Annual Meeting and you are a record holder, you must bring valid state or federal identification or a passport to register before entering the meeting. All invited guests will need valid identification in order to enter the meeting. If you hold shares through an intermediary, such as a bank, broker, trustee or other nominee, and you plan to attend the Annual Meeting, you must bring proof of share ownership, such as a recent bank or brokerage firm account statement or a letter from the bank, broker, trustee or other nominee holding your shares, confirming your ownership in order to gain entrance to the meeting.

What does it mean if I receive more than one proxy card or Notice?

If you receive more than one proxy card or Notice, it generally means that you hold shares registered in more than one account. If you received a paper copy of this proxy statement and you vote by mail, you should sign and return each proxy card. Alternatively, if you vote by internet or telephone, you should vote once for each proxy card and/or Notice you receive. If you have received more than one Notice, you should vote once for each Notice that you receive.

May I change my vote?

Yes. Whether you have voted by mail, internet or telephone, you may change your vote and revoke your proxy, prior to the Annual Meeting, by:

Sending a written statement to that effect to AngioDynamics Senior Vice President and General Counsel;

Voting by internet or telephone at a later time;

Submitting a properly signed proxy card with a later date; or

Voting in person at the Annual Meeting and by filing a written notice of termination of the prior appointment of a proxy with AngioDynamics, or by filing a new written appointment of a proxy with AngioDynamics (unless you are a beneficial owner without a legal proxy, as described below).

Please note, however, that if a shareholder's shares are held of record by a bank, broker, trustee or other nominee and that shareholder wishes to vote at the Annual Meeting, the shareholder must bring to the Annual Meeting a letter or legal proxy from the bank, broker, trustee or other nominee, confirming the shareholder's beneficial ownership of the shares.

What constitutes a quorum?

A majority of the outstanding shares of common stock present in person or by proxy is required to constitute a quorum at the Annual Meeting. For purposes of determining the presence of a quorum for transacting business at the Annual Meeting, abstentions and broker non-votes (proxies from banks, brokers or nominees indicating that such persons have not received instructions from the beneficial owner or other persons entitled to vote shares on a particular matter with respect to which the banks, brokers or nominees do not have discretionary power) will be treated as shares that are present.

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How does the Board recommend that I vote?

The Board of Directors recommends that you vote your shares:

FOR the election as directors of the persons who have been nominated by the Board of Directors;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as AngioDynamics independent registered public accounting firm for the fiscal year ending May 31, 2015;

FOR the approval of the compensation of our named executive officers;

FOR the approval of the amendment to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 5,750,000 to 6,750,000;

FOR the approval of the amendment to the AngioDynamics, Inc. Employee Stock Purchase Plan to increase the total number of shares of common stock reserved for issuance under the plan from 1,200,000 to 2,000,000;

FOR the approval of the amendment to AngioDynamics Amended and Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 45,000,000 to 75,000,000; and

with respect to any other matter that may properly be brought before the Annual Meeting, in accordance with the judgment of the person or persons voting. We do not expect that any matter other than as described in this proxy statement will be brought before the Annual Meeting.

What happens if I do not give specific voting instructions?

Shareholders of Record. If you are a shareholder of record and you indicate when voting over the internet or by telephone that you wish to vote as recommended by the Board, or sign and return a proxy card without giving specific voting instructions, then the persons named as proxies will vote your shares in the manner recommended by the Board of Directors on all matters presented in this proxy statement and as the persons named as proxies may determine in their discretion with respect to any other matters properly presented for a vote at the Annual Meeting.

Street Name Holders. If you hold your shares in street name (that is, through a bank, broker, trustee or other nominee) and do not provide specific voting instructions, then, under the rules of The Nasdaq Stock Market, the bank, broker, trustee or other nominee may generally vote on routine matters but cannot vote on non-routine matters. If you do not provide voting instructions on non-routine matters, your shares will not be voted by your bank, broker or other nominee. As a result, your bank, broker, trustee or other nominee may not vote your shares without receipt of a voting instruction form with respect to Proposal 1 and 3 through 6 because each proposal is a non-routine matter, but may vote your shares without your instructions with respect to Proposal 2 (ratification of appointment of independent registered public accounting firm) because this matter is considered routine.

What is the voting requirement to approve each proposal?

Under Delaware law and AngioDynamics Amended and Restated Certificate of Incorporation and By-Laws, if a quorum exists at the meeting, the affirmative vote of a plurality of the votes cast at the meeting is required for the election of directors (Proposal 1). A properly executed proxy marked withhold authority with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum.

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For the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending May 31, 2015 (Proposal 2), the approval of the amendment to the

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AngioDynamics, Inc. 2004 Stock and Incentive Award Plan (Proposal 4), and the approval of the amendment to the AngioDynamics, Inc. Employee Stock Purchase Plan (Proposal 5), the affirmative vote of the holders of a majority of the shares represented in person or by proxy and entitled to vote on the item will be required for approval of such proposal.

For the Say-on-Pay advisory vote (Proposal 3), the affirmative vote of the holders of a majority of the shares represented in person or by proxy and entitled to vote on the item will reflect the advice of the shareholders. The approval, on an advisory basis, of the compensation paid to our named executive officers, also known as a say on pay vote, is an advisory vote mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act. This means that while we ask shareholders to approve the compensation paid to our named executive officers, it is not an action that requires shareholder approval, and shareholders are not voting to approve or disapprove the Board's recommendation with respect to this proposal. This advisory vote is non-binding on the Board, although the Board and the Compensation Committee welcome the input of shareholders on the Company's compensation policies and will take the advisory vote into account in making determinations concerning executive compensation.

For the approval of the amendment to the Company's Amended and Restated Certificate of Incorporation (Proposal 6), the affirmative vote of the holders of a majority of our issued and outstanding shares of common stock will be required for approval.

A properly executed proxy marked Abstain with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention will have the effect of a negative vote on all proposals other than the election of directors.

What is a broker non-vote?

If you hold your shares in street name and do not provide voting instructions to your broker, your shares will not be voted on any proposal for which your broker does not have or does not exercise discretionary authority to vote (a broker non-vote). Shares constituting broker non-votes are not counted or deemed to be present in person or by proxy for the purpose of voting on a non-routine matter at the Annual Meeting and, therefore, will not be counted for the purpose of determining whether shareholders have approved the election of directors in Proposal 1, the Say-on-Pay advisory vote in Proposal 3, the amendment to the AngioDynamics, Inc. 2004 Stock and Incentive Award Plan in Proposal 4, and the amendment to the AngioDynamics, Inc. Employee Stock Purchase Plan in Proposal 5, because such proposals are considered non-routine matters. A broker non-vote will have the same effect as a vote against the amendment to the Amended and Restated Certificate of Incorporation in Proposal 6. If you do not provide voting instructions to your broker, your broker only will have discretion to vote your shares on Proposal 2, because the ratification of the appointment of the independent registered public accounting firm is considered a routine matter. Broker non-votes are counted as present for the purpose of determining a quorum at the Annual Meeting.

How can I find voting results of the Annual Meeting?

We will announce preliminary voting results at the Annual Meeting and, within four business days following the date of the Annual Meeting, we will file a Current Report on Form 8-K with the SEC indicating final voting results.

Who bears the cost of soliciting proxies?

The cost of solicitation of proxies being solicited on behalf of the Board of Directors will be borne by us. In addition to the use of the mail and the internet, proxy solicitation may be made by telephone, facsimile and personal interview by our officers, directors and employees.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Our Board of Directors currently consists of nine directors. There is one vacancy on our board that was created when Mr. Vincent A. Bucci retired from our board in March 2014. The board is classified into three classes, each of which has a staggered three-year term. At the Annual Meeting, our shareholders will be asked to elect three Class II directors, namely, Joseph M. DeVivo, Howard W. Donnelly and Sriram Venkataraman. If elected, Messrs. DeVivo, Donnelly and Venkataraman will hold office until the Annual Meeting of Shareholders to be held in 2017 and until their successors are duly elected and qualified. The Class I directors and Class III directors will continue in office during the terms indicated below. Unless otherwise specified, all proxies received will be voted in favor of the election of the nominees named below as directors of AngioDynamics. Directors will be elected by a plurality of the votes cast, in person or by proxy, at the Annual Meeting.

The current term of each of Joseph M. DeVivo, Howard W. Donnelly and Sriram Venkataraman expires at the 2014 Annual Meeting and when his respective successor is duly elected and qualified. Each of Messrs. DeVivo, Donnelly and Venkataraman has consented to be named as a nominee and, if elected, to serve as a director. Management has no reason to believe that any of the nominees will be unable or unwilling to serve as a director if elected. Should any of the nominees not remain a candidate for election at the date of the Annual Meeting, proxies will be voted in favor of the nominees who remain candidates and may be voted for substitute nominees selected by the Board of Directors.

Set forth below are the names, principal occupations and director positions on public companies, in each case, for the past five years, ages of the directors and nominees, and information relating to other positions held by them with us and other companies. Additionally, there is a brief discussion of each director's and nominee's experience, qualifications, attributes or skills that led to the conclusion that such person should serve as a director. There are no family relationships between or among any of the directors, executive officers and nominees for director.

Nominees to serve as Class II Directors (Term expiring at the 2017 Annual Meeting):

Joseph M. DeVivo, age 47, was appointed President and Chief Executive Officer on August 15, 2011, effective September 7, 2011. Prior to his appointment as President and Chief Executive Officer, Mr. DeVivo served as Global President of Smith & Nephew Orthopedics, a provider of medical devices operating in the orthopedics, endoscopy and advanced wound management markets, from June 2007 to August 2011. From August 2003 until its acquisition by AngioDynamics in January 2007, Mr. DeVivo served as President and Chief Executive Officer of RITA Medical Systems, Inc., a provider of medical oncology devices. Mr. DeVivo served as President, Chief Operating Officer and Director of Computer Motion Incorporation (CMI), a medical robotics company, from August 2002 to July 2003, and as Vice President and General Manager of a division of Tyco International's Healthcare Business, U.S. Surgical/Davis and Geck Sutures, from May 1993 to August 2002. Mr. DeVivo earned his Bachelor of Science degree in Business Administration from the E. Clairborne Robins School of Business at the University of Richmond in 1989.

Through his position as our CEO and his tenures at RITA Medical Systems and Smith & Nephew, Mr. DeVivo brings leadership, extensive business experience and extensive knowledge of the medical device industry to the Board. In addition, Mr. DeVivo brings his strategic vision for our company to the Board. Mr. DeVivo's service as a Director and CEO of AngioDynamics creates a critical link between management and the Board, enabling the board to perform its oversight function with the benefits of management's perspectives on the business.

Howard W. Donnelly, age 53, joined our Board of Directors in March of 2004 and was named Chairman in April 2014. Since 2005, Mr. Donnelly has been President of Concert Medical LLC, a manufacturer of

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interventional medical devices. In addition in 2010, Mr. Donnelly became President and CEO of HydroCision Inc, a company focused on spine surgery and the pain management market. From 2002 to 2008, Mr. Donnelly was a director and member of the audit, compensation and nominating and governance committees of Vital Signs, Inc. From 1999 to 2002, he was President of Level 1, Inc., a medical device manufacturer and subsidiary of Smiths Group. From 1990 to 1999, Mr. Donnelly was employed at Pfizer, Inc., with his last position as Vice President, Business Planning and Development for Pfizer's Medical Technology Group from 1997 to 1999. Mr. Donnelly holds a B.S. and an M.B.A. from Bryant College. Prior to becoming our Chairman, Mr. Donnelly was chairman of our Licensing and Acquisition Committee and a member of the Audit Committee.

Mr. Donnelly brings extensive industry experience as a result of his tenures at Pfizer, Level 1, Concert Medical and HydroCision. Mr. Donnelly provides the board with valuable business, leadership and management insight, particularly in the areas of manufacturing and business combinations.

Sriram Venkataraman, age 42, joined our Board on May 22, 2012, in connection with our acquisition of Navilyst. Mr. Venkataraman is a Partner of Avista Capital Partners, having joined in May 2007. Prior to joining Avista, Mr. Venkataraman was a Vice President in the Healthcare Investment Banking group at Credit Suisse Group AG from 2001 to 2007. Previously, he worked at GE Healthcare (formerly known as GE Medical Systems) from 1996 to 1999. Mr. Venkataraman holds a Master of Science in Electrical Engineering from the University of Illinois, Urbana-Champaign and a Master of Business Administration with Honors from The Wharton School. He currently serves as a Director of Lantheus Holdings Inc., Vertical/Trigen Holdings, LLC, OptiNose Inc. and Zest Anchors.

Mr. Venkataraman's experience in the healthcare industry, his strong finance and management background and his extensive experience in investment banking and private equity finance, with a focus particularly on the healthcare industry, provides the board with valuable business, strategic and management experience.

Recommendation of the Board of Directors

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE NOMINEES.

Other Directors

The following Class I and Class III directors will continue on the Board of Directors for the terms indicated:

Class III Directors (Term expiring at the 2015 Annual Meeting):

David Burgstahler, age 46, joined our board on May 22, 2012 in connection with our acquisition of Navilyst. Mr. Burgstahler is a founding partner of Avista Capital Partners since 2005 and since 2009, has been President of Avista. Prior to forming Avista, he was a partner of DLJ Merchant Banking Partners. He was at DLJ Investment Banking from 1995 to 1997 and at DLJ Merchant Banking Partners from 1997 through 2005. Prior to that, he worked at Andersen Consulting (now known as Accenture) and McDonnell Douglas (now known as Boeing). He holds a Bachelor of Science in Aerospace Engineering from the University of Kansas and a Master of Business Administration from Harvard Business School. Mr. Burgstahler currently serves as a Director of Armored AutoGroup Inc., ConvaTec Inc., INC Research Holdings, Inc., Lantheus Holdings Inc., Strategic Partners, Inc., Vertical/Trigen Holdings, LLC, Visant Corporation and WideOpenWest, LLC. He previously served as a Director of BioReliance Holdings, Inc. and Warner Chilcott plc. During our fiscal year ended May 31, 2014, Mr. Burgstahler was a member of the Licensing and Acquisition Committee.

Mr. Burgstahler's strong finance and management background, with over 17 years in banking and private equity finance and extensive experience serving as a director for a diverse group of private and public companies, provides valuable business, corporate governance and financial expertise to our Board.

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Wesley E. Johnson, Jr., age 56, joined our Board in January 2007. Since February 2013, Mr. Johnson has been Chief Executive Officer and Director of Admittance Technologies, Inc., a medical device company. Mr. Johnson is also a director of Minimus Spine, Inc., a private medical device company. From 2003 to 2007, Mr. Johnson served as a member of the board of RITA Medical Systems, Inc. From February 2008 to May 2012, Mr. Johnson served as President, CEO and director of Cardiokinetix, Inc., a developer of medical devices for the treatment of congestive heart failure. From October 2005 to February 2008, Mr. Johnson served as General Manager of Abbott Spine, S.A., a division of Abbott Laboratories. From June 2003 to October 2005, Mr. Johnson served as Division Vice President, Finance for Abbott Spine. From May 1999 to June 2003, he served as Vice President of Operations and Chief Financial Officer for Spinal Concepts. Mr. Johnson holds a B.B.A. in Accounting from Texas A&M University and became a certified public accountant in 1981. Mr. Johnson is a member of our Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee.

Mr. Johnson's service as CFO for Spinal Concepts, General Manager of Abbott Spine and CEO of Cardiokinetix provides valuable business, leadership and management experience, particularly with respect to the numerous financial, business and strategic issues faced by a diversified medical device company.

Steven R. LaPorte, age 64, joined our Board in January 2007. From 2005 to 2007, Mr. LaPorte served as a member of the board of RITA Medical Systems, Inc. Mr. LaPorte is a partner at ONSET Ventures and currently serves as a member of the boards of Valeritas Inc., Neuro Access Technologies, Cardiosolv, and Biocontrol Ltd. (United Kingdom). Mr. LaPorte also served as the Chief Technology Officer for Intellect Medical until its acquisition by Boston Scientific in January 2011. From 1978 until his retirement in 2005, Mr. LaPorte worked for Medtronic Inc. Mr. LaPorte served in various executive positions in Medtronic's Cardiac Rhythm Management and Neurological Divisions, as well as in Corporate Headquarters. Mr. LaPorte holds a B.S. from the University of Wisconsin Stevens Point and an MBA from the University of Minnesota. Mr. LaPorte is the chairman of our Nominating and Corporate Governance Committee and a member of our Compensation Committee.

Mr. LaPorte's service with Medtronic and as CTO of Intellect Medical provides valuable business, leadership and management experience with respect to the issues facing a diversified medical device company. In addition, Mr. LaPorte's experience as a Venture Partner for Onset Ventures provides insight into emerging technologies and strategic directions in the healthcare industry.

Class I Directors (Term expiring at the 2016 Annual Meeting):

Jeffrey G. Gold, age 66, has served as a director since 1997. Since April 2014, Mr. Gold has been President and COO of Myoscience, Inc., a privately-held medical device company focusing on Focused Cold Therapy™ for the treatment of peripheral nerve conditions. From January 2, 2012 to April 2014, Mr. Gold was CEO at Velomedix, Inc., a medical device company focused on therapeutic hypothermia for patients experiencing heart attack, stroke or cardiac arrest. Prior to January 2, 2012, Mr. Gold was a Venture Partner for Longitude Capital, a healthcare venture capital fund from January 1, 2007 through December 31, 2011. Mr. Gold was President and CEO of CryoVascular Systems, a peripheral vascular disease device company, from 2001 through its sale to Boston Scientific in 2005. From 1997 to 2000, he was Executive Vice President and Chief Operating Officer of Cardio Thoracic Systems, Inc., a company engaged in the development and introduction of devices for beating-heart coronary bypass surgery. Prior to that, Mr. Gold spent 18 years with Cordis Corporation in a variety of senior management roles including Vice President of Manufacturing and Vice President of Research and Development, and was a co-founder and President of Cordis Endovascular Systems, a subsidiary engaged in the interventional neuroradiology business. At Cordis, Mr. Gold also had responsibility for its peripheral vascular business. He serves on the board of directors of several start-up medical device companies and is a member of the Executive Committee for the Center for Entrepreneurship and Innovation at the University of Florida and is a member of the Commercialization Advisory Board for the Cleveland Clinic. Mr. Gold has a B.S. in Industrial

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Engineering from Northeastern University in Boston, Massachusetts and an MBA from the University of Florida in Gainesville, Florida. Mr. Gold is a member of our Nominating and Corporate Governance Committee and, during our fiscal year ended May 31, 2014, was a member of the Licensing and Acquisition Committee.

Mr. Gold provides us with valuable business, leadership and management experience as a result of his tenures at Cordis, CardioThoracic Systems and as President and CEO of CryoVascular Systems. In addition, Mr. Gold's experience as a Venture Partner for Longitude Capital provides insight into emerging technologies and strategic directions in the healthcare industry. Mr. Gold's breadth of experience in the healthcare industry, ranging from endovascular devices, coronary bypass surgery and peripheral vascular disease devices, provides our board with valuable strategic and technical expertise necessary to direct a diverse medical device company.

Kevin J. Gould, age 60, joined our Board of Directors in October 2010. From 1991 to 2007, Mr. Gould held various management positions for the Kendall Company, which later became Tyco Healthcare, a division of Tyco International, Ltd., serving as COO of Tyco Healthcare from 2005 to 2007 and as President, North America, from 2000 to 2005. Tyco Healthcare became a public company in 2007 and is now known as Covidien. Mr. Gould served on the Board of Trustees of St. Elizabeth's Hospital in Brighton, Massachusetts. Mr. Gould holds a B.A. from St. Anselm's College in Manchester, New Hampshire and an M.B.A. from Anna Maria College in Paxton, Massachusetts. Mr. Gould is chairman of our Compensation Committee, during our fiscal year ended May 31, 2014, was a member of the Licensing and Acquisition Committee.

Mr. Gould's service as COO and President, North America of Tyco Healthcare provides our Board with valuable business, leadership and management experience, particularly with respect to the numerous operational, financial, business and strategic issues faced by a growing, diversified medical device company.

Dennis S. Meteny, age 61, joined our Board of Directors in March 2004. Since January 2014 Mr. Meteny has been a director of Blue Water Growth LLC, a global business consulting firm with services including mergers and acquisitions, private capital solutions, product distribution, outsourcing, and a wide variety of business advisory services for its Western and Asian clients. From 2006 to January 2014, Mr. Meteny was President and Chief Executive Officer of Cygnus Manufacturing Company LLC, a privately held manufacturer of medical devices, health and safety components, and high precision transportation, aerospace and industrial products. From 2003 to 2006, Mr. Meteny was an Executive-in-Residence at the Pittsburgh Life Sciences Greenhouse, a strategic economic development initiative of the University of Pittsburgh Health System, Carnegie Mellon University, the University of Pittsburgh, the State of Pennsylvania and local foundations. From 2001 to 2003, he was President and Chief Operating Officer of TissueInformatics, Inc., a privately held company engaged in the medical imaging business. From 2000 to 2001, Mr. Meteny was a business consultant to various technology companies. Prior to that, Mr. Meteny spent 15 years in several executive-level positions, including as President and Chief Executive Officer, from 1994 to 1999, of Respironics, Inc. a cardio-pulmonary medical device company. Mr. Meteny holds a B.S. Degree in Accounting from The Pennsylvania State University and an MBA from the University of Pittsburgh. Mr. Meteny is the Chairman of our Audit Committee.

Mr. Meteny's service as CFO, COO and CEO of Respironics, COO of TissueInformatics and CEO of Cygnus Manufacturing Company, provides our Board with valuable business, leadership and management experience, including leading a large, diverse healthcare company, giving him a keen understanding of the numerous operational and strategic issues facing a diversified medical device company such as AngioDynamics. In addition, as noted above, Mr. Meteny is the Chairman of our Audit Committee and is designated as a financial expert as a result of his extensive financial and accounting background with Ernst & Young and his position as CFO of Respironics.

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CORPORATE GOVERNANCE

Director Independence

The listing standards of The Nasdaq Stock Market LLC require that a majority of a listed company's directors qualify as independent. Our Board of Directors has determined that eight of our nine directors and nominees Messrs. Burgstahler, Donnelly, Gold, Gould, Johnson, LaPorte, Meteny, and Venkataraman are independent under the Nasdaq listing standards. Under the Nasdaq listing standards, an independent director is a director who is not an officer or employee of AngioDynamics or any subsidiary and who does not have any relationship that the Board of Directors believes would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Our Board of Directors reviews the relationships that each director has with our Company on an annual basis and only those directors having no direct or indirect material relationship with our Company and who qualify as independent under the Nasdaq listing standards will be considered independent directors of AngioDynamics.

Communications with the Directors

Shareholders may communicate in writing with any particular director, the independent directors as a group, or the entire Board by sending such written communication to our Secretary at our principal executive offices, 14 Plaza Drive, Latham, New York 12110. Copies of written communications received at such address will be provided to the Board or the relevant director or directors unless such communications are determined by our outside counsel to be inappropriate for submission to the intended recipient(s). However, any communication not so delivered will be made available upon request to any director. Examples of shareholder communications that would be considered inappropriate for submission include, without limitation, customer complaints, business solicitations, product promotions, résumés and other forms of job inquiries, junk mail and mass mailings, as well as material that is unduly hostile, threatening, illegal or similarly unsuitable.

Policy on Director Attendance at Annual Meetings

All Board members are encouraged to attend our Annual Meetings of shareholders absent an emergency or other unforeseen circumstance. All of our directors attended our 2013 Annual Meeting of Shareholders.

Code of Business Conduct and Ethics

Our Board of Directors has adopted a written Code of Business Conduct and Ethics for our Company. Our Code of Business Conduct and Ethics is available on our website located at www.angiodynamics.com under the Investors Corporate Governance Governance Documents Code of Ethics caption.

Board of Directors Leadership Structure

Howard W. Donnelly is our independent, non-executive Chairman of the Board of Directors, and Joseph M. DeVivo is our Chief Executive Officer. We separate the roles of Chief Executive Officer and Chairman of the Board of Directors in recognition of the differences between the two roles. The Chief Executive Officer is responsible for setting the strategic direction for the Company and the day-to-day leadership and performance of the Company, while the Chairman of the Board of Directors provides guidance to the Chief Executive Officer and sets the agenda for Board meetings and presides over meetings of the Board. We also believe that separation of the positions reinforces the independence of the Board in its oversight of the business and affairs of the Company, and creates an environment that is more conducive to objective evaluation and oversight of management's performance, increasing management accountability and improving the ability of the board to monitor whether management's actions are in the best interests of the Company and its shareholders.

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Risk Oversight

Our Board of Directors monitors management's enterprise-wide approach to risk management. The full Board of Directors' role in discussing and developing our business strategy is a key part of its understanding of the risks the Company faces and what steps management is taking to manage those risks. The Board of Directors regularly assesses management's appetite for risk and helps guide management in determining what constitutes an appropriate level of risk for the Company.

While the Board of Directors has the ultimate oversight responsibility for the risk management process, various committees of the Board also have responsibility for risk management. In particular, the Audit Committee participated in and reviewed management's enterprise risk assessment, which focused on four primary areas of risk: Strategic; Financial; Operational and Legal/Compliance. In addition, the Audit Committee focuses on financial risks, including internal controls. In setting compensation, the Compensation Committee strives to create incentives that encourage a level of risk-taking behavior consistent with our business strategy.

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THE STOCKHOLDERS AGREEMENT

In connection with our acquisition of Navilyst Medical in 2012, we entered into a Stockholders Agreement with certain of the former stockholders of Navilyst, including investment funds affiliated with Avista Capital Partners (which we refer to in this proxy statement as the Stockholders). The following is a summary of certain provisions of the Stockholders Agreement and is qualified in its entirety by reference to the Stockholders Agreement, which we incorporate by reference to Exhibit 2.2 of our Current Report on Form 8-K filed with the SEC on May 25, 2012. This summary may not contain all of the information about the Stockholders Agreement that is important to you. We urge you to read the entire Stockholders Agreement carefully because it is the legal document governing important aspects of the relationship among AngioDynamics and the Stockholders.

Board Representation

Pursuant to the terms of the Stockholders Agreement, the size of AngioDynamics Board of Directors was increased from eight to ten directors. In addition, our Board of Directors appointed two individuals designated by investment funds affiliated with Avista to serve on our Board (David Burgstahler and Sriram Venkataraman, who are together referred to in this proxy statement as the Stockholder Designees) until such time as, with respect to the first Stockholder Designee, the Stockholders beneficial ownership in AngioDynamics has been reduced below twenty percent (20%) of the then-outstanding voting shares and, with respect to the second Stockholder Designee, the Stockholders beneficial ownership in AngioDynamics has been reduced below ten percent (10%) of the then-outstanding voting shares (each, a Board Right Termination Event with respect to such Stockholder Designee). The first Stockholder Designee, Sriram Venkataraman, serves as a Class II director. The second Stockholder Designee, David Burgstahler, serves as a Class III director. If the Stockholders materially breach the Stockholders Agreement, which breach is not cured in all material respects within 15 business days of receipt of notice of such breach, we have the right to terminate the Stockholders right to designate the Stockholder Designees.

For as long as the Stockholders have the right to designate the Stockholder Designees in accordance with the provisions of the Stockholders Agreement, AngioDynamics must use commercially reasonable efforts, at each annual general meeting of shareholders of AngioDynamics, to procure the election or re-election of the applicable Stockholder Designee to the Board, for a term expiring at the next annual general meeting of shareholders at which members of the class of directors to which the Stockholder Designee belongs are to be elected or re-elected, or until such Stockholder Designee s successor is elected and qualified, or at such earlier time, if any, as such Stockholder Designee may resign, retire, die or be removed as a director. If a Stockholder Designee has resigned, retired, died or been removed from office, the Stockholders have the right to designate a replacement Stockholder Designee.

Once a Stockholder Designee is not elected or re-elected, as the case may be, as a director by the requisite vote of AngioDynamics stockholders, AngioDynamics will not be obligated to procure the election or re-election of such Stockholder Designee pursuant to the terms of the Stockholders Agreement and the Stockholders will have the right to designate a replacement Stockholder Designee.

Standstill Restrictions

Under the terms of the Stockholders Agreement, each Stockholder and Avista Capital Holdings, LP (Avista) will be subject to customary standstill restrictions until the later of (a) the seven-year anniversary of the closing date of the acquisition and (b) the three-year anniversary of the date on which the Stockholders cease to beneficially own voting securities of AngioDynamics representing at least five percent (5%) of the voting securities then outstanding. The standstill restrictions will generally prevent the Stockholders and Avista from (i) acquiring any additional new AngioDynamics voting securities and (ii) taking a number of actions that might

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result in the Stockholders or Avista exerting influence or control over AngioDynamics, including, but not limited to, the following:

acquiring or agreeing to acquire beneficial ownership of any voting securities in addition to the shares issued in connection with the acquisition other than as a result of (i) reverse share splits or other actions of AngioDynamics that cause the Stockholders and their affiliates to beneficially own any excess amount or (ii) shares purchased in the ordinary course of business as a result of the acquisition of any portfolio company or other investment entity that owns any such shares at the time of such acquisition, if such additional shares represent five percent (5%) or less of then-outstanding voting securities or if such ownership is approved by the Board;

acquiring or agreeing to acquire beneficial ownership of any other securities issued by AngioDynamics other than shares or other securities purchased in the ordinary course of business as a result of the acquisition of any portfolio company or other investment entity that owns any such securities at the time of such acquisition, if such additional shares represent five percent (5%) or less of the then-outstanding securities of such type of security or if such purchase is approved by the Board;

proposing, offering or participating in any effort to acquire AngioDynamics or any of its subsidiaries or any of their assets or operations;

inducing or attempting to induce any third party to participate in any effort to acquire beneficial ownership of AngioDynamics voting securities;

proposing, offering or participating in any tender offer, exchange offer, merger, acquisition, share exchange or other business combination or change of control transaction involving AngioDynamics or any of its subsidiaries, or any recapitalization, restructuring, liquidation, disposition, dissolution or other extraordinary transaction involving AngioDynamics any of its subsidiaries or any material portion of their businesses;

seeking to call, requesting the call of, or calling a special meeting of the stockholders of AngioDynamics, or making or seeking to make a stockholder proposal, or requesting a list of AngioDynamics stockholders, or seeking election to the board or seeking to place a representative on the Board other than as specified in the Stockholders Agreement, or seeking removal of any director from the Board, or otherwise seeking to control or influence the governance or policies of AngioDynamics;

soliciting proxies, designations or written consents of stockholders, or conducting any referendum to vote the securities with respect to any matter, or becoming a participant in any contested solicitation for the election of AngioDynamics directors, other than in support of the voting obligations of the Stockholders pursuant to the Stockholders Agreement;

forming or participating in a partnership, limited partnership, syndicate or other group within the meaning of Section 13(d)(3) of the Exchange Act, or depositing any voting securities in a voting trust or similar arrangement; or

publicly disclosing or causing the public disclosure of any proposal to obtain any waiver, consent or amendment of any of the provisions of the Stockholders Agreement.

Voting

For a period of one year from the date of the Stockholders Agreement, the Stockholders must vote all voting securities owned by the Stockholders in accordance with the recommendation of the AngioDynamics Board of Directors. Thereafter, the Stockholders must vote their securities either (a) in accordance with the recommendation of the Board of Directors or (b) in proportion to the votes cast with respect to the

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voting securities not owned by the Stockholders, for so long as the Stockholders beneficially own at least ten percent (10%) of the outstanding voting securities of AngioDynamics. However, each Stockholder can vote its voting

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securities in its sole discretion if the Stockholders beneficially own less than fifteen percent (15%) of the Company's voting securities then-outstanding and there is no Stockholder Designee then serving on the Board.

Registration Rights

The Stockholders have certain registration rights under the Stockholders Agreement. On August 15, 2013, AngioDynamics filed a shelf registration statement on Form S-3. If, at any time, AngioDynamics is not eligible to use Form S-3, it will use Form S-1, but will undertake to register the Stockholders' shares on Form S-3 promptly thereafter. AngioDynamics will use its reasonable best efforts to keep the registration statement continuously effective and to cooperate in any shelf take down.

AngioDynamics has the right to postpone, for a period not to exceed 30 consecutive days or an aggregate of 75 days in any one-year period, and not more than once in any six-month period, the filing of a registration statement if (A) the SEC issues a stop order suspending the effectiveness of the registration statement or (B) in the good faith judgment of our Board of Directors, such registration would require AngioDynamics to make a public disclosure of material non-public information, which disclosure would reasonably be expected to be materially adverse to AngioDynamics or adversely and materially affect its ability to effect a reasonably imminent material proposed transaction, disposition, financing, reorganization, recapitalization or similar transaction. The obligation of AngioDynamics to register shares and maintain the effectiveness of registration statements shall terminate as to each Stockholder on the earliest of (a) the date that all shares owned by such Stockholder may be freely sold without registration and (b) the date that is four months after the first date on which Stockholders own less than five percent (5%) of the then-outstanding voting shares of the Company.

The Stockholders have certain additional rights in connection with their registration rights under the Stockholders Agreement, including the Company's agreement to pay all registration expenses and certain other costs in connection with an offering of the Stockholders' shares.

Termination

The Stockholders Agreement will terminate upon the earlier of (a) the later of (i) the seventh anniversary of the closing of the Navilyst acquisition and (ii) the date that is three years after the first date on which the Stockholders cease to own at least five percent (5%) of the voting shares of the Company then outstanding; and (b) a change of control with respect to AngioDynamics in which all voting shares of AngioDynamics are exchanged for cash consideration. If AngioDynamics consolidates or merges and is not the surviving corporation and the shares are converted or exchanged for non-cash consideration, the successors and assigns of AngioDynamics will honor the registration rights provisions of the Stockholders Agreement while all other provisions of the Stockholders Agreement will terminate upon such change of control.

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MEETINGS AND BOARD COMMITTEES

Committees of the Board

During our fiscal year ended May 31, 2014, our Board of Directors had four standing committees, the members of which have been elected by the board: the Audit Committee; the Compensation Committee; the Licensing and Acquisition Committee; and the Nominating and Corporate Governance Committee. The Licensing and Acquisition Committee was dissolved in April 2014. Each committee is composed entirely of independent directors and the chairman and members of each committee are appointed annually by the Board. Each committee is authorized to retain its own outside counsel and other advisors as it desires, subject to, for the Nominating and Corporate Governance Committee a \$100,000 annual limitation on fees and expenses for such counsel and advisors without the full Board's prior consent.

Each committee has adopted a written charter, and a brief summary of each committee's responsibilities follows.

Audit Committee and Audit Committee Financial Expert

The Audit Committee assists our Board of Directors in its oversight of: (i) the integrity of our financial statements, financial reporting process, system of internal controls over financial reporting, and audit process; (ii) our compliance with, and process for monitoring compliance with, legal and regulatory requirements; (iii) our independent registered public accounting firm's qualifications and independence; and (iv) the performance of our independent registered public accounting firm. The Audit Committee also provides an open avenue of communication between the independent registered public accounting firm and the Board. The authority and responsibilities of the Audit Committee are set forth in detail in its charter, which is available on our website located at www.angiodynamics.com under the Investors Corporate Governance Committee Charters Audit Committee caption. The information on our website is not a part of this proxy statement.

During our fiscal year ended May 31, 2014, the members of the Audit Committee were Howard W. Donnelly, Wesley E. Johnson, Jr. and Dennis S. Meteny, each of whom has been determined by our Board to be independent under the Nasdaq listing standards. As of July 16, 2014, the members of the Audit Committee are Dennis S. Meteny, Jeffrey G. Gold, Wesley E. Johnson, Jr. and Sriram Venkataraman, each of whom has been determined by our Board to be independent under the Nasdaq listing standards. The Board has also determined that each member of the Audit Committee is financially literate in accordance with the Nasdaq listing standards and that Mr. Meteny, who serves as the chair of the Audit Committee, is an audit committee financial expert, as defined under SEC rules. The Audit Committee met 10 times during our fiscal year ended May 31, 2014. All of such meetings were attended, either in person or telephonically, by all of the members of the Audit Committee. The Audit Committee did not take any actions by unanimous written consent during the fiscal year ended May 31, 2014.

The report of the Audit Committee begins on page 40 of this proxy statement.

Compensation Committee

The Compensation Committee is responsible for: (i) developing and evaluating potential candidates for executive positions; (ii) reviewing and recommending to the Board each year the objectives that shall be the basis for the payment of the annual incentive compensation to the CEO; (iii) reviewing our CEO's performance annually in light of the Compensation Committee's established goals and objectives; (iv) reviewing and approving the evaluation process and compensation structure for our other executive officers annually and overseeing the CEO's decisions concerning the performance and compensation of our other executive officers; and (v) reviewing and administering our incentive compensation and other stock-based plans and recommending changes in such plans to the Board, as needed. The authority and responsibilities of the Compensation Committee

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are set forth in detail in its charter, which is available on our website located at www.angiodynamics.com under the Investors Corporate Governance Committee Charters Compensation Committee caption. The information on our website is not a part of this proxy statement. The Compensation Committee has authority under its charter to delegate its responsibilities to a subcommittee of the Committee, but did not do so during our fiscal year ended May 31, 2014.

During our fiscal year ended May 31, 2014, the members of the Compensation Committee were Kevin J. Gould, Wesley E. Johnson, Jr. and Steven R. LaPorte, each of whom has been determined by our Board of Directors to be independent under the Nasdaq listing standards. Mr. Gould serves as chair of the Compensation Committee. The Compensation Committee met 15 times during our fiscal year ended May 31, 2014. All of such meetings were attended, either in person or telephonically, by all of the members of the Compensation Committee. The Compensation Committee took action by written consent on one occasion during the fiscal year ended May 31, 2014.

Compensation Committee Interlocks and Insider Participation

During 2013 and as of the date of this proxy statement, none of the members of the Compensation Committee was or is an officer or employee of the Company, and no executive officer of the Company served or serves on the compensation committee or board of directors of any company that employed or employs any member of the Company's Compensation Committee or Board of Directors.

Licensing and Acquisition Committee

During our fiscal year ended May 31, 2014, our Licensing and Acquisition Committee was responsible for evaluating and providing guidance to management regarding possible licensing and/or acquisition opportunities of the Company. The Licensing and Acquisition Committee was authorized, on its own, and upon a unanimous vote of all of its members, to authorize management to enter into licensing and/or acquisition transactions on behalf of the Company, provided that (i) the total investment by the Company pursuant to each such transaction does not exceed \$5 million, exclusive of any consulting, legal or filing fees; and (ii) in no event shall the Company's stock be issued as consideration for such transaction. The Licensing and Acquisition Committee was dissolved in April 2014. The authority and responsibilities of the Licensing and Acquisition Committee were set forth in detail in its charter, which is available on our website located at www.angiodynamics.com under the Investors Corporate Governance Committee Charters Licensing and Acquisition Committee caption. The information on our website is not a part of this proxy statement.

During our fiscal year ended May 31, 2014, the members of the Licensing and Acquisition Committee were Vincent A. Bucci (until his retirement from the Board in March 2014), Howard W. Donnelly, Jeffrey G. Gold, Kevin J. Gould, and as of August 2013, David Burgstahler, each of whom has been determined by our Board of Directors to be independent under the Nasdaq listing standards. Mr. Donnelly served as chair of the Licensing and Acquisition Committee. The Licensing and Acquisition Committee met 8 times during our fiscal year ended May 31, 2014. All of such meetings were attended, either in person or telephonically, by all of the members of the Licensing and Acquisition Committee. The Licensing and Acquisition Committee did not take any actions by unanimous written consent during the fiscal year ended May 31, 2014.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for: (i) assisting the Board in identifying individuals qualified to serve as directors of our Company and on committees of the Board and assessing the background and qualifications of director candidates; (ii) advising the Board with respect to Board composition, procedures and committees; (iii) developing and recommending to the Board a set of corporate governance principles applicable to our Company, including principles for determining the form and amount of

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director compensation; and (iv) overseeing the evaluation of the Board. The Nominating and Corporate Governance Committee's guidelines for selecting nominees to serve on the Board are set forth in its charter and summarized below.

The Nominating and Corporate Governance Committee may apply several criteria in selecting and assessing nominees. At a minimum, the committee shall consider: (a) whether each such nominee has demonstrated, by significant accomplishment in the nominee's field, an ability to make a meaningful contribution to the Board's oversight of the business and affairs of our Company; and (b) the nominee's reputation for honesty and ethical conduct in the nominee's personal and professional activities. Additional factors that the committee shall take into account are set forth in its charter, and include, for example, the relevance of a candidate's specific experiences, skills, industry background and knowledge to the business and objectives of our Company; a candidate's potential contribution to the diversity of the Board (including gender, race and ethnicity); a candidate's personal and professional integrity, character and business judgment; a candidate's time availability in light of other commitments; any potential conflicts of interest involving a candidate; and any other factors or qualities that the committee believes will enhance the Board's ability to effectively manage and direct our Company's affairs and business, including, where applicable, the ability of Board committees to perform their duties or satisfy any independence requirements under the Nasdaq listing standards or otherwise. In identifying director candidates, the committee also considers the composition of the Board as a whole, with the goal of achieving a balance of the above-listed criteria across the entire Board and a mix of management and independent directors, while also filling the need for particular skill sets, such as those required of Audit Committee.

The Nominating and Corporate Governance Committee will identify nominees by first evaluating the current members of our Board of Directors whose terms are expiring and who are willing to continue in service. In doing so, the committee will balance the skills and experience of such current directors, as well as the value of continuity of their service, with that of obtaining new perspectives for the Board.

For new nominees, the committee will identify potential candidates based on input from members of the board and management and, if the committee deems it appropriate, from one or more third-party search firms. The committee will seek new qualified director candidates from, among other areas, the traditional corporate/business environment, healthcare providers and other professional fields and governmental and regulatory agencies that are relevant to our company's business and objectives. The committee will seek to include qualified and diverse director candidates, including women and individuals from minority groups, in the pool from which nominees are selected. In this regard, the committee and the board believe that a diverse board can lead to improved company performance by encouraging new ideas, expanding the knowledge base available to the board and management and fostering a boardroom environment and culture that promotes new perspectives, innovation and deliberation.

Once a person has been identified by the committee as a potential candidate, the committee will assess, based on publicly available information regarding the person, whether the candidate should be considered further. If the committee determines that the candidate warrants further consideration and the person expresses a willingness to be considered and to serve on the board, the committee will request information from the candidate, review his or her accomplishments and qualifications and conduct one or more interviews with the candidate. If the candidate appears qualified, committee members may also contact references provided by the candidate or other persons with first-hand knowledge of the candidate's experience and accomplishments. Additionally, candidates may be requested to meet with some or all of the other members of the Board of Directors. Using the input from these interviews and the other information it has obtained, the committee will determine whether it should recommend that the board nominate, or elect to fill a vacancy with, a final prospective candidate. The committee's evaluation process is the same for candidates recommended by shareholders.

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The authority and responsibilities of the Nominating and Corporate Governance Committee are set forth in detail in its charter, which is available on our website located at www.angiodynamics.com under the Investors Corporate Governance Committee Charters Nominating & Corporate Governance Committee caption. The information on our website is not a part of this proxy statement.

During our fiscal year ended May 31, 2014, the members of the Nominating and Corporate Governance Committee were Jeffrey G. Gold, Wesley E. Johnson, Jr. and Steven R. LaPorte, each of whom has been determined by our Board of Directors to be independent under the Nasdaq listing standards. Mr. LaPorte serves as the chair the committee. The Nominating and Corporate Governance Committee met 14 times during our fiscal year ended May 31, 2014. All of such meetings were attended, either in person or telephonically, by all of the members of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee did not take any actions by unanimous written consent during the fiscal year ended May 31, 2014.

Recommendations by Shareholders of Director Nominees

Shareholders may recommend individuals to the Nominating and Corporate Governance Committee for consideration as potential director candidates by submitting their names and appropriate background and biographical information to the Nominating and Corporate Governance Committee, c/o AngioDynamics, Inc., 14 Plaza Drive, Latham, New York 12110 at least 90 days but no more than 120 days prior to the anniversary date of the previous year's Annual Meeting. Assuming that the appropriate information has been timely provided, the committee will consider these candidates in the same manner as it considers other Board candidates it identifies. Our shareholders also have the right to nominate director candidates without any action on the part of the Nominating and Corporate Governance Committee or our Board of Directors by following the advance notice provisions of our by-laws as described under Nomination of Directors.

Meetings of the Board and Committees

Our Board of Directors held 10 meetings during our fiscal year ended May 31, 2014. Each incumbent director attended more than 75% of the meetings of the board and of each committee of which he was a member that were held during the period in which he was a director or committee member.

Table of Contents**OWNERSHIP OF SECURITIES**

The following table sets forth the AngioDynamics common stock beneficially owned by each of our directors, each of our named executive officers, all of our directors and executive officers as a group and each person known by us to beneficially own more than 5% of our common stock as of September 2, 2014. Except as otherwise noted, each individual director or named executive officer had sole voting and investment power with respect to the AngioDynamics common stock. As of September 2, 2014, there were 35,583,917 shares of our common stock outstanding. As of September 2, 2014, no director (except Mr. Burgstahler and Mr. Venkataraman, each of whom is affiliated with Avista Capital Partners) or executive officer beneficially owned more than 1% of the shares of our outstanding common stock. As of September 2, 2014, AngioDynamics' current directors and executive officers as a group beneficially own 3.2% of the shares of common stock outstanding.

Name of Beneficial Owner	Number of Shares of Common Stock Owned as of September 2, 2014 ^(a)	% of Outstanding Shares	Of Shares Beneficially Owned, Number that May be Acquired Within 60 Days of September 2, 2014
5% Owners			
Avista Capital Partners GP, LLC	9,433,008 ^(b)	26.5	
c/o Avista Capital Partners			
65 East 55 th Street, 18 th Floor			
New York, NY 10022			
RGM Capital, LLC	3,435,605 ^(c)	9.7	
9010 Strada Stell Court, Suite 105			
Naples, Florida 34109			
Broadfin Capital, LLC.	2,497,049 ^(d)	7.0	
237 Park Avenue, Suite 900			
New York, NY 10017			
Dimensional Fund Advisors LP	2,242,256 ^(e)	6.3	
Palisades West, Building One			
6300 Bee Cave Road			
Austin, Texas, 78746			
Directors			
David Burgstahler	9,454,854 ^(f)	26.5 ^(f)	19,268
Howard W. Donnelly	77,346	*	64,768
Jeffery G. Gold	92,832	*	64,768
Kevin J. Gould	56,446	*	45,768
Wesley E. Johnson, Jr.	88,346	*	77,768
Steven R. LaPorte	88,359	*	77,768
Dennis S. Meteny	101,946	*	64,768

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Sriram Venkataraman	9,433,008 ^(g)	26.5 ^(g)	0
Officers			
Joseph M. DeVivo	365,669	*	332,434
Mark T. Frost	39,050	*	31,123
George W. Bourne IV	38,502	*	31,181-
John Soto	31,712	*	29,231
Mark A. Stephens	19,273	*	16,868
All directors and executive officers as a group (16 persons) ^(h)	1,163,745 ^(h)	3.2	972,935

* Represents less than one percent of the number of shares outstanding at September 2, 2014.

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- (a) Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Under those rules, although not outstanding, shares of common stock subject to options that are exercisable or will become exercisable within 60 days of September 2, 2014 and restricted stock units that will vest within 60 days of September 2, 2014 are deemed to be outstanding and to be beneficially owned by the person holding the securities for the purpose of computing the percentage ownership of the person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.
- (b) Share ownership information is based upon a Schedule 13D filed by Avista Capital Partners GP, LLC on May 24, 2012, which reports that the Schedule 13D was jointly filed by the following persons (each a Reporting Person and collectively the Reporting Persons): (1) Avista Capital Partners GP, LLC, a Delaware limited liability company (Avista GP); (2) Avista Capital Partners, L.P., a Delaware limited partnership (ACP); (3) Avista Capital Partners (Offshore), L.P., a Bermuda limited partnership (ACP Offshore); and (4) Navilyst Medical Co-Invest, LLC, a Delaware limited liability company (NM Co-Invest) and together with ACP and ACP Offshore, collectively the Avista Capital Funds). ACP may be deemed to beneficially own 5,848,255 shares of Common Stock, ACP Offshore may be deemed to beneficially own 1,542,132 shares of Common Stock, and NM Co-Invest may be deemed to beneficially own 2,042,621 shares of Common Stock. Avista GP is the general partner of each of ACP and ACP Offshore and is the managing member of NM Co-Invest. Voting and investment determinations with respect to the shares held by the Avista Capital Funds are made by an investment committee comprised of the following members: Thompson Dean, Steven Webster, David Burgstahler, Newton Aguiar, Robert Cabes, David Durkin and OhSang Kwon. As a result, and by virtue of the relationships described above, the investment committee of Avista GP may be deemed to exercise voting and dispositive power with respect to the shares held by the Avista Capital Funds. Each of the members of the investment committee of Avista GP disclaims beneficial ownership of such shares.
- (c) Share ownership information is based upon a Schedule 13G filed by RGM Capital, LLC and Robert G. Moses, managing member of RGM Capital, LLC, on February 12, 2014. According to the Schedule 13G, RGM Capital, LLC and Robert G. Moses beneficially own and have shared voting and dispositive power with respect to 3,435,605 shares.
- (d) Share ownership information is based upon a Schedule 13G filed by Broadfin Capital, LLC, Broadfin Healthcare Master Fund, Ltd. and Kevin Kotler on February 14, 2014. According to the Schedule 13G, Broadfin Capital, LLC, Broadfin Healthcare Master Fund, Ltd. and Kevin Kotler have beneficial ownership and shared voting and dispositive power with respect to 2,497,049 shares of common stock.
- (e) Share ownership information is based upon a Schedule 13G/A filed by Dimensional Fund Advisors LP on February 10, 2014. According to the Schedule 13G/A, Dimensional Fund Advisors serves as investment adviser to four investment companies and serves as investment manager to certain other commingled group trusts and separate accounts (collectively, the Funds). In its role as investment adviser, neither Dimensional Fund Advisors nor its subsidiaries possess voting and/or investment power over the securities of the Issuers that are owned by the Funds, and may be deemed to be the beneficial owner of the shares of the Issuer held by the Funds. Dimensional Fund Advisors disclaims beneficial ownership of such securities. To the knowledge of Dimensional Fund Advisors, none of the Funds individually own more than 5% of the outstanding shares of Common Stock. The Funds beneficially own and have sole dispositive power with respect to 2,242,256 shares and have sole voting power with respect to 2,167,889 shares.
- (f) Includes shares owned by Avista Capital Funds. Each of Mr. Burgstahler and Mr. Venkataraman disclaims beneficially ownership of such shares.
- (g) Reflects shares owned by Avista Capital Funds. Each of Mr. Burgstahler and Mr. Venkataraman disclaims beneficially ownership of such shares.
- (h) Includes all of the persons identified as directors and Messrs. DeVivo, Frost, Soto, Stephens and Richard Stark, SVP Global Franchise, Oncology/Surgery, Matthew Kapusta, SVP Business Development, Charles Greiner, SVP Global Franchise, Access and Stephen A. Trowbridge, SVP and General Counsel. Does not include Vincent A. Bucci, who served as a director during a portion of fiscal 2014, but retired from the Board in March 2014. Does not include George W. Bourne IV, whose position was eliminated on August 5, 2014. Does not include shares owned by Avista Capital Funds.

Table of Contents**Equity Compensation Plan Information**

The following table sets forth information, as of May 31, 2014, with respect to compensation plans under which our equity securities are authorized for issuance.

	(a)	(b)	(c)
Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	3,321,639(1)	\$ 14.68	1,642,091
Equity compensation plans not approved by security holders	None	None	None
Total	3,321,639(1)	\$ 14.68	1,642,091

- (1) Includes (i) 2,623,751 stock options with a weighted-average exercise price of \$14.68, (ii) 600,656 restricted stock units, and (iii) 97,232 performance share units.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

AngioDynamics operates in an extremely competitive industry. Our compensation philosophy is designed to:

align our executive officers' compensation with our business objectives and the interests of our shareholders;

enable us to attract, motivate and retain the level of successful, qualified senior executive leadership talent necessary to achieve our long term goals; and

reward performance, company growth and advancement of our long-term strategic initiatives.

AngioDynamics generally sets executive compensation targets for cash and equity-based compensation at or near the 50th percentile of companies in a predetermined comparable group through a combination of fixed and variable compensation. Our compensation program supports our pay for performance philosophy by targeting fixed compensation (base salary) at or near the 50th percentile of the comparable companies and targeting variable compensation at the 50th percentile with the opportunity to earn above the 50th percentile when warranted by performance.

AngioDynamics views these ranges of compensation targets as a guideline, not a rule, in setting and adjusting our compensation programs. While the Compensation Committee attempts to base compensation decisions on the most recent market data available, it also recognizes the importance of flexibility, and may go above or below the targeted ranges for any individual or for any specific element of compensation. Individual executive compensation may be above or below the stated philosophy based on considerations such as individual performance, experience, history and scope of position, current market conditions and the specific needs of the business at critical points in time.

In addition, our compensation strategy takes into account our financial performance relative to our peer companies including companies that:

exclusively design, develop, manufacture, and market medical devices;

market and sell products primarily through a direct sales force;

are headquartered in the United States;

are publicly traded on the Nasdaq or NYSE stock exchanges and have at least one published proxy statement;

have revenues, market value, and an employee size of a minimum of approximately 50% of, and up to approximately 200% of our expected revenues, market size and employee count for the next fiscal year; and

are generally profitable.

Within this overall philosophy, the Compensation Committee's objectives are to:

offer a total compensation package that takes into consideration the compensation practices of similarly situated companies with which we compete for exceptional senior level talent;

provide annual cash incentive awards relative to attaining certain pre-determined financial metrics, along with completion of individual objectives;

align financial incentives with shareholders' interests through significant equity-based incentives to senior management; and

reward overachievement of goals with programs designed to have significant upside bonus opportunity for participants.

Table of Contents**The Compensation Committee**

The Compensation Committee is responsible for: (i) assisting the board in developing and evaluating potential candidates for executive positions; (ii) reviewing and recommending to the board the corporate goals and objectives with respect to our CEO's compensation on an annual basis; (iii) reviewing our CEO's performance annually in light of the committee's established goals and objectives; (iv) reviewing and approving the evaluation process and compensation structure for our other named executive officers annually and overseeing the CEO's decisions concerning the performance and compensation of our other named executive officers; and (v) reviewing and ensuring our incentive compensation and other stock-based plans are administered consistent with the terms of such plans and recommending changes in such plans to the board, as needed. The authority and responsibilities of the Compensation Committee are set forth in detail in its charter, which is available on our website located at www.angiodynamics.com under the Investors Corporate Governance Committee Charters Compensation Committee caption.

Our Board of Directors has determined that all of the directors who were members of the Compensation Committee during our fiscal year ended May 31, 2014 Messrs. Gould, Johnson and LaPorte are independent under the Nasdaq listing standards. Although the Compensation Committee comprises solely independent directors, it does consider the recommendations, if any, provided by our CEO in determining the appropriate levels of compensation for our named executive officers, other than the CEO.

Components of Executive Compensation for Fiscal 2014

The three components of the compensation program for named executive officers are base salary, annual cash incentive compensation and long-term equity-based incentive awards in the form of performance share awards, stock options and restricted stock unit awards. The Compensation Committee administers these components with the goal of providing total compensation that is competitive in the marketplace, while recognizing meaningful differences in individual performance and offering the opportunity to earn superior rewards when merited by individual performance. The Compensation Committee's policy is to establish ranges for base salary, annual cash incentive compensation and equity-based incentives for named executive officer positions, including that of the CEO, with consideration to the averages paid by similarly-situated companies, which include publicly traded companies of similar structure, revenue, and profitability in the life sciences industry.

In determining these ranges, the Compensation Committee reviewed information from a compensation survey conducted on our behalf in 2013 by Mercer, an independent consulting company engaged by the Compensation Committee to conduct the survey. The Compensation Committee also approved the list of peers to be used in the analysis. During our fiscal year ended May 31, 2014, the Company analyzed information with respect to the following peer group:

Accuray	ICU Medical, Inc.	NxStage Medical, Inc.
ArthroCare Corporation	Masimo Corporation	Thoratec Corporation
Conmed Corporation	Merit Medical Systems, Inc.	Tornier N.V.
Cyberonics, Inc.	Natus Medical Incorporated	Volcano Corporation

In order to ensure a comprehensive review in preparing the compensation survey, Mercer took the following steps:

- 1) Compiled information to form the basis of the survey, including analyzing and selecting peer companies, analyzing our historical and current compensation practices and philosophies, and determining the positions to be included in the survey, with the assistance of the Compensation Committee and other key contributors.
- 2) Performed a proxy review using peer group data and other industry specific surveys to analyze base salary, total cash compensation, and long-term incentives paid to executives and summarized its findings in the form of a competitive pay analysis.

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- 3) Presented recommendations for comprehensive executive plan strategy and pay structure for the next fiscal year, including base salary levels, design of the annual bonus program, and amount and allocation of short-term and long-term incentive compensation components.

Base Salaries

The base salary for each named executive officer is determined at levels considered appropriate for comparable positions at similarly situated companies, while targeting the average 50th percentile for total cash compensation of executives at such similarly situated companies. Adjustments to each individual's base salary are made based on annual performance reviews with consideration given to the executive's performance as well as his/her salary compared with the range of those listed in the aforementioned survey and our executives generally. Among the criteria used in the annual performance reviews are the work and supervisory performance of the executive, demonstrated management and leadership skills, performance to specific established personal goals, and the strengths and weaknesses that the executive demonstrates on the job.

Following are the base salary increases for the named executive officers that were effective June 1, 2014.

Name	Fiscal 2013 Base Salary	Fiscal 2014 Base Salary	Percentage Increase
Joseph M. DeVivo ⁽¹⁾	\$ 571,623	\$ 625,000	9%
Mark T. Frost	\$ 345,000	\$ 355,350	3%
George W. Bourne IV ⁽²⁾	\$ 315,000	\$ 324,450	3%
John Soto ⁽³⁾	\$ 270,000	\$ 278,100	3%
Mark A. Stephens ⁽⁴⁾	\$ 250,000	\$ 287,500	15%

(1) Mr. DeVivo received an adjustment based on a review of comparable positions on December 20, 2013.

(2) Mr. Bourne's position was eliminated on August 5, 2014.

(3) Mr. Soto was promoted to Executive Vice President and Chief Commercial Officer on May 1, 2014.

(4) Mr. Stephens received an adjustment based on a review of comparable positions on August 5, 2013.

Salary increases for all AngioDynamics employees averaged approximately 3% during our fiscal 2014. The salary increases for our named executive officers were within the guidelines for our employees. The Compensation Committee believes that the salaries for our named executive officers are within the stated philosophy.

Annual Cash Incentives

The Compensation Committee believes that a meaningful portion of the annual compensation of each named executive officer should be in the form of annual cash incentive compensation.

In fiscal 2014, the target incentive payment amounts, as a percentage of base salary, established for the named executive officers was as follows:

Name	Percentage of Base Salary
Joseph M. DeVivo	100%
Mark T. Frost	50%
George W. Bourne IV ⁽²⁾	45%
John Soto ⁽³⁾	50%
Mark A. Stephens	45%

(1) Mr. DeVivo received an adjustment based on a review of comparable positions on December 20, 2013.

(2) Mr. Bourne's position was eliminated on August 5, 2014.

(3) Mr. Soto was promoted to Executive Vice President and Chief Commercial Officer on May 1, 2014.

(4) Mr. Stephens received an adjustment based on a review of comparable positions on August 5, 2013.

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For our named executive officers the incentive compensation target comprised 40% based on our achievement of our pre-determined net sales target, 40% based on our achievement of our pre-determined operating income target, and 20% based upon the individual executive's performance to personal goals established for the fiscal year. The Compensation Committee uses net sales and operating income as the targets to measure financial performance because they believe they are directly linked to creating value for shareholders. For our named executive officers, our incentive plan for our 2014 fiscal year set a threshold level of 90% achievement of our world-wide operating income target that must be attained before any incentive compensation for net sales or operating income is awarded. Once the threshold is reached, the Compensation Committee has set specific formulas to calculate the actual incentive payment for each named executive officer. Additional compensation up to a maximum of 50% of the target incentive payment amounts may be awarded if we overachieve our annual financial targets.

For our fiscal 2014, we achieved 83% of our world-wide operating income target of \$17.7 million. As a result, no named executive officers were eligible for annual cash incentive compensation awards related to the net sales target or the operating income target.

For our fiscal year ended May 31, 2014, Mr. DeVivo's personal goals included certain milestones with respect to the Company's continuing quality improvement programs, securing group purchasing organization and IDN contracts with respect to the Vascular Access business, and obtaining FDA approval for an investigational device exemption trial for use of the NanoKnife System in the treatment of pancreatic cancer. The Compensation Committee determined that Mr. DeVivo should be paid 60% of his personal objectives component. In addition, in December 2013, the Compensation Committee and the board of directors authorized a bonus payment of \$250,000 to Mr. DeVivo based upon the successful restructuring of the Company's organizational structure, including, without limitation, implementing a franchise model in the sales and marketing organizations and several executive position reorganizations and successful integration of operations following the Company's acquisition of Navilist Medical. Mr. Frost's personal objectives included certain milestones with respect to the Company's implementation of its Oracle ERP system, obtaining favorable terms with respect to the Company's refinancing of its credit facility, certain milestones with respect to building the Company's finance and accounting organization, implementing process improvements in the Company's pricing controls and implementing customer financing programs. The Compensation Committee determined that Mr. Frost should be paid 67.5% of his personal objectives component. Mr. Bourne's personal objectives included certain milestones with respect to the Company's new product development efforts, certain milestones with respect to the Company's operational excellence program and beginning three clinical trials, one each in connection with the Company's PICC, EVLT and NanoKnife products. The Compensation Committee determined that Mr. Bourne should be paid 82% of his personal objectives component. Mr. Soto's personal objectives included managing the Company's Peripheral Vascular Division to achieve its revenue and expense targets, certain milestones with respect to training in connection with the Company's AngioVac and fluid management businesses, and development of the Company's AngioVac clinical specialist team. The Compensation Committee determined that Mr. Soto should be paid 98.5% of his personal objectives component. Mr. Stephens' personal objectives included certain milestones with respect to the Company's sales training programs, successful renegotiation of several of the Company's real property leases, and implementing of improvements in the Company's human resources processes. The Compensation Committee determined that Mr. Stephens should be paid 100% of his personal objectives component.

Long-Term, Equity-Based Incentive Awards

In 2004, we adopted the AngioDynamics 2004 Stock and Incentive Award Plan, or the 2004 Plan. The 2004 Plan provides for the grant of incentive awards, including performance share awards, performance unit awards, restricted stock awards and restricted stock unit awards, as well as incentive and non-qualified stock options and stock appreciation rights. The Compensation Committee believes that including equity grants as a significant component of executive compensation aligns our executives' interest with those of our shareholders. The Compensation Committee has made grants of stock options, restricted stock unit awards and performance share

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awards and, in the future, expects to offer other awards under the 2004 Plan in order to provide named executive officers with an opportunity to share, along with shareholders, in our long-term performance and to reward these individuals for their contribution to our performance.

Stock option and restricted stock unit grants generally are made to each named executive officer upon his or her joining AngioDynamics and satisfying the requirements for eligibility under the plan, with additional grants being made annually as options under the initial grants vest. Stock options granted under the 2004 Plan generally have a four-year vesting schedule and generally expire seven years from the date of grant. The exercise price of options granted under our plan must be at least 100% of the fair market value of the underlying stock on the date of grant. In addition, grants of restricted stock units and/or performance shares awards may also be made to each named executive officer. Restricted stock unit awards typically vest equally over a four-year period and are released if the employee remains active with the company through the vesting date. Performance unit awards are generally made each year, with each grant having a three-year term with payouts to be made in shares of AngioDynamics common stock at the end of the term ranging between 0 and 200% of the grant amount depending on AngioDynamics total shareholder return relative to a peer group of companies with similar risk profiles to AngioDynamics. In the event of the named executive officer's termination of employment, all of his or her unvested options, restricted stock units and performance shares will be forfeited in accordance with the provisions of the 2004 Plan.

The number of stock options, restricted stock units or performance shares granted to each named executive officer is generally based upon several factors, including: (i) position with AngioDynamics; (ii) salary; (iii) performance; and (iv) the grants made, on average, by similarly situated companies to executives with similar responsibilities.

For our fiscal year ended May 31, 2014, the Compensation Committee set target grants of options for the CEO, CFO, Chief Technology and Operations Officer, Chief Commercial Officer and Senior Vice President, Administration equal to 59,733, 24,491, 19,723, 16,922 and 17,470, respectively.

For our fiscal year ended May 31, 2014, the Compensation Committee set target grants of restricted stock units for the CEO, CFO, Chief Technology and Operations Officer, Chief Commercial Officer and Senior Vice President, Administration equal to 18,338, 7,519, 6,055, 5,195 and 5,363, respectively.

For our fiscal year ended May 31, 2014, the Compensation Committee set target grants of performance unit awards for the CEO, CFO, Chief Technology and Operations Officer, Chief Commercial Officer and Senior Vice President, Administration equal to 36,676, 10,025, 8,073, 6,927 and 7,151, respectively.

Grants of options and restricted stock units to our named executive officers are set forth below in the table titled **Grants of Plan-Based Awards for Fiscal 2014**.

Total annual equity awards will be targeted at 225% of salary for the CEO, 85% of salary for the Executive Vice Presidents and 75% of salary for Senior Vice Presidents. The target equity grants comprise 40% performance shares, 30% stock options and 30% restricted stock units. The Compensation Committee and the Board of Directors believe that this annual long term incentive program provides a strong pay for performance orientation while effectively incentivizing management decision making and providing appropriate retention incentives. Performance share payouts are directly tied to AngioDynamics total shareholder return relative to a peer group of companies with similar risk profiles to AngioDynamics. Stock options effectively incentivize management to maximize company performance, as the value of options is directly tied to appreciation in the value of our common stock. Stock options also provide an effective retention mechanism because of the four-year vesting provisions. Restricted stock units are intended to retain key management through vesting periods, with the opportunity for capital accumulation and more predictable long-term incentive value than stock options.

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Stock Ownership Guidelines

To further align the interests of management and shareholders, we maintain stock ownership guidelines for the Board of Directors and our senior executive officers. Under these guidelines, each member of our Board of Directors is required to hold an amount of shares equal to six times the base annual retainer (currently \$24,000) by December 31, 2010. New members of the Board of Directors are allowed 36 months from the time they join the board to acquire the required number of shares, provided they acquire at least 1/3 of the required amount within 15 months of joining the board and an additional 1/3 within 27 months of joining the board. In August 2011, our Compensation Committee adopted revised guidelines with respect to our senior executives. Our CEO is required to hold an amount of shares equal to three times his or her base salary, our Executive Vice President and CFO and each of our Senior Vice Presidents is required to hold an amount of shares equal to one times his or her base salary. Employees who are hired or promoted to these management positions must acquire the required number of shares within five years. A senior executive that participates in our ESPP at the maximum level from such senior executive's eligibility date may count unvested restricted stock units towards his or her shareholding requirement. A senior executive that holds an amount of shares less than the applicable ownership level must hold 100% of all Net Shares (as defined below) granted by the company to be eligible for future stock option grants or other equity awards. Net Shares are all shares received pursuant to all company equity awards excluding shares sold to cover (i) the exercise price of options and/or (ii) taxes. The Compensation Committee is mindful that each individual's personal circumstances will affect progress toward the targeted levels of stock ownership. Senior executives who are unable to achieve or maintain the targeted level of ownership within the prescribed time period may consult with the Compensation Committee with respect to hardship exemption. Each member of our Board of Directors and each of our senior executives is currently in compliance with the applicable holding requirement.

Hedging and Pledging Policy.

Our Insider Trading Policy prohibits directors and employees, including named executive officers, from engaging in hedging or monetization transactions, such as zero-cost dollars and forward sale contracts and from engaging in borrowing against AngioDynamics' securities held in a margin account, or pledging AngioDynamics' securities as collateral for a loan (unless the individual can clearly demonstrate the financial capacity to repay the loan without resorting to the pledged securities).

Perquisites

All executives of AngioDynamics are eligible to participate in our Fleet Vehicle Program at the executive level. Executives hired before May 2012 may accept a company vehicle. Executives hired after May 2012 are entitled to an automobile allowance of \$1,200 per month and we will cover the employee's expenses for gas for company related business.

Deferred Compensation Program

We do not sponsor or maintain any deferred compensation programs for the benefit of any of our named executive officers.

Potential Payments upon Termination or Change in Control

Executive Severance Policy

Our named executive officers may be eligible for severance payments and benefits under our AngioDynamics Senior Executive Severance Pay Guidelines.

A senior executive may be eligible to receive severance benefits in the following situations:

The elimination of the executive's job or position;

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The relocation of the executive's job or position to a location in excess of 60 miles from the current location of employment; or

Divestment of the executive's business or business unit, unless the acquiring/successor entity offers continuing employment that does not involve a major relocation, as described above.

A senior executive would generally not be eligible for severance benefits in the following situations:

Terminations for performance reasons, including, but not limited, to violating work rules;

Voluntary resignations;

In the event of an asset or stock sale, where the executive continues employment with a successor in interest to AngioDynamics or any of either its or AngioDynamics' subsidiaries, affiliates or joint ventures; or

A transfer or reassignment of the executive to another location, division, subsidiary, affiliate or joint venture that does not result in relocation as described above.

In addition, severance under this policy typically will not be available to executives who have agreements with AngioDynamics, its subsidiaries and/or affiliates and joint ventures that provide for payments upon termination of employment, other than those that derive from these guidelines. To be eligible for severance pay the executive must sign a separation agreement acceptable to the company.

During our fiscal year ended May 31, 2014, in general, the following schedule for the payment of cash severance is considered appropriate:

Service Completed	Severance Payment
Less than 3 years of service	1 month base salary
3-5 years of service	2 months base salary
6-9 years of service	3 months base salary
10-12 years of service	4 months base salary
13+ years of service	6 months base salary

The following additional consideration may be appropriate for exempt employees positions described below:

Vice Presidents: an additional 4 months of base salary; and

Executive Vice Presidents and Sr. Vice Presidents: an additional 6 months of base salary.

Effective August 6, 2013, Executive Vice Presidents and Sr. Vice Presidents who report directly to the CEO became entitled to a severance benefit equal to 12 months of base salary.

In general, the CEO is eligible for a severance benefit equal to 18 months of base salary, unless a different severance benefit is set forth in an effective agreement. Mr. DeVivo has an Employment Agreement with a three-year term. If his employment is terminated during this initial term, he is entitled to severance payments equal to his base salary for a 24 month severance period plus a one-time lump sum payment equal to two times the cash bonus he received for the prior fiscal year (plus the COBRA/insurance premium for Mr. DeVivo's benefits for 24 months or until Mr. DeVivo secures employment). If Mr. DeVivo's employment is terminated during a one-year extension period following the initial term, he is entitled to a severance benefit in accordance with the Company's standard severance policy then in effect. If Mr. DeVivo's employment is terminated by the Company without cause after expiration of his Employment Agreement or any extension thereof, Mr. DeVivo will be eligible to receive a severance payment in accordance with the Company's then current severance policy in an amount at least equal to 1.5 times

Mr. DeVivo's then current base salary.

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The maximum severance period that will be offered under any circumstances (other than to the CEO) is 12 months.

Payments are generally made in accordance with the Company's regular salary payment practices, subject to modification in connection with Section 409A of the Internal Revenue Code, unless a different method is set forth in an effective agreement.

Additional benefits such as outplacement assistance, continued insurance coverage, and/or an agreement not to contest eligibility for unemployment compensation, may also be offered in a separation agreement.

Change-In-Control Arrangements

In August 2013, our board of directors authorized us to enter into change in control severance agreements with certain executive officers. Each agreement has an initial term ending December 31, 2013, and each year will automatically renew for an additional one year term, provided however, that if a change in control occurs the term shall expire no earlier than 12 calendar months after the calendar month in which such change in control occurs. A change of control is generally defined in each agreement as any of the following: (i) a person is or becomes a beneficial owner of more than 50% of our voting securities, (ii) the composition of a majority of our board changes, (iii) we consummate a merger or consolidation, or (iv) our shareholders approve a plan of liquidation or sale of substantially all of our assets. Each agreement provides, among other things, that if a change in control occurs during the term of the agreement, and the executive's employment is terminated either by us or by the executive, other than (a) by us for cause, (b) by reason of death or disability, or (c) by the executive without good reason, such executive will receive a severance payment equal to: (A) 2.5 times his annual base salary for Mr. DeVivo and 2 times the executive's annual base salary for Messrs. Frost, Soto and Stephens, (B) unpaid and prorated annual bonus amounts, and (C) earned but unused vacation time. In addition, the Change in Control Agreement provides that in the event that the severance and other benefits provided for in the agreement or otherwise payable to the executive would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Service Code, the benefits under the agreement will be either (i) delivered in full, or (ii) delivered to a lesser extent which would result in no portion of the benefits being subject to such excise tax, whichever is more beneficial to the executive.

Payment made under each respective agreement is generally made in a lump sum within thirty days following termination subject to delay if required by Section 409A of the Internal Revenue Code.

The following tables show potential payments to Messrs. DeVivo, Frost, Soto and Stephens under existing agreements, plans or other arrangements, for various scenarios involving a change in control or termination of employment, in each case assuming the termination date was June 2, 2014 and where applicable, using the closing market price of our common stock of \$14.01 per share on that date (as reported on Nasdaq).

Table of Contents**Joseph M. DeVivo**

Payments Due	Termination for Cause ⁽¹⁾	Voluntary Termination ⁽²⁾	Involuntary Termination Without Cause ⁽³⁾	Termination Following Change in Control ⁽⁴⁾	Disability	Death	Retirement
Upon Termination:							
Cash Severance							
Base Salary	\$	\$	\$ 1,400,000	\$ 1,562,500	\$	\$	\$
Bonus							
Total Cash Severance			1,400,000	1,562,500			
Benefits & Perquisites							
Health and Welfare Benefits ⁽⁵⁾			24,075	24,075			
Total Benefits & Perquisites			24,075	24,075			
Long Term Incentives							
Value of Accelerated Stock Options ⁽⁶⁾				231,567			
Value of Accelerated Restricted Stock Units and Performance Shares ⁽⁷⁾				2,300,442	397,814	397,814	
Total Value of Long Term Incentives				2,532,009	397,814	397,814	
Total Value:							
All Benefits	\$	\$	\$ 1,424,075	\$ 4,118,584	\$ 397,814	\$ 397,814	\$

Mark T. Frost

Payments Due	Termination for Cause ⁽¹⁾	Voluntary Termination ⁽²⁾	Involuntary Termination Without Cause ⁽³⁾	Termination Following Change in Control ⁽⁴⁾	Disability	Death	Retirement
Upon Termination:							
Cash Severance							
Base Salary	\$	\$	\$ 355,350	\$ 710,700	\$	\$	\$
Bonus							
Total Cash Severance			355,350	710,700			
Benefits & Perquisites							
Executive Car Allowance							
Total Benefits & Perquisites							
Long Term Incentives							
Value of Accelerated Stock Options ⁽⁶⁾				172,686			
Value of Accelerated Restricted Stock Units and Performance Shares ⁽⁷⁾				455,591	48,208	48,208	

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Total Value of Long Term Incentives			628,277	48,208	48,208		
Total Value:							
All Benefits	\$	\$	\$ 355,350	\$ 1,338,977	\$ 48,208	\$ 48,208	\$

Table of Contents**John Soto**

Payments Due	Termination for Cause⁽¹⁾	Voluntary Termination⁽²⁾	Involuntary Termination Without Cause⁽³⁾	Termination Following Change in Control⁽⁴⁾	Disability	Death	Retirement
Upon Termination: Cash Severance							
Base Salary	\$	\$	\$ 278,100	\$ 556,200	\$	\$	\$
Bonus							
Total Cash Severance Benefits & Perquisites			278,100	556,200			