NAVIDEA BIOPHARMACEUTICALS, INC.
Form 10-Q
May 16, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2016

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to to

Commission File Number: 001-35076

NAVIDEA BIOPHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware	31-1080091
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

5600 Blazer Parkway, Suite 200, Dublin, Ohio	43017-7550
(Address of principal executive offices)	(Zip Code)

(614) 793-7500

(Registrant’s telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨	Accelerated filer x
Non-accelerated filer ¨	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12-b-2 of the Act.) Yes o No x

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 155,612,734 shares of common stock, par value $.001 per share (as of the close of business on May 9, 2016).

NAVIDEA BIOPHARMACEUTICALS, INC. AND SUBSIDIARIES

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Navidea Biopharmaceuticals, Inc. and Subsidiaries

Consolidated Balance Sheets

	March 31, 2016 (unaudited)	December 31, 2015
ASSETS		
Current assets:		
Cash	$5,484,083	$7,166,260
Accounts and other receivables	2,800,039	3,703,186
Inventory, net	898,936	652,906
Prepaid expenses and other	853,066	1,054,822
Total current assets	10,036,124	12,577,174
Property and equipment	3,860,851	3,871,035
Less accumulated depreciation and amortization	2,079,269	1,943,427
	1,781,582	1,927,608
Patents and trademarks	222,590	233,596
Less accumulated amortization	38,149	47,438
	184,441	186,158
Other assets	281,534	273,573
Total assets	$12,283,681	$14,964,513
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$2,901,363	$1,767,523
Accrued liabilities and other	3,066,745	3,038,713
Deferred revenue, current	945,190	1,044,281
Notes payable, current, net of discounts of $1,960,631 and $0, respectively	50,179,537	333,333
Total current liabilities	57,092,835	6,183,850
Deferred revenue	26,061	192,728
Notes payable, net of discounts of $0 and $2,033,506, respectively	10,672,265	60,746,002
Other liabilities	1,653,328	1,677,633
Total liabilities	69,444,489	68,800,213
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock; $.001 par value; 5,000,000 shares authorized; no shares issued or outstanding at March 31, 2016 and December 31, 2015, respectively	—	—
Common stock; $.001 par value; 200,000,000 shares authorized; 155,505,583 and 155,649,665 shares issued and outstanding at March 31, 2016 and	155,506	155,650

December 31, 2015, respectively		
Additional paid-in capital	326,447,029	326,085,743
Accumulated deficit	(384,232,659)	(380,546,651)
Total Navidea stockholders' deficit	(57,630,124)	(54,305,258)
Noncontrolling interest	469,316	469,558
Total stockholders’ deficit	(57,160,808)	(53,835,700)
Total liabilities and stockholders’ deficit	$12,283,681	$14,964,513

See accompanying notes to consolidated financial statements (unaudited).

Navidea Biopharmaceuticals, Inc. and Subsidiaries

Consolidated Statements of Operations

(unaudited)

	Three Months Ended March 31,	
	2016	2015
Revenue:		
Lymphoseek sales revenue	$3,782,680	$1,835,422
Lymphoseek license revenue	254,050	83,333
Grant and other revenue	685,825	189,701
Total revenue	4,722,555	2,108,456
Cost of goods sold	534,929	449,057
Gross profit	4,187,626	1,659,399
Operating expenses:		
Research and development	2,659,520	3,981,288
Selling, general and administrative	4,096,660	5,494,168
Total operating expenses	6,756,180	9,475,456
Loss from operations	(2,568,554)	(7,816,057)
Other income (expense):		
Interest expense, net	(2,193,523)	(966,576)
Equity in loss of R-NAV, LLC	(12,239)	(262,227)
Change in fair value of financial instruments	1,125,359	1,727,103
Other, net	(37,292)	26,532
Total other income (expense), net	(1,117,695)	524,832
Net loss	(3,686,249)	(7,291,225)
Less loss attributable to noncontrolling interest	(241)	(100)
Deemed dividend on beneficial conversion feature of MT Preferred Stock	—	(46,000)
Net loss attributable to common stockholders	$(3,686,008)	$(7,337,125)
Loss per common share (basic and diluted)	$(0.02)	$(0.05)
Weighted average shares outstanding (basic and diluted)	155,308,094	149,794,331

See accompanying notes to consolidated financial statements (unaudited).

Navidea Biopharmaceuticals, Inc. and Subsidiaries

Consolidated Statement of Stockholders' Deficit

(unaudited)

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Non-controlling Interest	Total Stockholders' Deficit
Balance, December 31, 2015	—	$ —	155,649,665	$155,650	$326,085,743	$(380,546,651)	$ 469,558	$(53,835,700)
Canceled forfeited restricted stock	—	—	(161,000)	(161)	161	—	—	—
Issued stock in payment of Board retainers	—	—	16,918	17	20,623	—	—	20,640
Stock compensation expense	—	—	—	—	340,502	—	—	340,502
Net loss	—	—	—	—	—	(3,686,008)	(241)	(3,686,249)
Balance, March 31, 2016	—	$ —	155,505,583	$155,506	$326,447,029	$(384,232,659)	$ 469,316	$(57,160,808)

See accompanying notes to consolidated financial statements (unaudited).

Navidea Biopharmaceuticals, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

(unaudited)

	Three Months Ended March 31,	
	2016	2015
Cash flows from operating activities:		
Net loss	$(3,686,249)	$(7,291,225)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	149,590	149,822
Loss on disposal and abandonment of assets	—	5,726
Change in inventory reserve	—	120,302
Amortization of debt discount and issuance costs	72,875	212,813
Compounded interest on long term debt	824,952	—
Stock compensation expense	340,502	1,106,824
Equity in loss of R-NAV, LLC	12,239	262,227
Change in fair value of financial instruments	(1,125,359)	(1,727,103)
Issued stock to 401(k) plan for employer matching contributions	—	117,099
Other	8,401	48,971
Changes in operating assets and liabilities:		
Accounts receivable	903,147	(394,471)
Inventory	(246,030)	240,478
Prepaid expenses and other assets	193,795	20,241
Accounts payable	1,133,840	428,458
Accrued and other liabilities	4,418	673,969
Deferred revenue	(265,758)	1,916,667
Net cash used in operating activities	(1,679,637)	(4,109,202)
Cash flows from investing activities:		
Purchases of equipment	(1,847)	—
Proceeds from sales of equipment	—	20,300
Patent and trademark costs	—	(5,643)
Net cash (used in) provided by investing activities	(1,847)	14,657
Cash flows from financing activities:		
Proceeds from issuance of MT Preferred Stock and warrants	—	500,000
Proceeds from issuance of common stock	—	332
Proceeds from notes payable	—	3,000,000
Payments under capital leases	(693)	(604)
Net cash (used in) provided by financing activities	(693)	3,499,728
Net decrease in cash	(1,682,177)	(594,817)
Cash, beginning of period	7,166,260	5,479,006
Cash, end of period	$5,484,083	$4,884,189

See accompanying notes to consolidated financial statements (unaudited).

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Notes to the Consolidated Financial Statements (unaudited)

1. Summary of Significant Accounting Policies

a. Basis of Presentation: The information presented as of March 31, 2016 and for the three-month periods ended March 31, 2016 and 2015 is unaudited, but includes all adjustments (which consist only of normal recurring adjustments) that the management of Navidea Biopharmaceuticals, Inc. (Navidea, the Company, or we) believes to be necessary for the fair presentation of results for the periods presented. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to the rules and regulations of the U.S. Securities and Exchange Commission. The balances as of March 31, 2016 and the results for the interim periods are not necessarily indicative of results to be expected for the year. The consolidated financial statements should be read in conjunction with Navidea's audited consolidated financial statements for the year ended December 31, 2015, which were included as part of our Annual Report on Form 10-K.

Our consolidated financial statements include the accounts of Navidea and our wholly owned subsidiaries, Navidea Biopharmaceuticals Limited and Cardiosonix Ltd, as well as those of our majority-owned subsidiary, Macrophage Therapeutics, Inc. (MT). All significant inter-company accounts were eliminated in consolidation. Navidea's investment in R-NAV, LLC (R-NAV) is being accounted for using the equity method of accounting and is therefore not consolidated.

b. Financial Instruments and Fair Value: In accordance with current accounting standards, the fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value, giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices in markets that are not active or financial instruments for which all significant inputs are observable, either directly or indirectly; and

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In determining the appropriate levels, we perform a detailed analysis of the assets and liabilities whose fair value is measured on a recurring basis. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs or instruments which trade infrequently and therefore have little or no price transparency are classified as Level 3. See Note 3.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

(1) Cash, accounts and other receivables, accounts payable, and accrued liabilities: The carrying amounts approximate fair value because of the short maturity of these instruments.

(2) Notes payable: The carrying value of our debt at March 31, 2016 and December 31, 2015 primarily consists of the face amount of the notes less unamortized discounts. See Note 8. At March 31, 2016 and December 31, 2015, certain notes payable were also required to be recorded at fair value. The estimated fair value of our debt was calculated using a discounted cash flow analysis as well as a Monte Carlo simulation. These valuation methods include Level 3 inputs such as the estimated current market interest rate for similar instruments with similar

creditworthiness. Unrealized gains and losses on the fair value of the debt are classified in other expenses as a change in the fair value of financial instruments in the consolidated statements of operations. At March 31, 2016, the fair value of our notes payable is approximately $63.7 million, compared to the carrying value of $60.9 million.

(3) Derivative liabilities: Derivative liabilities are related to certain outstanding warrants which are recorded at fair value. Derivative liabilities totaling $63,000 as of March 31, 2016 and December 31, 2015 were included in other liabilities on the consolidated balance sheets. The assumptions used to calculate fair value as of March 31, 2016 and December 31, 2015 included volatility, a risk-free rate and expected dividends. In addition, we considered non-performance risk and determined that such risk is minimal. Unrealized gains and losses on the derivatives are classified in other expenses as a change in the fair value of financial instruments in the statements of operations. See Note 3.

c. Revenue Recognition: We currently generate revenue primarily from sales of Lymphoseek® (technetium Tc 99m tilmanocept) injection. Our standard shipping terms are FOB shipping point, and title and risk of loss passes to the customer upon delivery to a carrier for shipment. We generally recognize sales revenue related to sales of our products when the products are shipped. Our customers have no right to return products purchased in the ordinary course of business, however, we may allow returns in certain circumstances based on specific agreements.

We earn additional revenues based on a percentage of the actual net revenues achieved by Cardinal Health on sales to end customers made during each fiscal year. The amount we charge Cardinal Health related to end customer sales of Lymphoseek are subject to a retroactive annual adjustment. To the extent that we can reasonably estimate the end-customer prices received by Cardinal Health, we record sales based upon these estimates at the time of sale. If we are unable to reasonably estimate end customer sales prices related to products sold, we record revenue related to these product sales at the minimum (i.e., floor) price provided for under our distribution agreement with Cardinal Health.

During the three-month periods ended March 31, 2016 and 2015, over 99% of Lymphoseek sales were made to Cardinal Health. As of March 31, 2016, approximately 98% of accounts and other receivables were due from Cardinal Health.

We also earn revenues related to our licensing and distribution agreements. The terms of these agreements may include payment to us of non-refundable upfront license fees, funding or reimbursement of research and development efforts, milestone payments if specified objectives are achieved, and/or royalties on product sales. We evaluate all deliverables within an arrangement to determine whether or not they provide value on a stand-alone basis. We recognize a contingent milestone payment as revenue in its entirety upon our achievement of a substantive milestone if the consideration earned from the achievement of the milestone (i) is consistent with performance required to achieve the milestone or the increase in value to the delivered item, (ii) relates solely to past performance and (iii) is reasonable relative to all of the other deliverables and payments within the arrangement. We received a non-refundable upfront cash payment of $2.0 million from SpePharm AG upon execution of the SpePharm License Agreement in March 2015. We have determined that the license and other non-contingent deliverables do not have stand-alone value because the license could not be deemed to be fully delivered for its intended purpose unless we perform our other obligations, including specified development work. Accordingly, they do not meet the separation criteria, resulting in these deliverables being considered a single unit of account. As a result, revenue relating to the upfront cash payment was deferred and is being recognized on a straight-line basis over the estimated obligation period of two years.

We generate additional revenue from grants to support various product development initiatives. We generally recognize grant revenue when expenses reimbursable under the grants have been paid and payments under the grants become contractually due. Lastly, we recognize revenues from the provision of services to R-NAV and its subsidiaries. See Note 7.

d. Recent Accounting Pronouncements: In March 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-08, Revenue from Contracts with Customers – Principal versus Agent Considerations (Reporting Revenue Gross versus Net). ASU 2016-08 does not change the core principle of the guidance, rather it clarifies the implementation guidance on principal versus agent considerations. ASU 2016-08 clarifies the guidance in ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), which is not yet effective. The effective date and transition requirements for ASU 2016-08 are the same as for ASU 2014-09, which was deferred by one year by ASU No. 2015-14, Revenue from Contracts with Customers – Deferral of the Effective Date. Public business entities should adopt the new revenue recognition standard for annual reporting periods beginning after December 15, 2017, including interim periods within that year. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that year. We are currently evaluating the potential impact that the adoption of ASU 2014-09 may have on our consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, Compensation – Stock Compensation. ASU 2016-09 simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. Some of the simplified areas apply only to nonpublic entities. ASU 2016-09 is effective for public business entities for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted in any interim or annual period. If an entity early adopts ASU 2016-09 in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. Methods of adoption vary according to each of the amendment provisions. We are currently evaluating the potential impact that the adoption of ASU 2016-09 may have on our consolidated financial statements.

In April 2016, the FASB issued ASU No. 2016-10, Revenue from Contracts with Customers – Identifying Performance Obligations and Licensing. ASU 2016-10 does not change the core principle of the guidance, rather it clarifies the identification of performance obligations and the licensing implementation guidance, while retaining the related principles for those areas. ASU 2016-10 clarifies the guidance in ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), which is not yet effective. The effective date and transition requirements for ASU 2016-10 are the same as

for ASU 2014-09, which was deferred by one year by ASU No. 2015-14, Revenue from Contracts with Customers – Deferral of the Effective Date. Public business entities should adopt the new revenue recognition standard for annual reporting periods beginning after December 15, 2017, including interim periods within that year. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that year. We are currently evaluating the potential impact that the adoption of ASU 2014-09 may have on our consolidated financial statements.

2. Liquidity

All of our material assets, except our intellectual property, have been pledged as collateral for our borrowings under the Term Loan Agreement (the CRG Loan Agreement) with Capital Royalty Partners II L.P. (CRG). In addition to the security interest in our assets, the CRG Loan Agreement carries covenants that impose significant requirements on us, including, among others, requirements that we (1) pay all principal, interest and other charges on the outstanding balance of the borrowed funds when due; (2) maintain liquidity of at least $5 million during the term of the CRG Loan Agreement; and (3) meet certain annual EBITDA or revenue targets ($22.5 million of Lymphoseek sales revenue in 2016) as defined in the CRG Loan Agreement. The events of default under the CRG Loan Agreement also include a failure of Platinum-Montaur Life Sciences LLC, an affiliate of Platinum Management (NY) LLC, Platinum Partners Value Arbitrage Fund L.P., Platinum Partners Liquid Opportunity Master Fund L.P., Platinum Liquid Opportunity Management (NY) LLC, and Montsant Partners LLC (collectively, Platinum) to perform its funding obligations under the Platinum Loan Agreement (as defined below) at any time as to which the Company had negative EBITDA for the most recent fiscal quarter, as a result either of Platinum's repudiation of its obligations under the Platinum Loan Agreement, or the occurrence of an insolvency event with respect to Platinum.

It appears likely that we will need to draw on the Platinum line of credit in order to maintain compliance with the $5 million liquidity covenant of the CRG Loan Agreement beginning in the second quarter of 2016. Our inability to meet the liquidity covenant would be an event of default under the CRG Loan Agreement. In addition, if we are unable to reach the 2016 annual Lymphoseek sales revenue target of $22.5 million, this would also be an event of default under the CRG Loan Agreement; however, potential shortfalls to this revenue covenant are curable by the Company depositing 2.5 times the amount of the shortfall in a bank account controlled by CRG. Our ability to comply with these provisions may be affected by changes in our business condition or results of our operations, or other events beyond our control. An event of default would entitle CRG to accelerate the maturity of our indebtedness, increase the interest rate to the default rate of 18% per annum, and invoke other remedies available to it under the loan agreement and the related security agreement, which could raise substantial doubt about the Company's ability to continue as a going concern. See Notes 8 and 9.

In addition, our Loan Agreement with Platinum (the Platinum Loan Agreement) carries standard non-financial covenants typical for commercial loan agreements, many of which are similar to those contained in the CRG Loan Agreement, that impose significant requirements on us. Our ability to comply with these provisions may be affected by changes in our business condition or results of our operations, or other events beyond our control. The breach of any of these covenants would result in a default under the Platinum Loan Agreement, permitting Platinum to terminate our ability to obtain additional draws under the Platinum Loan Agreement and accelerate the maturity of the debt, subject to the limitations of the Subordination Agreement with CRG. Such actions by Platinum could materially adversely affect our operations, results of operations and financial condition, including causing us to substantially curtail our product development activities. We are currently in compliance with all covenants under the Platinum Loan Agreement. See Note 8.

3. Fair Value

Platinum has the right to convert all or any portion of the unpaid principal or unpaid interest accrued on all draws under the Platinum credit facility, under certain circumstances. Platinum's debt instrument, including the embedded option to convert such debt into common stock, is recorded at fair value on the consolidated balance sheets. The estimated fair value of the Platinum notes payable is $10.7 million at March 31, 2016.

MT issued warrants to purchase MT Common Stock with certain characteristics including a net settlement provision that require the warrants to be accounted for as a derivative liability at fair value on the consolidated balance sheets. The estimated fair value of the MT warrants is $63,000 at March 31, 2016, and will continue to be measured on a recurring basis. See Note 1(b)(3).

The following tables set forth, by level, financial liabilities measured at fair value on a recurring basis:

Liabilities Measured at Fair Value on a Recurring Basis as of March 31, 2016

Description	Quoted Prices in Active Markets for Identical Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Platinum notes payable conversion option	$ —	$ —	$ 1,886,521	$1,886,521
Liability related to MT warrants	—	—	63,000	63,000

Liabilities Measured at Fair Value on a Recurring Basis as of December 31, 2015

Description	Quoted Prices in Active Markets for Identical Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Platinum notes payable conversion option	$ —	$ —	$ 3,011,880	$3,011,880
Liability related to MT warrants	—	—	63,000	63,000

a. Valuation Processes-Level 3 Measurements: The Company utilizes third-party valuation services that use complex models such as Monte Carlo simulation to estimate the value of our financial liabilities. Each reporting period, the Company provides significant unobservable inputs to the third-party valuation experts based on current internal estimates and forecasts.

b. Sensitivity Analysis-Level 3 Measurements: Changes in the Company's current internal estimates and forecasts are likely to cause material changes in the fair value of certain liabilities. The significant unobservable inputs used in the fair value measurement of the liabilities include the amount and timing of future draws expected to be taken under the Platinum Loan Agreement based on current internal forecasts and management's estimate of the likelihood of actually making those draws as opposed to obtaining other sources of financing. Significant increases (decreases) in any of the significant unobservable inputs would result in a higher (lower) fair value measurement. A change in one of the inputs would not necessarily result in a directionally similar change in the others.

There were no Level 1 liabilities outstanding at any time during the three-month periods ended March 31, 2016 and 2015. There were no transfers in or out of our Level 2 liabilities during the three-month periods ended March 31, 2016 or 2015. Changes in the estimated fair value of our Level 3 liabilities relating to unrealized gains (losses) are recorded as changes in fair value of financial instruments in the consolidated statements of operations. The change in the estimated fair value of our Level 3 liabilities during the three-month periods ended March 31, 2016 and 2015 was a decrease of $1.1 million and $1.7 million, respectively.

4. Stock-Based Compensation

For the three-month periods ended March 31, 2016 and 2015, our total stock-based compensation expense, which includes reversals of expense for certain forfeited or cancelled awards, was approximately $341,000 and $1.1 million, respectively. We have not recorded any income tax benefit related to stock-based compensation in either of the three-month periods ended March 31, 2016 and 2015.

A summary of the status of our stock options as of March 31, 2016, and changes during the three-month period then ended, is presented below:

	Three Months Ended March 31, 2016			
	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Outstanding at beginning of period	5,437,064	$ 1.96		
Granted	366,457	0.96		
Exercised	—	—		
Canceled and Forfeited	(112,000)	1.86		
Expired	(299,000)	2.42		
Outstanding at end of period	5,392,521	$ 1.87	7.5 years	$ 104,600
Exercisable at end of period	3,337,968	$ 2.03		