



2015 COMPENSATION & BENEFITS SURVEY

EXECUTIVE SUMMARY

Data prepared by:



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Disclaimer

This survey has been compiled by Hutchison PLLC, RPG Solutions and HireNetworks (collectively “HRH”) in partnership with Percept Research solely for use by their clients and other approved parties. This summary should not be used for any purpose other than as one factor of many in determining appropriate levels of compensation for certain employee positions.

Confidentiality

HRH recognizes the importance of confidentiality regarding compensation data. As a result, HRH retained third party research firm Percept Research to conduct the survey to protect the confidentiality of survey responses. Further, only the aggregate results of these surveys have been disclosed.

Distribution

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One of the key issues for emerging growth technology and life science companies is attracting and retaining top-level executives. While a number of compensation surveys are undertaken each year, our survey specifically addresses the unique Southeast and Mid-Atlantic markets for privately-held technology and life science companies.

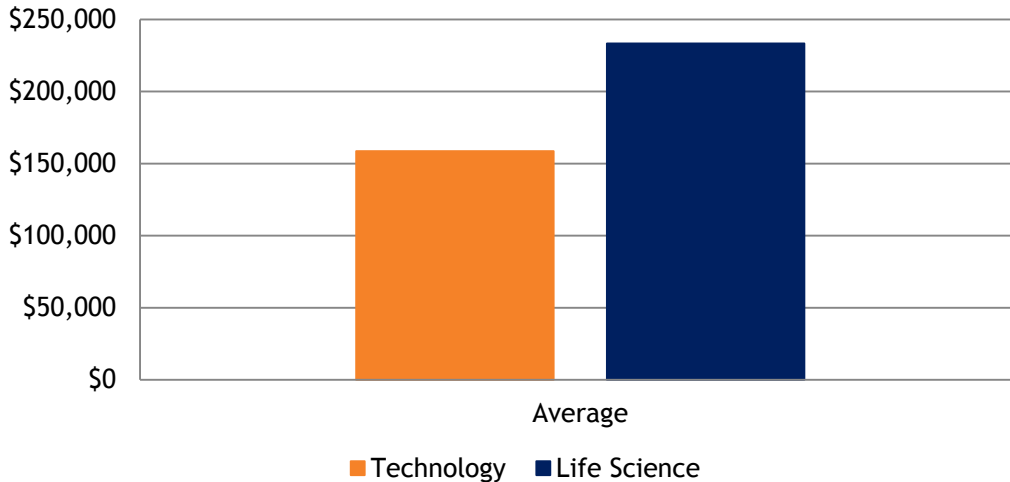
The 2015 compensation survey questionnaire was completed by individuals from 56 organizations. These privately-held, emerging growth companies, based in the Southeast, Mid-Atlantic or South Atlantic (1) have received equity financing from an institutional investor, (2) have received equity financing of at least \$500,000 from angel investors or (3) offer equity compensation to the workforce and have had at least \$500,000 in annual revenue or have 5 or more employees.

HRH requested information regarding employee benefits and cash and equity compensation data for the following 13 executive positions:

- Chief Executive Officer
- Chief Financial Officer
- Chief Operating Officer
- Chief Technology Officer/Chief Information Officer
- Chief Scientific Officer
- Chief Medical Officer
- Vice President of Engineering
- Vice President of Business Development
- Vice President of Sales
- Vice President of Marketing
- Vice President of Human Resources/Chief People Officer
- Controller
- General Counsel

In this Executive Summary, we share some of the highlights from our 2015 Compensation & Benefits Survey. The detailed report is only available to those companies that completed the full survey. If you are interested in participating in our survey in 2016, please contact our Director of Marketing & Business Development, Jodi Coverly, at jcoverly@hutchlaw.com.

2015 CFO BASE SALARY DETAIL



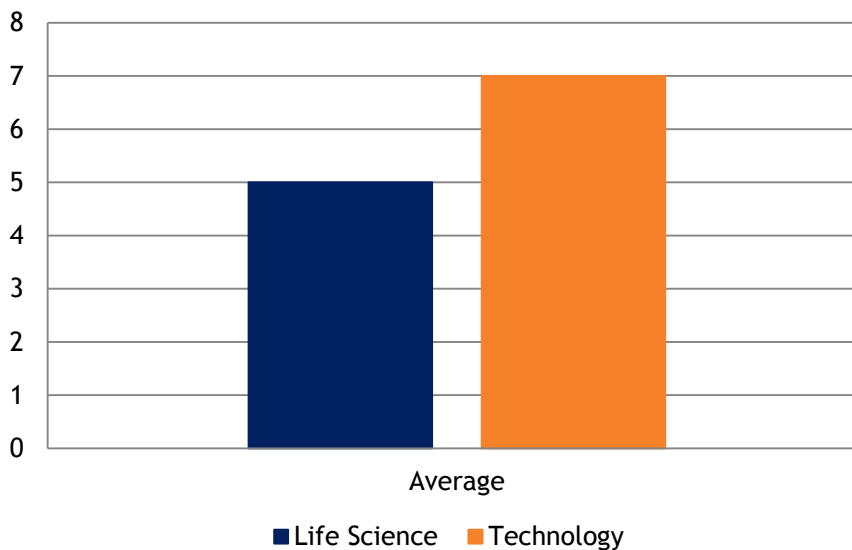
Range:

Technology –
\$40,000 - \$275,000

Life Science –
\$175,000 - \$325,000

The salary of a CFO at a participating technology company was between \$40,000 - \$275,000 in 2015. A lower salary tends to be seen when a founder is holding a C-Suite position such as CFO.

CFO PERCENTAGE OF EQUITY



Range:

Life Science
N/A

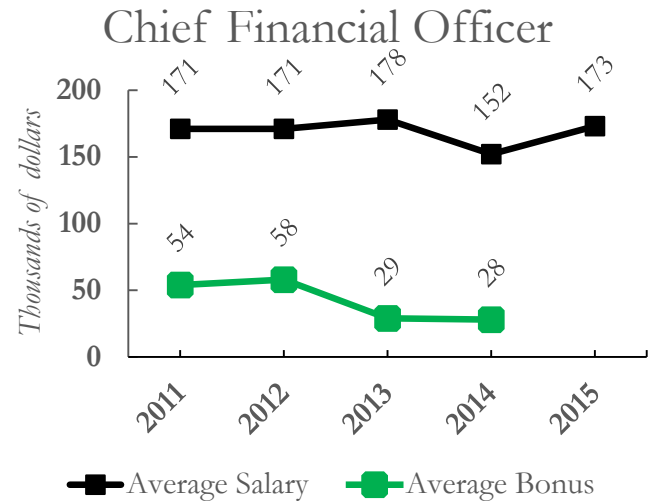
Technology
2% - 17%

Note: "N/A" signifies no responses or one response where *Median, Low and High* are not applicable. '0' responses removed from Salary and Annual Bonus.
‡ Annual Bonus is based off eligibility in 2015.

YEAR-OVER-YEAR CFO CASH COMPENSATION COMPARISON

Average salary earned per year
 Average yearly bonus

Note: Data represents actual bonus received if eligible. Data only shown where average salaries and/or bonuses were reported.



50 Percentage of CFOs eligible for an annual bonus

25 Percentage of CFOs with a pre-negotiated severance arrangement

BOARD OF DIRECTORS

49* Percentage of companies with independent Board members

69* Percentage of companies with Board members that are reimbursed for travel expenses

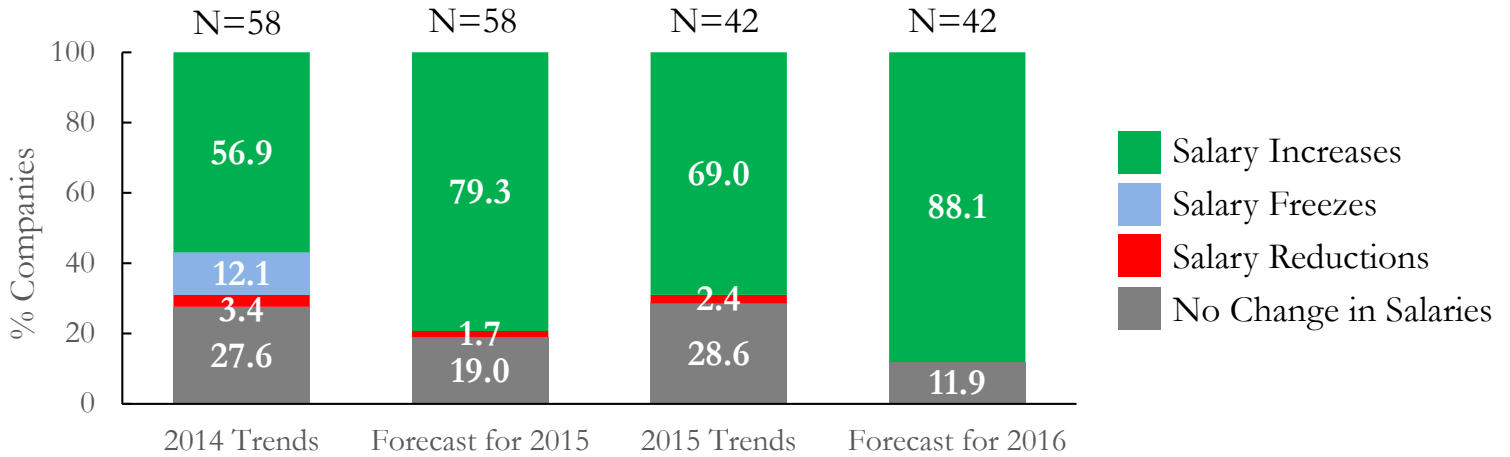
Percentage of companies with the following Board committees:

- Audit: **28.2***
- Compensation: **43.6***
- Nominating & Corp. Governance: **20.5***

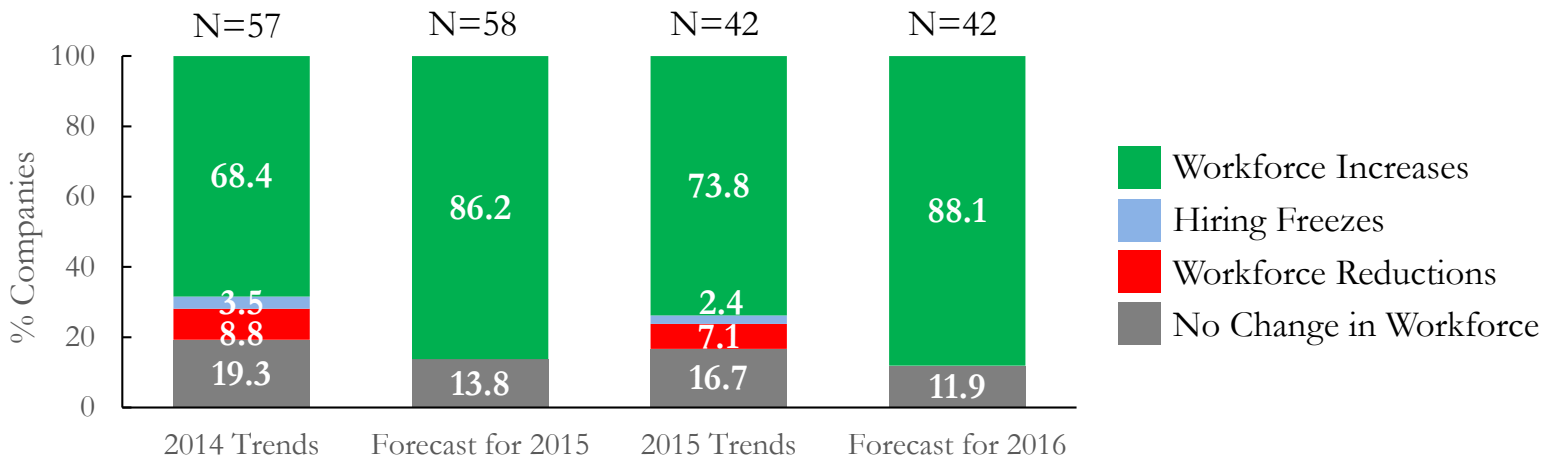
*Analysis based on those reporting a board of directors.

TRENDS AND FORECASTS

Salary Trends and Forecasts



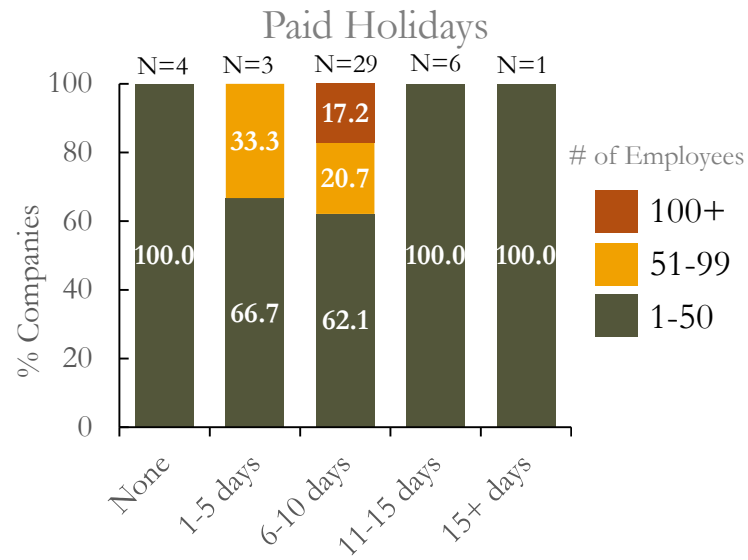
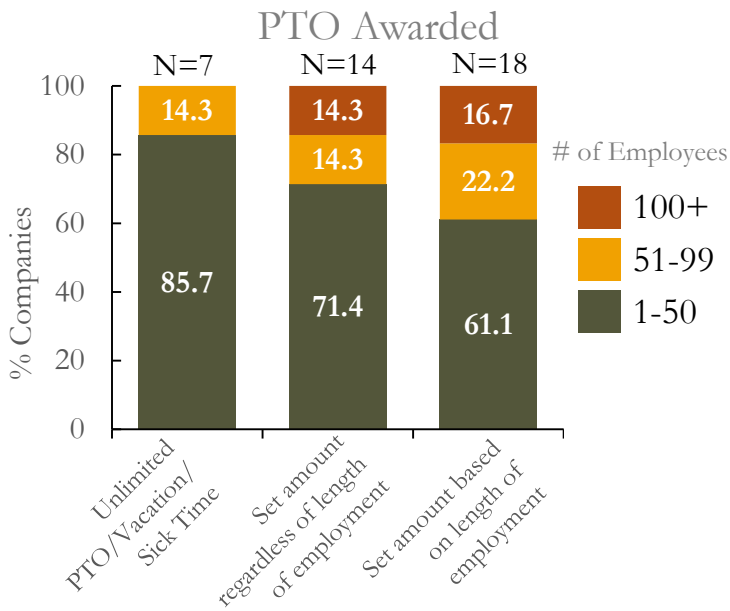
Workforce Trends and Forecasts



- The overwhelming majority (88.1%) of participating organizations anticipate that they will increase salaries in 2016. The 2015 survey results also reveal that more companies reported a trend in favor of salary increases in 2015 versus 2014 (69% versus the 56.9% reported in 2014).
- Similarly, the workforce hiring trends and the hiring forecasts for 2015 reflect increases in both areas for the second year in a row.

GENERAL EMPLOYEE BENEFITS

Paid Time Off and Leave Benefits



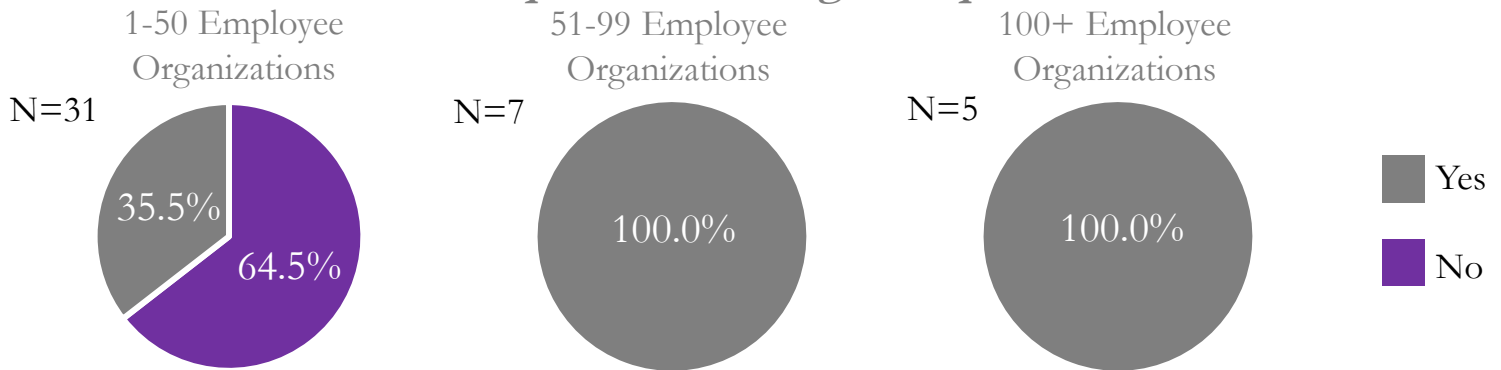
The majority of participating organizations award some form of PTO, with the highest percentage awarding a set amount of PTO based upon length of employment. All but one participating organization provide paid holidays to employees, with the majority providing between 6-10 paid holidays per year.

In 2015, 64.5% of companies with 50 or fewer employees offered group medical benefits to employees. In 2014, 83.6% of companies with 50 or fewer employees offered group medical benefits so there has been a downward trend in smaller organizations offering group health benefits to employees.

The majority of organizations also continue to offer benefits such as a 401(k), life and short- and long-term disability insurance to their employees.

Group Medical Benefits

Companies Offering Group Medical



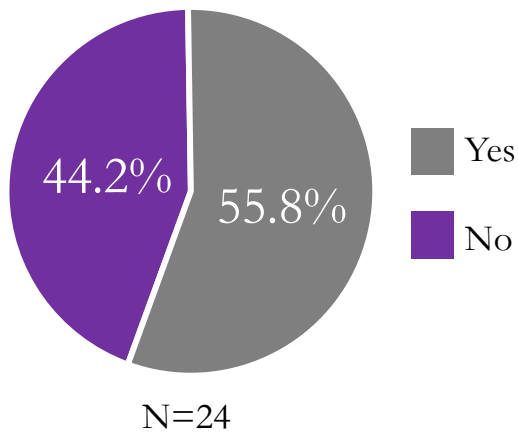
Group Dental Benefits

Companies Offering Group Dental

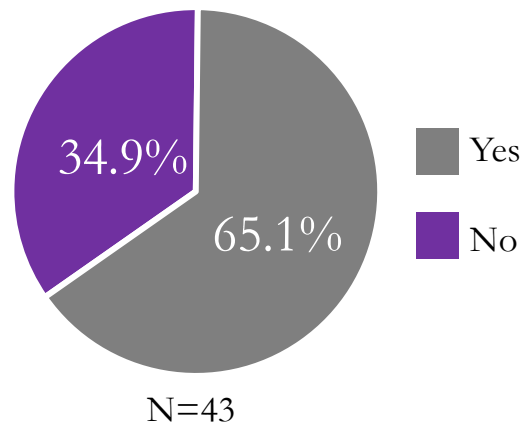


401(k), Life and Disability Benefits

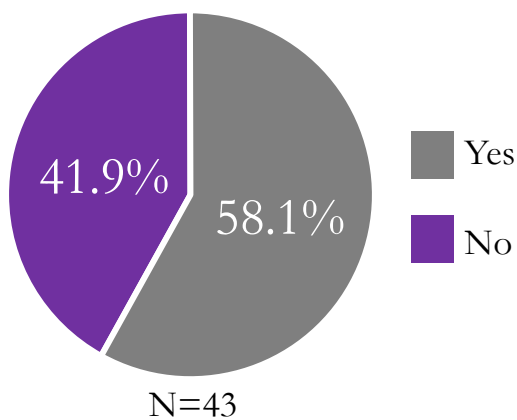
Employees Offering 401(k) Plan



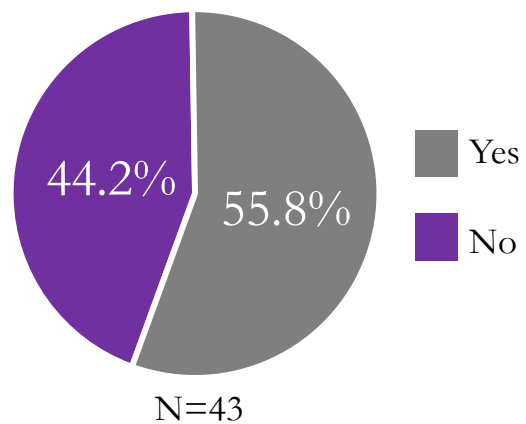
Employers Offering Group Life Insurance Coverage



Employers Offering Short-Term Disability Coverage



Employers Offering Long-Term Disability Coverage



ABOUT THE SPONSORS

Hutchison PLLC is a boutique law firm that represents emerging and growing technology, life sciences and healthcare services companies of all sizes from inception through exit, along with the investors that finance them.

RPG Solutions is an integrated benefits and HR consulting firm that offers a full range of employee benefits, fractional human resources and training solutions. As an extension of your team, we are committed to thoughtful strategic planning, cost-containment strategies and best in class technology solutions.

HireNetworks is a recruiting and staffing firm. It proactively assists companies with recruiting and hiring multidisciplinary teams whose skills range from technology and finance to sales and research. It also provides focused executive recruiting searches for senior leadership with the experience and skills needed to help companies navigate high growth through its in-house executive recruiting firm, Campbell & James.



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