



Corporate Presentation

As of March 31, 2017

NASDAQ: AXGN

It's time to rethink nerve repair.™



Safe Harbor Statement

This Presentation contains "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or predictions of future conditions, events, or results based on various assumptions and management's estimates of trends and economic factors in the markets in which we are active, as well as our business plans. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "projects," "forecasts," "continue," "may," "should," "will," and variations of such words and similar expressions are intended to identify such forward-looking statements. The forward-looking statements may include, without limitation, statements regarding our assessment on our internal control over financial reporting, our growth, our 2017 guidance, product development, product potential, financial performance, sales growth, product adoption, market awareness of our products, data validation, our visibility at and sponsorship of conferences and educational events.

The forward-looking statements are subject to risks and uncertainties, which may cause results to differ materially from those set forth in the statements. Forward-looking statements in this release should be evaluated together with the many uncertainties that affect AxoGen's business and its market, particularly those discussed in the risk factors and cautionary statements in AxoGen's filings with the Securities and Exchange Commission. Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made and, except as required by law, AxoGen assumes no responsibility to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

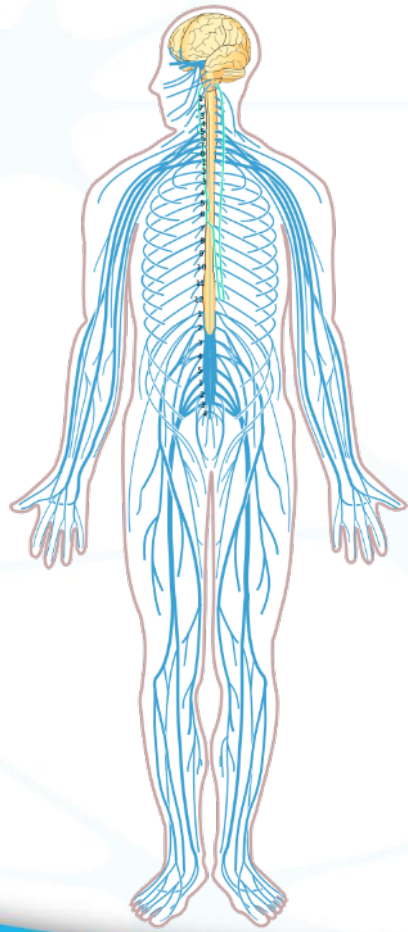
Who is Affected by Nerve Injuries?



It's time to rethink nerve repair.™

NERVES. NERVE INJURY. NERVE REPAIR.

It's time to rethink nerve repair.™



The Nervous System

Central Nervous System (CNS)

Brain and Spinal Cord - yellow

Peripheral Nervous System (PNS)

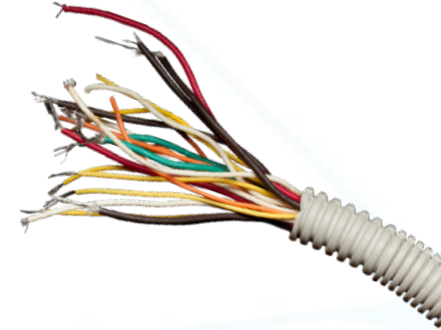
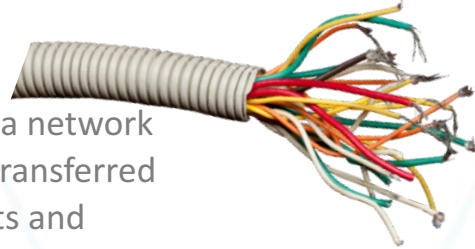
All other nerves - blue

**AxoGen is Dedicated to
Peripheral Nerve Repair**

The Function of Nerves

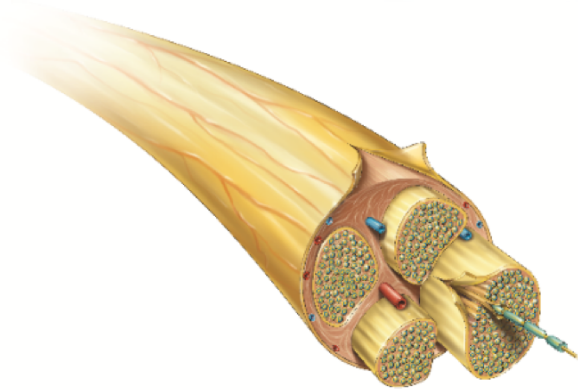
Nerves are like wires

- Transfer signals across a network
- If cut, data cannot be transferred
- If crushed, short circuits and data corruption may occur



The peripheral nervous system is a vast network from every organ to and from the brain

- Sensory
- Motor
- Autonomic



Consequences of Peripheral Nerve Injuries

**Numbness and Loss
of Sensation**

**Partial or Full Loss
of Movement**

**Chronic, Debilitating,
Stabbing, Radiating
Pain**

**Reduced
Quality of Life**

Peripheral Nerve Functions

SENSORY

- Pressure
- Touch
- Temperature
- Pain
- Location



MOTOR

- Fine motor control
- Stability
- Mobility



AxoGen is the Pre-eminent Nerve Repair Company

- ✓ Exclusive focus on peripheral nerve repair and protection solutions
- ✓ Comprehensive product portfolio addresses 900,000+ procedures
- ✓ \$1.8B+ market opportunity
- ✓ “Five Pillar” Market Development Strategy delivered 25 consecutive quarters of YOY double-digit growth

Q1 2017 Revenue

\$12.2M, 51% growth vs Q1 2016

2016 Revenue

\$41.1M, 50% growth vs 2015

High Gross Margins

84.4% as of March 31, 2017

Cash as of March 31, 2017

\$25.9 M

Debt as of March 31, 2017

\$25.0 M

- ✓ Solid balance sheet provides resources to execute business plan
- ✓ Significant barriers to competitive entry including a growing body of clinical data
- ✓ Strong management team with track record of commercial success
- ✓ Expansion opportunities beyond current markets

How are Nerves Injured?

Repair

Transections

Motor vehicle accidents,
power tool accidents,
battle field injuries, gunshot
wounds, surgical injuries,
natural/other disasters



Protect

Compression

Carpal, cubital, tarsal tunnel
revision, blunt trauma,
previous surgery

Patient Impact



Jajuan

- 10 year old aspiring football player and video game lover
- Laceration in hand caused loss of sensation and numbness
- Nerve and tendon injury repaired by Dr. Joshua Abzug, Baltimore, MD
- Nerve gap bridged with Avance® Nerve Graft
- Sensory recovery underway

Anna

- College student and athlete with routine wisdom tooth removal
- Nerve severed during procedure resulting in numbness of tongue
- Repaired by Dr. Shahrokh Bagheri, Atlanta, GA
- AxoGuard® Nerve Protector
- Sensory recovery underway



Frankie

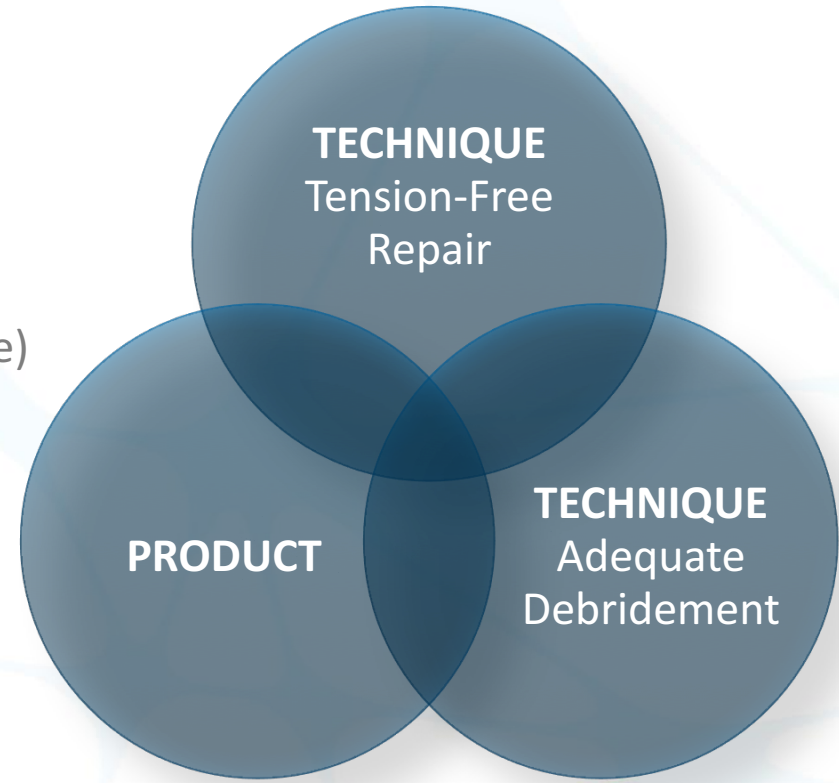
- 12 year old male, injured in an ATV rollover
- 7 cm defect in ulnar nerve
- Parents did not want risk of comorbidities associated w/ autograft repair
- Repaired with Avance® Nerve Graft and 2 AxoGuard® Nerve Connectors
- Return of fine motor skills in fingers underway, planning to join military



Best Practices of Nerve Repair

TECHNIQUE + PRODUCT

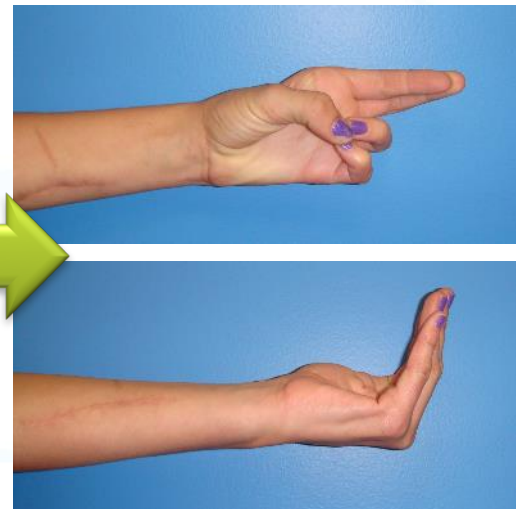
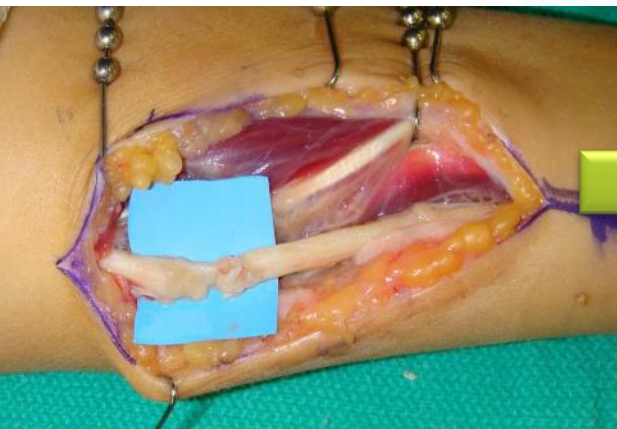
- Tension-Free repair
- Adequate resection (remove nerve scar tissue)
- Scaffold to direct and support growth
- Protection from soft tissue attachments
- Control of Inflammation



Peripheral Nerves are Capable of Regeneration with Appropriate Guidance and Protection

GOALS OF REPAIR

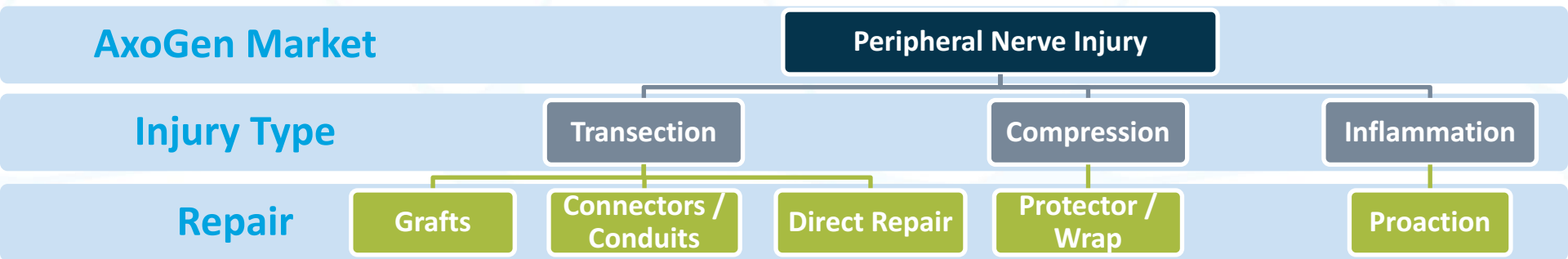
- Restore sensation and muscle function
- Prevent neuroma / chronic pain



Pictures provided Courtesy of Buaback Safa, MD, MBA, FACS and The Buncke Clinic

It's time to rethink nerve repair.™

Peripheral Nerve Injuries and Repair Paradigm



Current Targeted Nerve Markets (U.S.)

AxoGen Current Target Markets

\$1.8 Billion

Over 900K Procedures Annually in U.S.¹:

Extremity

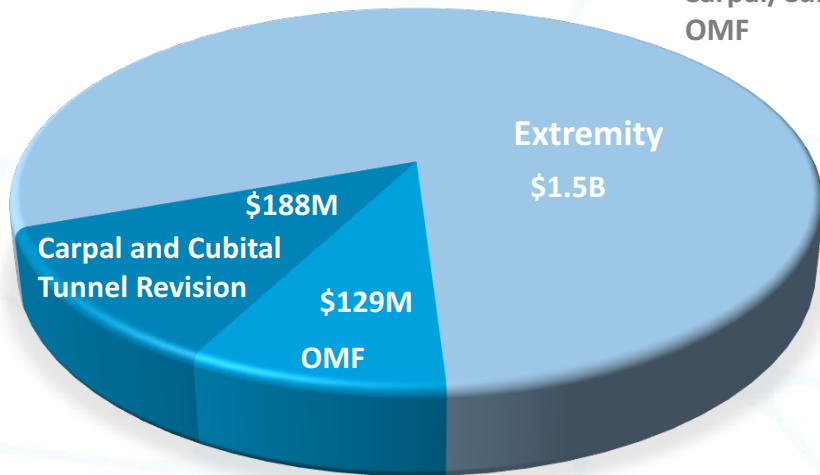
719,000¹

Carpal/Cubital Tunnel

118,000²

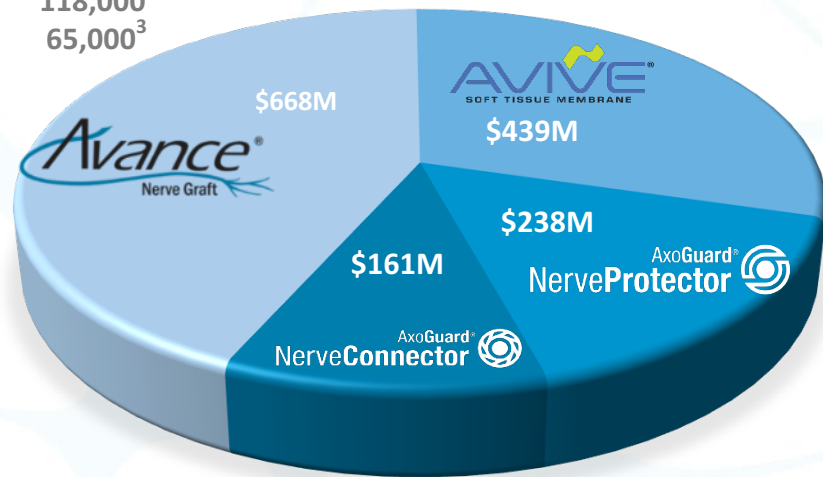
OMF

65,000³



Extremity Market

\$1.5 Billion

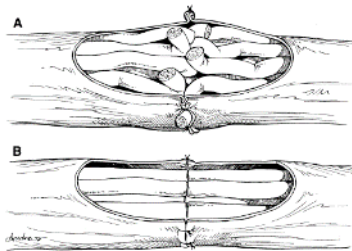


Traditional **TRANSECTION** Repair Options are Not Optimal

SUTURE

Direct suture repair of no-gap injuries

- Common repair method
- May result in tension to the repair leading to ischemia
- Concentrates sutures at the coaptation site



AUTOGRAFT

Traditional “Gold Standard” despite several disadvantages

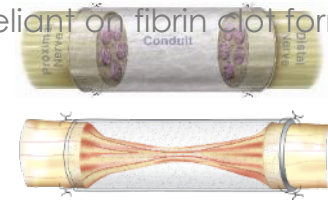
- Secondary surgery
- Loss of function and sensation at harvest site
- 27% complication rate including infection, wound healing and chronic pain⁴
- Limited availability of graft length and diameter



HOLLOW-TUBES

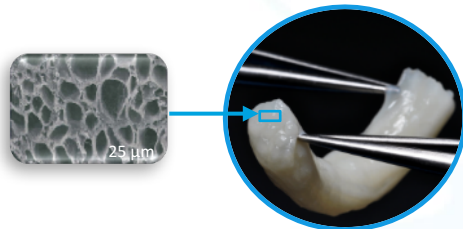
Convenient off the shelf option; limited efficacy and use

- Provides only gross direction for regrowth
- Limited to small gaps
- 34%-57% failure rate >5mm gaps⁵
- Semi-rigid and opaque material limits use and visualization
- Repair reliant on fibrin clot formation



AxoGen Solutions for **TRANSECTION** Repair

Avance[®]
Nerve Graft



Processed human nerve allograft for bridging nerve gaps

Clinically studied off-the-shelf alternative

- 87% meaningful recovery in sensory, mixed and motor nerve gaps in multi-center study⁶
- Eliminates need for an additional surgical site and risks of donor nerve harvest⁷
- May reduce OR time

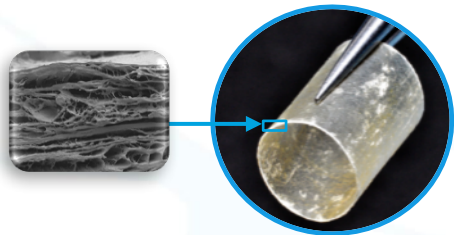
Structural support for regenerating axons

- Cleansed and decellularized extracellular matrix (ECM)
- Offers the benefits of human peripheral nerve micro-architecture and handling

Revascularizes and remodels into patient's own tissue similar to autologous nerve⁷

16 Size options in a variety of lengths (up to 70mm) and diameters (up to 5mm)

AxoGuard[®]
NerveConnector



Only minimally processed porcine ECM for connector-assisted coaptation

Alternative to direct suture repair

- May reduce surgery time by as much as 40%⁸
- Reduces the risk of forced fascicular mismatch⁹

Alleviates tension at critical zone of regeneration

- Disperses tension across repair site¹⁰
- Moves suture inflammation away from coaptation face⁸

Revascularizes and remodels into patient's own tissue^{11,12, 13, 14}

It's time to rethink nerve repair.™

Compelling Economic Value Proposition to Hospitals

Reimbursement coding and coverage is in place for nerve repair and grafting

- Medicare reimbursement ranges from \$11,460 - \$22,660¹⁵
- No separate reimbursement for the autograft harvest

Reduces overall procedure costs

- Eliminates cost of additional OR time for autograft nerve harvest; saves 30-90 minutes in procedure time^{16, 17}
- May save \$3,200 to \$9,500 per procedure¹⁸
- May allow the use of cheaper local or regional anesthesia versus general anesthesia¹⁹

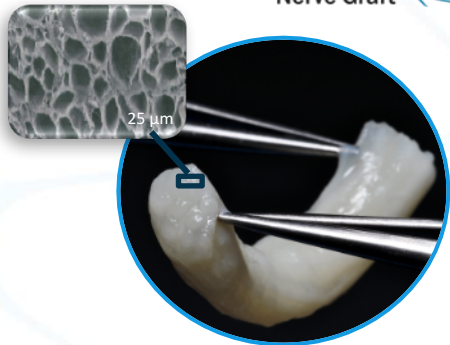
Prevent costs associated with potential complications from nerve autograft procedure^{20,21}

- Surgical Site Infections at harvest site, may exceed \$20,000 per case
- Eliminate costs of increased hospitalization due to SSI, 9.7 days on average

Increase OR efficiency

- May increase time available for additional OR procedures; Typical large hospital may gain 6-18 days of available OR time²²

Avance[®]
Nerve Graft



Traditional **COMPRESSION** Repair Options are Not Optimal

VEIN WRAPPING

Autologous vein

- Barrier to attachment to surrounding tissue
- Requires extra time and skill to perform spiral wrapping technique
- Second surgery site

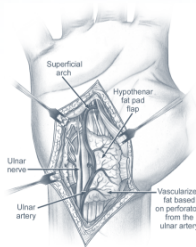


Sotereanos DG, et al., Microsurgery 1995

HYPOTHENAR FAT PAD

Autologous vascularized flap

- Barrier to attachment to surrounding tissue
- Only wraps part of the nerve circumference
- Increases procedure time

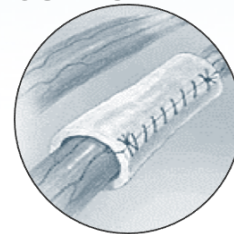


Lippincott and Williams

COLLAGEN WRAPS

Off-the-shelf

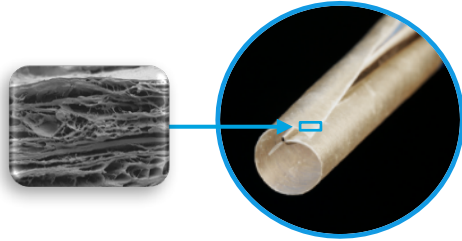
- Semi-rigid material limits use
- Degrades over time and does not provide a lasting barrier to soft tissue attachment



AxoGen Solutions for **COMPRESSION** Repair Offer Advantages

Minimally processed porcine extracellular matrix for wrapping and protecting injured peripheral nerve

AxoGuard[®]
NerveProtector



- Protects repair site from surrounding tissue
 - Minimizes soft tissue attachments²³
 - Allows for diffusion of nutrients through the material¹¹
- Allows nerve gliding
 - Minimizes risk of entrapment²³
 - Creates a barrier between repair and surrounding tissue bed²³
- ECM Revascularizes and remodels into patient's own tissue^{10,11,24}
- Easy to use
 - Semi-translucent to allow visualization of underlying nerve
 - Conforms to nerve

Options for Reduction of INFLAMMATION are Not Optimal

DO NOTHING

- Inflammation can impair tissue regeneration and result in scarring and fibrosis that, in turn, can irritate and compress the nerve

HYPOTHENAR FAT PAD

- Barrier to attachment to surrounding tissue
- Only wraps part of the nerve circumference
- Increases procedure time

SEPRAFILM®

- Turns into a gel in 24-48 hours
- Completely resorbed in <7 days
- Not intended in applications where blood is present
- Off-Label use

PLACENTAL AMNION

- Resorbed too quickly; in external applications must be reapplied bi-weekly
- Very thin, handling is not optimal for nerve surgical applications

AxoGen Proactive Solution for INFLAMMATION







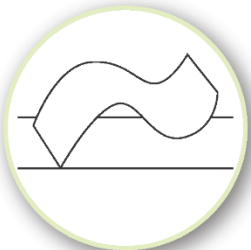
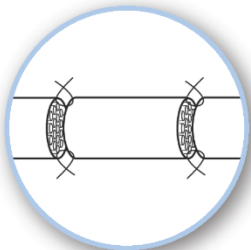
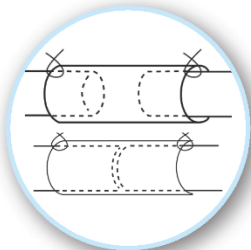
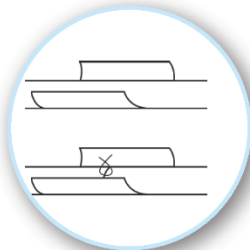
Avive® Soft Tissue Membrane is minimally processed human umbilical cord membrane that may be used as a resorbable soft tissue covering to separate tissues and modulate inflammation in the surgical bed.

Smart processing to preserve the natural properties of the umbilical cord amniotic membrane

Designed with the Nerve Surgeon in Mind:

- Easy to handle, suture, or secure during a surgical procedure
- Up to 8x thicker than placental amniotic membrane alone²⁵
- Specifically designed as a soft tissue covering to modulate inflammation, and provide a longer resorption profile to separate the tissue layers for at least 16 weeks²⁶

AxoGen Surgical Solution Portfolio

Proaction	Connection		Protection
	 Transected Nerve ($\geq 5\text{mm}$)	 Transected Nerve ($\leq 5\text{mm}$)	
			

IP and Regulatory Protection

Avance Nerve Graft 2007

Avance® Nerve Graft is processed and distributed in accordance with US FDA requirements for Human Cellular and Tissue-based Products (HCT/P)

The Avance® name and logo are registered and trademark protected in the U.S.A and International



IP Protection to 2022 and beyond

8 Issued U.S. Patents

6972168
7402319
7732200
7772185
8758794
6696575
8986733
7851447

15 Issued Intl Patents

Competitive product BLA estimated 8 years

AxoGen has Enforcement Discretion from FDA allowing continued sales under controls applicable to HCT/P with agreed transition plan to Biologic Product under a Biologic License Application (BLA)

A competitive processed nerve allograft would need to complete a BLA Phase I, II and III clinical study prior to clinical release.

Expected Biosimilar Protection – additional 12 years exclusivity

Avance expected to be the reference product for the category of processed nerve allograft

**“IF YOU CAN’T MEASURE IT, YOU
CAN’T IMPROVE IT”**

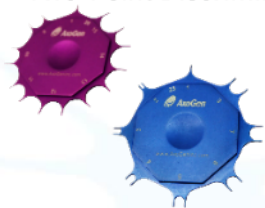
-PETER DRUCKER

Expansion of Nerve Repair Product Portfolio



A nerve function evaluation system designed to be used as a tool for surgeons and other allied health professionals in **measuring, mapping, and monitoring** of patients with peripheral nerve injuries and conditions

- **Pressure Specified Sensory Device™ / PSSD™**
 - Patented, first-in-class somatosensory measurement device combines nerve density assessment with pressure threshold sensitivity. Measures both 1-point and 2-point discrimination and the pressure applied
- **AcroGrip™ Device**
 - Hand grip strength measurement measures the total strength of the hand, including the ulnar and radial forces
- **AcroPinch™ Device**
 - Measures the pinch force of a patient's fingers

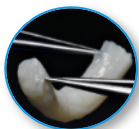


Measurement tool to assist in detecting changes in sensation, assessing return of sensory function, establishing effective treatment interventions, and providing feedback to the patients.

- Set of two aluminum discs
- Two point discrimination between 2 to 15 mm
- Additional 20 and 25 mm spacing also provided

AxoGen Comprehensive Portfolio of Peripheral Nerve Products

SURGICAL



Avance[®]
Nerve Graft



AxoGuard[®]
NerveConnector



AxoGuard[®]
NerveProtector

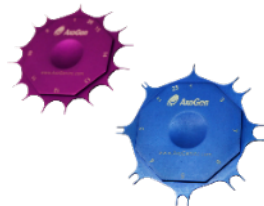


AVIVE[®]
SOFT TISSUE MEMBRANE

EVALUATION



AcroVal[™]
Neurosensory &
Motor Testing System



AxoTouch[™]
Two-Point Discriminator

Market Development Strategy

Build Market Awareness

**Educate Surgeons,
Develop Advocates**

**Grow Body of
Clinical Evidence**

Execute Sales Plan

**Expand Product
Pipeline & Applications**

Market Development Strategy



It's time to rethink nerve repair.™

Focus on Building Awareness Among Surgeons, Patients, and Investors

Participate in Clinical Conferences

- ☐ Technical exhibits
- ☐ Podium presentations
- ☐ Sponsored surgeon panels

Promote Awareness Among Patients

- ☐ AxoGen Patient Ambassador Program
- ☐ "Find A Nerve Surgeon" on Website

Garner Positive Media Attention

- ☐ National, Regional, and Local Broadcast, Print, and Online



Build Market
Awareness

Emphasis on Education

“The course was an outstanding experience! Definitely one of the best hands-on practical courses I have taken. It will have a direct impact on the way that I treat certain clinical problems.”

Ignatius Roger, MD, NY Presbyterian
Plastic and Reconstructive Surgery, Hand Surgery

2015: 9 National Courses

2016: 13 National Courses

**2017: 15 National Courses
Expected**



Educate Surgeons
Develop Advocates

Emphasis on Education

AxoGen Professional Education Program

- ❑ Educate on “best practices” of nerve repair
- ❑ Local Grand Rounds, handling labs and fellow education
- ❑ Nerve Matters™ – Online surgeon forum for sharing cases and techniques

Surgeon Advocacy and Speakers Bureau

- ❑ National and International Key Opinion Leaders
- ❑ Data presentations, panel events, and publications

Educate Surgeons
Develop Advocates

Strong Commitment to Developing Clinical Evidence

50

Portfolio Peer-Reviewed Clinical Papers*

5

RANGER

42

Avance[®]
Nerve Graft

18

AxoGuard[®]

AxoGen

Grow Body of
Clinical Evidence

*Total number for the portfolio of surgical implant products.
Certain publications contain data on multiple products.

AxoGen

It's time to rethink nerve repair.™

Strong Commitment to Developing Clinical Evidence

RANGER® Study: Avance® Nerve Graft On-going registry study

- ❑ The largest multi-center clinical study in peripheral nerve repair, over 1,100 Avance® nerve repairs enrolled to date
- ❑ Overall meaningful recovery rates of 84-87%; comparable to autograft outcomes without associated donor site comorbidities
- ❑ Four peer reviewed publications, referenced over 220 times, 50 clinical conference presentations

Significant Improvement over Manufactured Conduit

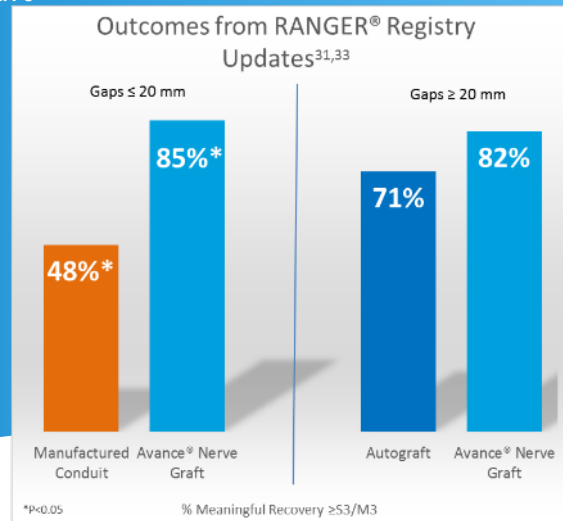
- ❑ Sensory^{27, 28, 29} Motor^{27,29}
- ❑ Complication Rate^{28,29}

Comparable to Autograft^{27,29}

- ❑ Sensory^{27,28,29}
- ❑ Motor^{27,29}

Predictable Performance^{27,28,29}

Reproducible Outcomes^{27,28,29}



Grow Body of
Clinical Evidence

Strong Commitment to Developing Clinical Evidence



RECON Study: Enrollment initiated

- ❑ Prospective, randomized study of Avance® Nerve Graft controlled vs hollow-tubes in digital injuries 5 to 25mm
- ❑ IND Pivotal Study to support BLA Submission

CHANGE Study: Completed and published²⁸

- ❑ Prospective, randomized study comparing Avance® Nerve Graft to hollow tube repairs in digital injuries 5mm to 20 mm
- ❑ Pilot study for Avance® Nerve Graft IND Study for Biological License Application (BLA)
- ❑ Showed statistically significant difference between treatment groups

Grow Body of
Clinical Evidence



Strong Commitment to Developing Clinical Evidence

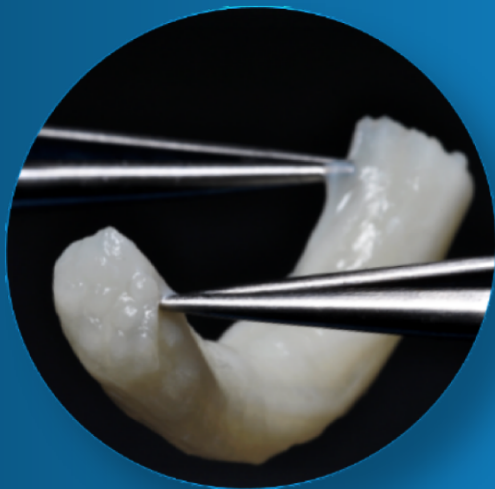


87% Overall Return of Function⁶

90% Return of Sensory Function

86% Return of Motor Function

Safe : No Donor Site Morbidity²⁹



Study	n	Gap (mm)	Nerve Injury	Repair Technique	Successful Repair
RANGER® Control ³³	34	10-30	Digital and Mixed	Conduit	51%
Wangenstein and Kalliainen	64	3-25	Sensory, Mixed, and Motor	NeuraGen®	43%
Chiriack et al.	16	2-25	Digital	Neurolac™	44%
Haug et al.	35	5-26	Digital	NeuraGen®	40%
Taras et al.	22	5-17	Digital	NeuraGen®	72%
Chiriack et al.	12	2-25	Median and Ulnar	Neurolac™	8%
RANGER® Control ³⁰	13	10-60	Digital and Mixed	Autograft	71%
Kallio et al.	77	<50	Digital	Autograft	60%
Frykman and Gramyk	141	<50	Digital	Autograft	88%
Frykman and Gramyk	--	--	Ulnar/ Median	Autograft	60- 80%
Kim and Kline	7/15	--	Ulnar/Median	Autograft	57- 67%
Vastamaki et al	14	≤ 35	Ulnar	Autograft	57%

Grow Body of Clinical Evidence

It's time to rethink nerve repair.™

Focused Sales Execution, Increasing Market Penetration



Sales Execution Focused on Driving Results

- ❑ Q1 2017: 465 Active accounts purchasing AxoGen product; increased 37% over prior year
- ❑ 5,100 potential U.S. accounts doing nerve repair

Expanded Sales Reach

- ❑ U.S. sales team
 - ❑ 50 direct sales professionals as of May 4, 2017
 - ❑ 20 independent distributors
- ❑ OUS: Increased Market Presence and Penetration in EU

Execute Sales Plan



Expand the Opportunity in Nerve Repair



**Market
Expansion**

**Future Market
Development**

**Core
Business**

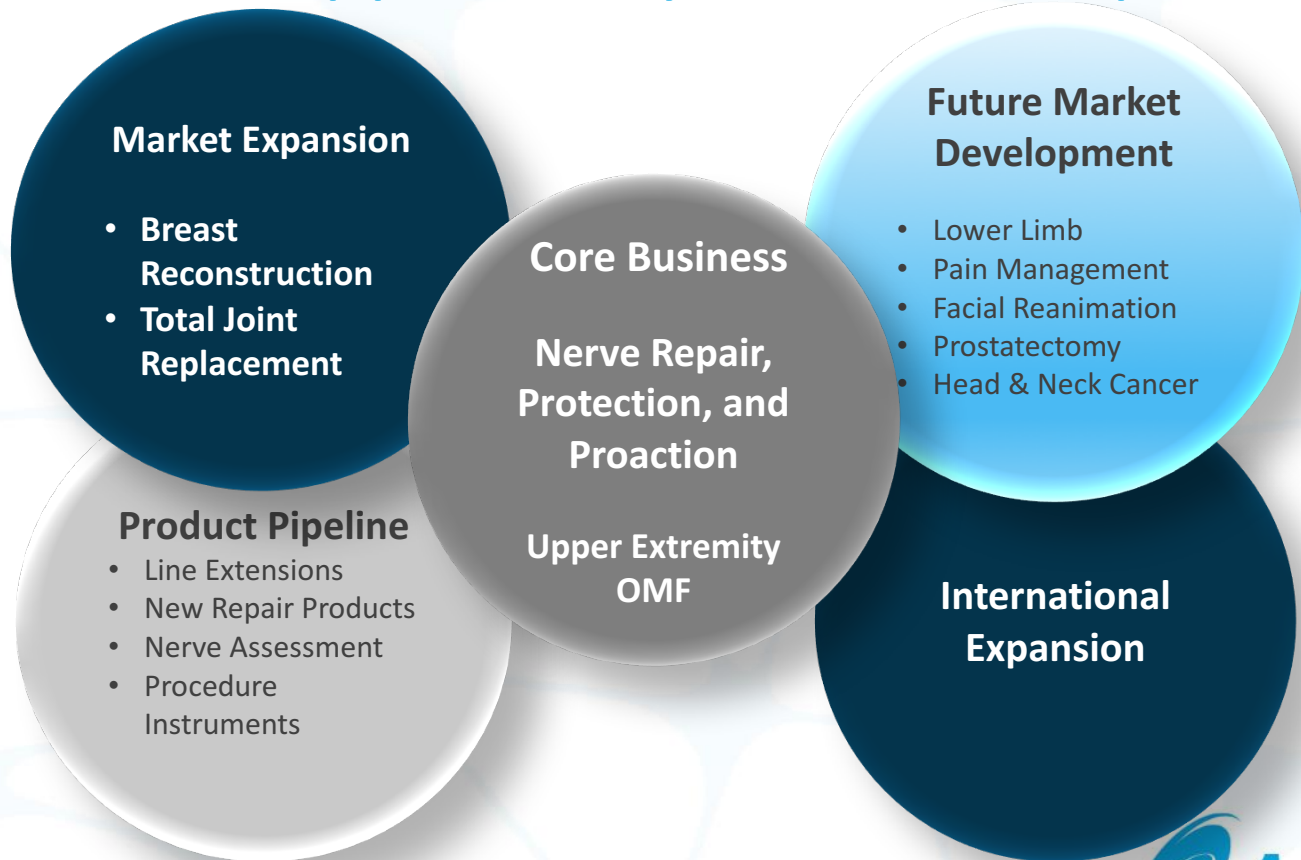
**Product
Pipeline**

**International
Expansion**

**Expand Product
Pipeline & Applications**

It's time to rethink nerve repair.™

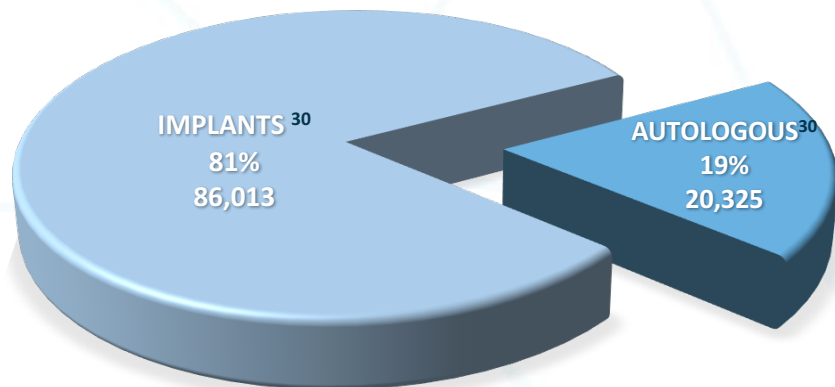
Expand the Opportunity in Nerve Repair



Breast Reconstruction Neurotization

Raises the bar in outcomes for breast reconstruction

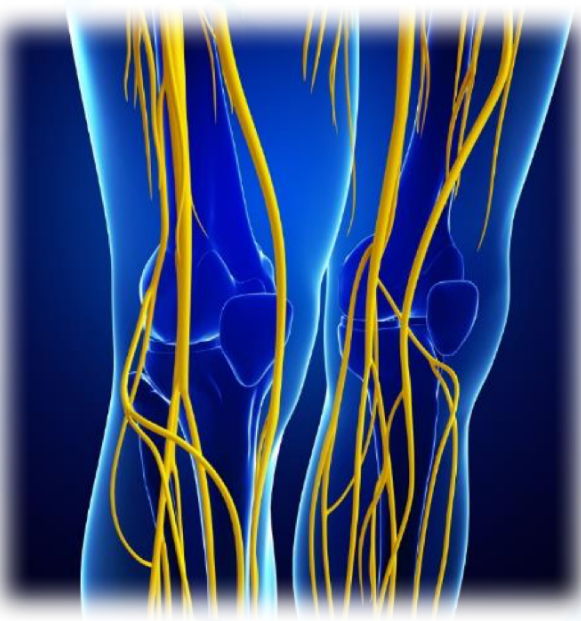
- Shape, Soft, Size, Symmetry, **Sensation**



Estimated market opportunity
\$140M +



Lower Limb TJR Nerve Injuries



700,000 Total Knee Replacements (TKR) per year in the U.S.

310,000 Total Hip Replacements (THR) per year in the U.S.

Est 6% Neuropathic pain in TKR and THR ³¹

**Est 60,000+ Patients with Neuropathic post
Joint Replacement Chronic Pain**

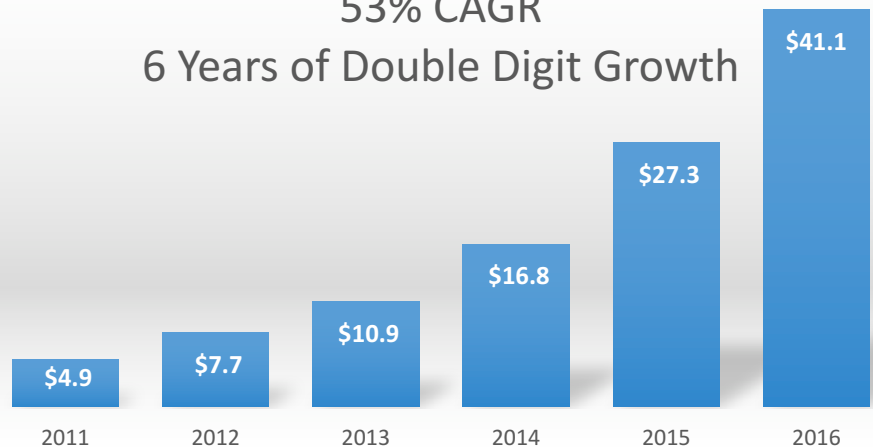
Est \$125M+

**Opportunity to drive awareness and patient referrals to
Nerve Experts at Centers of Excellence**

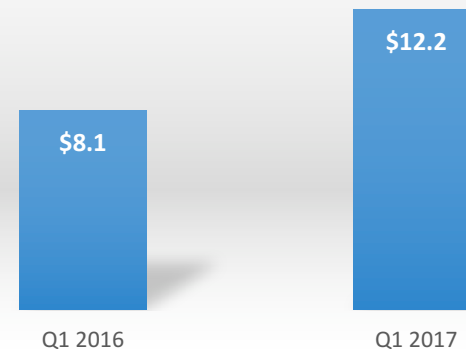
Delivering Strong Consistent Revenue Growth & Gross Margin

U.S. \$ in millions

Annual Revenue
53% CAGR
6 Years of Double Digit Growth



Q1 Revenue
51% Growth



84.4% Gross Margin for the quarter ended March 31, 2017

Balance Sheet and Capital Structure

Balance Sheet Highlights	March 31, 2017
Cash	\$25.9 Million
Total Bank Debt*	\$25.0 Million

Capital Structure (shares)	March 31, 2017
Common Stock	33,063,960
Common Stock Options	4,589,394
Common Stock Warrants	44,843
Common Stock and Common Stock Equivalents	37,698,197

*The company has a \$31 million of debt facility comprised of a \$21 million term loan and a revolving line of credit of up to \$10 million. The revolver may be increased at a later date to \$15 million dollars at our request, and with the approval of MidCap. Total Bank Debt at December 31, 2016 is comprised of the \$21 million term loan plus \$4 million borrowed on the revolving line of credit. The facility carries a 54 month term, with interest only payments on the term loan for the first 24 months. The interest rate on the term loan is 8.0% plus the greater of LIBOR or 0.5%, which resulted in a rate of 8.5 percent as of March 31, 2017. Borrowings under the revolving line of credit bear interest of 4.5% plus the greater of LIBOR 0.5%, which resulted in a rate of 5.0 percent as of March 31, 2017.

Leadership Team



Karen Zaderej, MBA
**President and
Chief Executive Officer**
J&J (Ethicon)



Peter Mariani
Chief Financial Officer
Lensar, Hansen, Guidant



Greg Freitag, JD, CPA
**General Counsel and
SVP Business Development**
Pfizer, Guidant



Shawn McCarrey
SVP, Sales
Bayer, Medrad, Possis



Kevin Leach
VP of Marketing
Stryker, ConvaTec,
Bristol-Myers Squibb, Zimmer



Mark Friedman, PhD
**VP, Regulatory and
Quality Assurance**
AtriCure, Enable Medical



Mike Donovan
VP, Operations
Zimmer



John Engels, MBA
**VP International Sales
and Co-Founder**
University of FL,
CACM



Erick DeVinney
**VP, Clinical and
Translational Sciences**
Angiotech, PRA International



Dave Hansen
Chief Accounting Officer
Perma-Fix, Kraft

AxoGen was founded by regenerative medicine pioneer **Jamie Grooms** (RTI, Cryolife and Osteotech), and is led by a seasoned executive team

AxoGen is the Pre-eminent Nerve Repair Company

- ✓ Exclusive focus on peripheral nerve repair and protection solutions
- ✓ Comprehensive product portfolio addresses 900,000+ procedures
- ✓ \$1.8B+ market opportunity
- ✓ “Five Pillar” Market Development Strategy delivered 24 consecutive quarters of YOY double-digit growth

Q1 2017 Revenue

\$12.2M, 51% growth vs Q1 2016

2016 Revenue

\$41.1M, 50% growth vs 2015

High Gross Margins

84.4% as of March 31, 2017

Cash as of March 31, 2017

\$25.9 M

Debt as of March 31, 2017

\$25.0 M

- ✓ Solid balance sheet provides resources to execute business plan
- ✓ Significant barriers to competitive entry including a growing body of clinical data
- ✓ Strong management team with track record of commercial success
- ✓ Expansion opportunities beyond current markets



NASDAQ: AXGN

Deloitte Technology Fast 500 : 2014, 2015, 2016
Russell 2000 Index : June 2016

It's time to rethink nerve repair.™



Footnotes

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16. Intra-Service times based on median intra-service times for CPT codes (64885-6, 64890-93, 64895-98, 64910-64911) provided by CMS, Physician Fee Schedule <http://my.clevelandclinic.org/cct/media/files/Patients/cleveland-clinic-main-charges.pdf>
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31. Pro forma amounts reflect the impact of the equity raise and the debt refinancing completed in October had the transactions taken place on September 30, 2016. The Company sold a total of 2,683,334 shares at \$7.50 and received proceeds, net of underwriter's discounts and offering expenses, of \$18.6 million. Additionally, the company refinanced its previous \$25.0 million debt facility with Three Peaks Capital into a new facility with MidCap Financial. The new facility provides for up to \$31.0 million of debt comprised of a \$21.0 million term loan and a \$10.0 million revolving line of credit. The revolver may be increased to \$15.0 million at a later date at the Company's request and with the approval of MidCap. Borrowings under the revolver are subject to the available borrowing base which, at closing was \$5.4 million, and the company drew \$4.0 million. At closing, the interest rate was 8.5% on the Term Loan and 5.0% on the revolver. The company anticipates that annual interest cost savings of this new facility will be at least \$1.5 million compared to the previous facility. Expenses and fees of approximately \$600,000 were paid in October to complete the refinancing, and prepayment fees of approximately \$2.3 million were owed to Three Peaks Capital and were paid from the company's own funds.
- 32.

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