

ANGIODYNAMICS INC  
Form PREM14A  
February 28, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

(Rule 14a-101)

**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)

Payment of Filing Fee (Check the appropriate box):

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.. No fee required.

x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:  
Common stock, par value of \$0.01 per share

(2) Aggregate number of securities to which transaction applies:  
9,479,607 shares of common stock

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):  
The maximum aggregate value, solely for purposes of calculating the filing fee, was determined based upon the sum of \$237.5 million plus 9,479,607 shares of common stock at \$13.29 per share for the average of the high and low prices per share on February 23, 2012 as reported on the NASDAQ Global Select Market. In accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, the filing fee was determined by multiplying 0.00011460 by the sum calculated in the preceding sentence.

(4) Proposed maximum aggregate value of transaction:  
\$363,483,977.03

(5) Total fee paid:  
\$41,655.27

.. Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**PRELIMINARY PROXY SUBJECT TO COMPLETION, DATED FEBRUARY 28, 2012**

[ ], 2012

To the Stockholders of AngioDynamics, Inc.:

We cordially invite you to attend a special meeting of the stockholders of AngioDynamics, Inc. to be held at our corporate headquarters located at 14 Plaza Drive, Latham, New York 12110 on [ ], 2012 at 1:00 p.m., local time.

On January 30, 2012, AngioDynamics, Inc. entered into a Stock Purchase Agreement to acquire all of the issued and outstanding capital stock of NM Holding Company, Inc., or Navilyst Holdings, which is the ultimate parent company of Navilyst Medical, Inc., or Navilyst Medical. Subject to satisfaction of the terms and conditions in the Stock Purchase Agreement, Navilyst Holdings and its subsidiaries, collectively Navilyst, will become wholly-owned subsidiaries of AngioDynamics as a result of the acquisition.

The total purchase price will be subject to adjustment based on the working capital of Navilyst Holdings at the closing of the acquisition and will consist of the following:

Total cash consideration of approximately \$237.5 million, which will be used to repay Navilyst Holdings' existing indebtedness, pay the liquidation value of the issued and outstanding preferred stock of Navilyst Holdings, pay for certain fees and costs of Navilyst Holdings and the stockholders of Navilyst Holdings, or the Sellers, fund an escrow account and pay certain cash consideration to the Sellers for all the issued and outstanding shares of Navilyst Holdings common stock; and

9,479,607 shares of common stock, \$0.01 par value, of AngioDynamics. As of [ ], 2012, the closing price of AngioDynamics common stock was \$[ ] per share.

Under the rules of the Nasdaq Global Select Market, the securities exchange on which our common stock is listed, the issuance of our common stock in connection with the acquisition requires the approval of AngioDynamics' stockholders because the issuance exceeds 20% of the number of shares of AngioDynamics common stock outstanding prior to the issuance.

At the special meeting, you will be asked to consider and vote on a proposal to approve the issuance of shares of AngioDynamics common stock. You also may be asked to approve a proposal to adjourn or postpone the special meeting of stockholders, for a period of not more than 30 days, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the common stock issuance proposal.

The Board of Directors of AngioDynamics has determined that the Stock Purchase Agreement and the acquisition are advisable and in the best interests of AngioDynamics stockholders and has unanimously approved the Stock Purchase Agreement and the acquisition. **Accordingly, the Board of Directors of AngioDynamics recommends that you vote FOR the proposal to approve the issuance of AngioDynamics common stock and FOR the proposal to adjourn or postpone the special meeting, if necessary, to enable us to solicit additional proxies.**

Your vote is very important. We cannot complete the acquisition without the approval of the issuance of AngioDynamics common stock in connection with the acquisition. The proposal to issue 9,479,607 shares of AngioDynamics common stock pursuant to the Stock Purchase Agreement requires the affirmative vote of the holders of a majority of the shares of AngioDynamics common stock present in person or represented by proxy at the special meeting. Even if you plan to attend the special meeting, we recommend that you submit your proxy before the special meeting so that your vote will be counted if you later decide not to attend the meeting. You can also vote your shares via the Internet or by telephone as provided in the instructions set forth on the enclosed proxy card. If you hold your shares in street name through a broker, you should follow the procedures provided by your broker.

The accompanying proxy statement explains the proposed acquisition in greater detail. We urge you to carefully read this proxy statement, including the annexes and information incorporated by reference and the matters discussed under Risk Factors beginning on page 14.

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Sincerely,

Joseph M. DeVivo

President and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the proposed issuance of shares of AngioDynamics common stock in connection with the acquisition or determined whether this proxy statement is truthful or complete. Any representation to the contrary is a criminal offense.

This proxy statement is dated [ ], 2012 and is first being mailed to AngioDynamics stockholders on or about [ ], 2012.

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**REFERENCE TO ADDITIONAL INFORMATION**

This proxy statement incorporates by reference important business and financial information about AngioDynamics from documents that are not included in or delivered with this proxy statement. You may obtain documents that are incorporated by reference in this proxy statement without charge by requesting them in writing or by telephone from AngioDynamics at the following address and telephone number:

**AngioDynamics, Inc.**

**14 Plaza Drive**

**Latham, New York 12110**

**Attention: General Counsel**

**Telephone: (518) 795-1400**

In addition, you may also obtain these and other documents filed with the Securities and Exchange Commission at our website at [www.angiodynamics.com](http://www.angiodynamics.com) at the Investors section. Our website address is provided as an inactive textual reference only. The information provided on our website is not part of this proxy statement, and therefore is not incorporated herein by reference.

Please note that copies of the documents provided to you will not include exhibits, unless the exhibits are specifically incorporated by reference in the documents or this proxy statement.

**In order to receive timely delivery of requested documents in advance of the special meeting, you should make any written or telephonic requests by no later than [ ], 2012. Documents will be distributed within one business day of receipt of such request.**

For a more detailed description of the information incorporated by reference in this proxy statement and how you may obtain it, see the section entitled Where You Can Find More Information on page [ ].

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**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**To be held on [ ], 2012**

To the Stockholders of AngioDynamics, Inc.:

A special meeting of stockholders of AngioDynamics, Inc., a Delaware corporation, will be held at our corporate headquarters located at 14 Plaza Drive, Latham, New York 12110 on [ ], 2012 at 1:00 p.m., local time, for the following purposes:

*Proposal No. 1:* To approve the issuance of 9,479,607 shares of AngioDynamics common stock, par value \$0.01 per share, pursuant to the Stock Purchase Agreement, dated as of January 30, 2012, by and among AngioDynamics, Navilyst Holdings, the stockholders of Navilyst Holdings, or the Sellers, the optionholders of Navilyst Holdings and the sellers representative.

*Proposal No. 2:* To approve the adjournment or postponement of the special meeting of AngioDynamics stockholders for a period of not more than 30 days, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting of AngioDynamics stockholders to approve Proposal No. 1.

Please refer to the accompanying proxy statement for further information with respect to the business to be transacted at the special meeting of stockholders.

The close of business on [ ], 2012 has been fixed as the record date for determining those AngioDynamics stockholders entitled to notice of and to vote at the special meeting. Accordingly, only stockholders of record at the close of business on that date will receive this notice of, and be eligible to vote at, the special meeting and any adjournments or postponements of the special meeting.

Our stockholders must approve Proposal No. 1 relating to the issuance of AngioDynamics common stock in accordance with the terms of the Stock Purchase Agreement in order for AngioDynamics to complete the acquisition of Navilyst.

The AngioDynamics Board of Directors recommends that you vote **FOR** each of the above proposals.

Your vote is important. Please read the proxy statement and the instructions on the enclosed proxy card and, whether or not you plan to attend the special meeting in person and no matter how many shares you own, please submit your proxy promptly by telephone or via the Internet in accordance with the instructions on the enclosed proxy card, or by completing, dating and returning your proxy card in the envelope provided. Returning your proxy by one of these three methods will not prevent you from voting in person at the special meeting. It will, however, help assure a quorum and avoid added proxy solicitations.

You may revoke your proxy at any time before the vote is taken by delivering to the Secretary of AngioDynamics a written revocation or a proxy with a later date (including a proxy by telephone or via the Internet) or by voting your shares in person at the special meeting, in which case your proxy would be disregarded.

By order of the Board of Directors

Gregory J. Champion, Secretary

Albany, New York

[ ], 2012

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**QUESTIONS AND ANSWERS**

*The following are some questions that you, as a stockholder of AngioDynamics, may have regarding the acquisition of Navilyst and the proposal to issue shares of AngioDynamics common stock in connection with the acquisition and the answers to those questions. We urge you to read carefully the remainder of this document because the information in this section does not provide all the information that might be important to you with respect to the acquisition of Navilyst and the proposal to issue shares of AngioDynamics common stock in connection with the acquisition. Additional important information is also contained in the appendices to and the documents incorporated by reference in this document.*

**Q: What is the transaction?**

A: AngioDynamics has entered into a Stock Purchase Agreement with Navilyst Holdings, the stockholders of Navilyst Holdings, or the Sellers, the optionholders of Navilyst Holdings, or the Optionholders, and the sellers representative, or the Sellers Representative, pursuant to which AngioDynamics agreed to acquire all of the issued and outstanding capital stock of Navilyst Holdings. Subject to satisfaction of the terms and conditions set forth in the Stock Purchase Agreement, Navilyst Holdings and its subsidiaries will become wholly-owned subsidiaries of AngioDynamics as a result of the acquisition.

**Q: What am I being asked to vote on?**

A: You are being asked to approve the issuance of 9,479,607 shares of AngioDynamics common stock pursuant to the Stock Purchase Agreement in connection with the acquisition of Navilyst. The approval of the issuance of the AngioDynamics common stock is a condition to completing the acquisition.

In addition, you may be asked to vote to approve an adjournment or postponement of the special meeting for a period of not more than 30 days, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve the issuance of the AngioDynamics common stock. The approval of the adjournment or postponement of the special meeting of stockholders is not a condition to completing the acquisition.

**Q: How does the AngioDynamics Board of Directors recommend that I vote?**

A: The AngioDynamics Board of Directors recommends that you vote FOR the approval of the issuance of the AngioDynamics common stock pursuant to the Stock Purchase Agreement in connection with the acquisition of Navilyst and FOR the approval of an adjournment or postponement of the special meeting, if necessary, to enable AngioDynamics to solicit additional proxies in favor of the proposal to issue AngioDynamics common stock. Your vote is important.

**Q: Why is stockholder approval necessary for the issuance of AngioDynamics common stock in connection with the acquisition?**

A: AngioDynamics common stock is listed on the Nasdaq Global Select Market, or NASDAQ. NASDAQ rules require stockholder approval before the issuance of common stock if the common stock to be issued will have voting power equal to or greater than 20% of the voting power outstanding before the issuance, or if the number of shares of common stock to be issued will be equal to or greater than 20% of the number of shares of common stock outstanding before the issuance.

The shares of AngioDynamics common stock that will be issued in connection with the acquisition of Navilyst exceed the thresholds under NASDAQ rules and, therefore, the issuance requires the approval of our stockholders.

**Q: Why did AngioDynamics enter into the Stock Purchase Agreement?**

A: Our Board of Directors believes that the acquisition of Navilyst will provide substantial benefits to us, including, among others, strengthening our vascular division through the addition of Navilyst's Venous Access products, providing access to new potential customers through the addition of Navilyst's Fluid

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Management products, incorporating into our business Navilyst's highly proficient manufacturing capabilities and quality systems and generally increasing the scale of our operations. For additional information regarding AngioDynamics' reasons for entering into the Stock Purchase Agreement, see the section entitled "The Transaction - AngioDynamics' Reasons for the Transaction" beginning on page [ ].

**Q: When is the acquisition expected to be completed?**

A: AngioDynamics and Navilyst are working toward completing the acquisition as soon as practicable. AngioDynamics currently expects that the acquisition will close during AngioDynamics' fiscal 2012 fourth quarter ending May 31, 2012. In addition to stockholder approval of the issuance of AngioDynamics common stock, there are a number of additional conditions, including, but not limited to, expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the HSR Act, that must be satisfied before we can complete the transaction. See the section entitled "The Stock Purchase Agreement - Conditions to Closing the Transaction" beginning on page [ ] for a more detailed discussion.

**Q: Do I need to send in my stock certificates if the transaction is completed?**

A: No. You will not be required to exchange your certificates representing shares of AngioDynamics common stock in connection with this transaction. You will not receive any cash or securities in connection with the acquisition. Instead, you will continue to hold your existing shares of AngioDynamics common stock.

**Q: Who can vote at the special meeting?**

A: AngioDynamics has fixed the close of business on [ ], 2012 as the record date for the special meeting or any adjournment or postponement thereof, and only the holders of AngioDynamics' common stock on the record date can vote at the special meeting.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this proxy statement, please submit your proxy by telephone or via the Internet in accordance with the instructions set forth in the enclosed proxy card, or complete, sign, date and mail your proxy card in the enclosed prepaid envelope as soon as possible so that your shares may be voted at the special meeting. See the section entitled "The Special Meeting - Revocability of Proxies; How to Vote" on page [ ] for a more detailed discussion.

**Q: What happens if I do not vote?**

A: The proposal to issue 9,479,607 shares of AngioDynamics common stock pursuant to the Stock Purchase Agreement and the proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of the common stock issuance proposal must each be approved by the affirmative vote of the holders of a majority of the shares of AngioDynamics common stock present in person or represented by proxy at the special meeting. If you fail to vote, it will not affect the proposal to issue 9,479,607 shares of AngioDynamics common stock pursuant to the Stock Purchase Agreement or the proposal to adjourn or postpone the special meeting unless the shares are counted as present at the special meeting. However, the failure to vote on the proposals, by failing to either submit a proxy or attend the special meeting, may make it more difficult to establish a quorum at the special meeting.

**Q: If my shares are held in street name by my broker, will my broker vote my shares for me?**

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- A: If your shares are held in the name of a bank or broker or other nominee, you will receive separate instructions from your bank, broker or other nominee describing how to vote your shares. The availability of telephonic or Internet voting will depend on the bank's or broker's voting process. Please check with your bank or broker and follow the voting procedures your bank or broker provides.

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You should instruct your bank, broker or other nominee how to vote your shares. The rules applicable to broker-dealers do not grant your broker discretionary authority to vote your shares for the proposal to issue shares of AngioDynamics common stock or for the proposal to adjourn or postpone the special meeting, if necessary, to solicit additional proxies in favor of the AngioDynamics common stock issuance proposal without receiving your instructions. As a result, if your broker does not receive voting instructions from you regarding the proposals, your shares will not be voted.

### **Q: May I change my vote after I have submitted a proxy by telephone or via the Internet or mailed my signed proxy card?**

A: Yes. You may change your vote at any time before your proxy is voted at the special meeting. You can do this in several ways. You can send a written notice stating that you want to revoke your proxy, or you can complete and submit a new proxy card. If you choose either of these methods, you must submit your notice of revocation or your new proxy card to AngioDynamics Secretary at our principal executive office, 14 Plaza Drive, Latham, New York 12110.

You can also change your vote by submitting a proxy at a later date by telephone or via the Internet, in which case your later-submitted proxy will be recorded and your earlier proxy revoked.

You can also attend the special meeting and vote in person. Simply attending the special meeting, however, will not revoke your proxy. To revoke your earlier proxy, you must vote at the special meeting.

If you have instructed a broker to vote your shares, the preceding instructions do not apply, and you must follow the voting procedures received from your broker to change your vote.

### **Q: If I want to attend the special meeting, what do I do?**

A: The special meeting will be held at our corporate headquarters located at 14 Plaza Drive, Latham, New York 12110 on [ ], 2012 at 1:00 p.m., local time. Stockholders of record as of the record date for the special meeting ([ ], 2012) can vote in person at the special meeting. A valid government issued identification card will be required for entry to the special meeting. If your shares are held in street name, then you are not the stockholder of record and you must ask your bank, broker or other nominee holder how you can vote at the special meeting.

### **Q: Who can help answer my questions?**

A: If you have any questions or need assistance in voting your shares, please contact us:  
**AngioDynamics, Inc.**

**14 Plaza Drive**

**Latham, New York 12110**

**Attention: Corporate Secretary**

**Telephone: (518) 795-1400**



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**SUMMARY**

*This summary highlights selected information from this proxy statement. It does not contain all of the information that may be important to you. You should carefully read this entire document, including the annexes and the other documents to which this document refers you, for a more complete understanding of the matters being considered at the special meeting. See the section entitled "Where You Can Find More Information" beginning on page [ ]. Additionally, some of the statements contained in, or incorporated by reference into, this proxy statement are forward-looking statements. See the section entitled "Cautionary Statement Concerning Forward-Looking Statements" beginning on page [ ]. All references in this proxy statement to dollars or \$ are to U.S. dollars. In this proxy statement, unless otherwise indicated, we refer to accounting principles generally accepted in the United States as GAAP. Except as the context otherwise requires, references in this proxy statement to the Company, AngioDynamics, we, our or us are to AngioDynamics, Inc.*

**The Transaction** (See page [ ]) )

On January 30, 2012, AngioDynamics entered into a Stock Purchase Agreement with Navilyst Holdings, the Sellers, the Optionholders and the Sellers Representative. Navilyst is a privately held company that is engaged in the design, development, manufacturing, marketing and sale of fluid management and venous access products. Subject to satisfaction of the terms and conditions set forth in the Stock Purchase Agreement, Navilyst Holdings and its subsidiaries will become wholly-owned subsidiaries of AngioDynamics as a result of the acquisition.

Pursuant to the terms of the Stock Purchase Agreement, the total purchase price will be subject to adjustment based on the working capital of Navilyst Holdings at the closing of the acquisition and will consist of the following:

Total cash consideration of approximately \$237.5 million, which will be used to repay Navilyst Holdings existing indebtedness, pay the liquidation value of the issued and outstanding preferred stock of Navilyst Holdings, pay for certain fees and costs of Navilyst Holdings and the Sellers, fund an escrow account and pay certain cash consideration to the Sellers for all the issued and outstanding shares of Navilyst Holdings common stock; and

9,479,607 shares of common stock, \$0.01 par value, of AngioDynamics. As of [ ], 2012, the closing price of AngioDynamics common stock was \$[ ] per share.

See the section entitled "The Stock Purchase Agreement" beginning on page [ ] for a more detailed discussion.

**AngioDynamics Reasons for the Transaction** (See page [ ]) )

Our Board of Directors has unanimously approved the acquisition of Navilyst and determined that the acquisition and the other transactions contemplated by the Stock Purchase Agreement are fair to and in the best interests of AngioDynamics and its stockholders. Accordingly, our Board of Directors has recommended that you vote FOR the issuance of shares of our common stock, based on its belief, in consultation with AngioDynamics senior management, its internal and outside legal counsel and its financial advisor, that the acquisition of Navilyst will provide substantial benefits to AngioDynamics, including, among others, strengthening our vascular division through the addition of Navilyst's Venous Access products, providing access to new potential customers through the addition of Navilyst's Fluid Management products, incorporating into our business Navilyst's highly proficient manufacturing capabilities and quality systems and generally increasing the scale of our operations. The factors that our Board of Directors and senior management considered in connection with the acquisition are described in more detail under the section entitled "The Transaction - AngioDynamics Reasons for the Transaction" beginning on page [ ].



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### **Opinion of AngioDynamics Financial Advisor** (See page [ ])

J.P. Morgan Securities LLC, or J.P. Morgan, delivered its written opinion to AngioDynamics Board of Directors that, as of January 30, 2012, and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth therein, the consideration to be paid by AngioDynamics in the proposed transaction was fair, from a financial point of view, to AngioDynamics.

The full text of the written opinion of J.P. Morgan, dated January 30, 2012, which sets forth, among other things, the assumptions made, procedures followed, matters considered, and qualifications and limitations on the review undertaken in connection with its opinion, is attached as Annex C to this proxy statement and is incorporated herein by reference. J.P. Morgan provided its opinion for the information of AngioDynamics Board of Directors in connection with and for the purposes of its evaluation of the transactions contemplated by the Stock Purchase Agreement. J.P. Morgan's written opinion addresses only the fairness of the consideration to be paid by AngioDynamics in the proposed transaction and does not address any other matter.

### **Financing Related to the Transaction** (See page [ ])

Simultaneously with the execution of the Stock Purchase Agreement, AngioDynamics entered into a Commitment Letter with J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, JPMorgan Chase Bank, N.A., or JPMCB, Bank of America, N.A, or BANA, and KeyBank National Association, together, with JPMCB and BANA, the Commitment Providers. The Commitment Letter provides that, subject to certain customary terms and conditions, the Commitment Providers will provide (i) a senior secured term loan facility in an aggregate principal amount of \$150,000,000 to fund a portion of AngioDynamics' payment obligation upon consummation of the Acquisition and (ii) a senior secured revolving credit facility in an aggregate principal amount of \$50,000,000. AngioDynamics will pay certain customary fees and expenses in connection therewith. The agreement governing the term facility and the revolving credit facility will subject AngioDynamics to customary terms and covenants, including financial maintenance covenants, and will be subject to customary events of default.

### **The Companies** (See page [ ])

*AngioDynamics, Inc.*

AngioDynamics, Inc.

14 Plaza Drive

Latham, New York 12110

AngioDynamics, Inc. is a leading provider of innovative, minimally invasive medical devices used by professional healthcare providers for vascular access, surgery, peripheral vascular disease and oncology. AngioDynamics' diverse product lines include market-leading ablation systems, vascular access products, angiographic products and accessories, angioplasty products, drainage products, thrombolytic products and venous products.

*Navilyst*

NM Holding Company, Inc.

26 Forest Street

Marlborough, Massachusetts 01752

Navilyst is a leading global developer, manufacturer and marketer of innovative medical devices used in oncology treatment, as well as the diagnosis and treatment of vascular disease.



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### **Board of Directors of AngioDynamics Following the Transaction** (See page [ ])

In connection with the closing of the transactions contemplated by the Stock Purchase Agreement, AngioDynamics and certain of the Sellers, or the Stockholders, will enter into a Stockholders Agreement, pursuant to which, among other things, AngioDynamics Board of Directors will be increased from eight (8) to ten (10) directors and Avista Capital Partners, L.P., or Avista Capital Partners, will have the right to appoint two (2) directors to AngioDynamics Board of Directors until such time as, with respect to the first director, the Stockholders beneficial ownership in AngioDynamics has been reduced below 20% of the then outstanding voting shares and, with respect to the second director, the Stockholders beneficial ownership in AngioDynamics has been reduced below 10% of the then outstanding voting shares.

### **The Special Meeting of AngioDynamics Stockholders** (See page [ ])

**Time; Date; Place.** We will hold a special meeting of our stockholders at our corporate headquarters located at 14 Plaza Drive, Latham, New York 12110 on [ ], 2012 at 1:00 p.m., local time.

**Purpose of the Special Meeting.** At the special meeting, you will be asked to vote on the proposals described below. In addition, at the special meeting, we may transact such other business as may properly come before the special meeting or any properly reconvened special meeting following an adjournment or postponement of the special meeting.

**The Issuance of Common Stock Proposal (Proposal No. 1).** You will be asked to approve the issuance of 9,479,607 shares of AngioDynamics common stock, pursuant to the Stock Purchase Agreement. If the issuance of shares of AngioDynamics common stock is approved, then in accordance with the Stock Purchase Agreement, AngioDynamics will acquire Navilyst, and Navilyst Holdings and its subsidiaries will become wholly-owned subsidiaries of AngioDynamics. The approval of the issuance of AngioDynamics common stock is a condition to the completion of the acquisition of Navilyst.

**The Adjournment or Postponement Proposal (Proposal No. 2).** You may be asked to approve the adjournment or postponement of the special meeting for a period of not more than 30 days, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meeting to approve Proposal No. 1. The approval of the adjournment or postponement of the special meeting is not a condition to the completion of the acquisition of Navilyst.

**Record Date; Voting Securities.** AngioDynamics has fixed the close of business on [ ], 2012 as the record date for the determination of holders of AngioDynamics common stock entitled to receive notice of and to vote at the special meeting and any adjournment or postponement of the special meeting. No other shares of AngioDynamics capital stock are entitled to notice of and to vote at the special meeting. At the close of business on the record date, AngioDynamics had outstanding and entitled to vote [ ] shares of common stock.

**Quorum; Votes Required.** The presence, in person or by proxy, of the holders of a majority of the shares of common stock issued and outstanding as of the record date for the special meeting is necessary to constitute a quorum at the special meeting. For purposes of determining the presence of a quorum for transacting business at the special meeting, abstentions will be treated as shares that are present but broker non-votes will not be treated as shares that are present.

The proposal to issue 9,479,607 shares of AngioDynamics common stock pursuant to the Stock Purchase Agreement requires the affirmative vote of the holders of a majority of the shares of AngioDynamics common stock present in person or represented by proxy at the special meeting. The proposal to adjourn or postpone the special meeting, if necessary, to solicit additional proxies in favor of the common stock issuance proposal requires the affirmative vote of the holders of a majority of the shares of AngioDynamics common stock present in person or represented by proxy at the special meeting, whether or not a quorum is present.

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The approval of the issuance of AngioDynamics common stock in accordance with the terms of the Stock Purchase Agreement is a condition to the completion of the acquisition of Navilyst. As a result, a vote against the proposal relating to the issuance of AngioDynamics common stock effectively will be a vote against the acquisition of Navilyst by AngioDynamics. The approval of the proposal to adjourn or postpone the special meeting, if necessary, to solicit additional proxies in favor of the proposal to issue shares of AngioDynamics common stock is not a condition to the completion of the acquisition of Navilyst.

***Recommendation of the AngioDynamics Board of Directors.*** The AngioDynamics Board of Directors has unanimously determined that the acquisition of Navilyst is fair to and in the best interests of AngioDynamics and its stockholders and, subject to approval by AngioDynamics stockholders, approved the issuance of AngioDynamics common stock in accordance with the Stock Purchase Agreement.

The AngioDynamics Board of Directors recommends that you vote **FOR** the approval of the issuance of AngioDynamics common stock in accordance with the Stock Purchase Agreement and **FOR** the approval of the adjournment or postponement of the special meeting, if necessary, to solicit additional proxies in favor of the common stock issuance proposal.

**The Stock Purchase Agreement** (See page [ ]) )

The Stock Purchase Agreement, which is attached to this proxy statement as Annex A, is described in more detail beginning on page [ ]. We urge you to read the Stock Purchase Agreement in its entirety because this document is the legal document governing the proposed acquisition of Navilyst.

***Completion of the Acquisition of Navilyst is Subject to Conditions.*** The respective obligations of each of AngioDynamics, Navilyst Holdings and the Sellers to effect the transactions contemplated by the Stock Purchase Agreement are conditioned on the satisfaction or waiver of the following conditions:

all applicable waiting periods under the HSR Act applicable to the acquisition having terminated or expired;

no court or other governmental authority having issued any writ, order, injunction, decree or judgment, and no action or proceeding being threatened or pending by or before a court or other governmental authority, restraining, enjoining or otherwise prohibiting consummation of the transactions contemplated by the Stock Purchase Agreement;

no court or other governmental authority having promulgated, entered, issued, or determined to be applicable, any applicable law that would make the consummation of the transactions contemplated by the Stock Purchase Agreement illegal, and no action or proceeding with respect to such application of any such applicable law being pending;