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LABONE INC/
Form SC 13D/A
December 10, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)

(Amendment No. 4) 1

LabOne, Inc.

(Name of Issuer)

Common Stock, \$.01 par value

(Title of Class of Securities)

50540L 10 5

(CUSIP Number)

Welsh, Carson, Anderson & Stowe
320 Park Avenue, Suite 2500
New York, New York 10023
Attention: Jonathan M. Rather
Tel. (212) 893-9500

Othon A. Prounis, Esq.
Ropes & Gray LLP
45 Rockefeller Plaza
New York, New York 10111
Tel. (212) 841-5700

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

December 5, 2003

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box [].

1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

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1) Name of Reporting Person: Welsh, Carson, Anderson & Stowe IX, L.P.

and I.R.S. Identification No. of Above Person, if
an Entity (Voluntary):

2) Check the Appropriate Box (a) [X]
if a Member of a Group (b) []

3) SEC Use Only

4) Source of Funds Not Applicable

5) Check if Disclosure of
Legal Proceedings Is Not Applicable
Required Pursuant to
Items 2(d) or 2(e)

6) Citizenship or Place of Organization Delaware

Number of 7) Sole Voting -0-
Shares Beneficially Owned by
Reporting Person: Power

8) Shared Voting -0-
Power

9) Sole Disposi- -0-
tive Power

10) Shared Dis- -0-
positive Power

11) Aggregate Amount Beneficially -0-
Owned by Each Reporting Person

12) Check if the Aggregate
Amount in Row (11)
Excludes Certain Shares

13) Percent of Class -0-
Represented by
Amount in Row (11)

14) Type of Reporting Person PN

CUSIP No. 50540L 10 5

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1) Name of Reporting Person: WCAS Management Corporation
and I.R.S. Identification No. of
Above Person, if an Entity (Voluntary):

2) Check the Appropriate Box (a) [X]
if a Member of a Group (b) []

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3) SEC Use Only

4) Source of Funds

Not Applicable

5) Check if Disclosure of
Legal Proceedings Is
Required Pursuant to
Items 2(d) or 2(e)

Not Applicable

6) Citizenship or Place
of Organization

Delaware

Number of
Shares Beneficially
Owned by
Reporting Person:

7) Sole Voting
Power 1,478 shares of
Common Stock

8) Shared Voting
Power -0-

9) Sole Disposi-
tive Power 1,478 shares of
Common Stock

10) Shared Dis-
positive Power -0-

11) Aggregate Amount Beneficially
Owned by Each Reporting Person

1,478 shares of
Common Stock

12) Check if the Aggregate
Amount in Row (11)
Excludes Certain Shares

13) Percent of Class
Represented by
Amount in Row (11)

less than 0.1%

14) Type of Reporting
Person

CO

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Amendment No. 4 to Schedule 13D (Final Amendment)

Reference is hereby made to the statement on Schedule 13D filed with the Securities and Exchange Commission (the "Commission") on behalf of the Reporting Persons on September 10, 2001, Amendment No. 1 thereto filed on June 12, 2003 200, Amendment No. 2 thereto filed on September 26, 2003 and Amendment No. 3 thereto filed on November 13, 2003 (as so amended, the "Schedule 13D"). Terms defined in the Schedule 13D are used herein as so defined.

The following items of the Schedule 13D are hereby amended as follows:

Item 5. Interest in Securities of the Issuer

Item 5 is hereby amended and restated to read in its entirety as follows:

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The following information is based on a total of 12,843,152 shares of Common Stock outstanding as of October 31, 2003, as reported in the Issuer's Report on Form 10-Q for the period ended September 30, 2003 filed with the Commission on November 13, 2003. All shares of Series B-1 Preferred held by each entity and person named below have been converted to Common Stock.

(a)

WCAS IX and IX Associates

WCAS IX and IX Associates own no shares of Common Stock.

WCAS Management

WCAS Management owns 1,478 shares of Common Stock, or less than 0.1% of the Common Stock outstanding.

Managing Members of IX Associates and
Stockholders of WCAS Management

(i) Patrick J. Welsh owns 24,149 shares of Common Stock, or approximately 0.2% of the Common Stock outstanding.

(ii) Russell L. Carson owns 24,550 shares of Common Stock, or approximately 0.2% of the Common Stock outstanding.

(iii) Bruce K. Anderson owns 23,989 shares of Common Stock, or approximately 0.2% of the Common Stock outstanding.

(iv) Thomas E. McInerney owns 24,440 shares of Common Stock, or approximately 0.2% of the Common Stock outstanding.

(v) Robert A. Minicucci owns 24,440 shares of Common Stock, or approximately 0.2% of the Common Stock outstanding.

(vi) Anthony J. de Nicola directly beneficially owns 18,037 shares of Common Stock, indirectly beneficially owns (through deNicola Holdings L.P.) 388 shares of Common Stock and indirectly beneficially owns (through three trusts for the benefit of his children) 216 shares of Common Stock, or in the aggregate 18,641 shares of Common Stock or approximately 0.2% of the Common Stock outstanding.

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(vii) Paul B. Queally owns 15,292 shares of Common Stock, or approximately 0.1% of the Common Stock outstanding.

(viii) Jonathan M. Rather owns 4,506 shares of Common Stock (including shares held in his IRA account), or less than 0.1% of the Common Stock outstanding.

(ix) D. Scott Mackesy owns 4,105 shares of Common Stock, or less than 0.1% of the Common Stock outstanding.

(x) Sanjay Swani owns 1,533 shares of Common Stock, or less than 0.1% of the Common Stock outstanding.

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(xi) John D. Clark owns 1,533 shares of Common Stock, or less than 0.1% of the Common Stock outstanding.

(xii) James R. Matthews owns 1,533 shares of Common Stock (including shares held in his IRA account), or less than 0.1% of the Common Stock outstanding.

(b) The managing members of IX Associates and the stockholders of WCAS Management may be deemed to share the power to vote or direct the voting of and to dispose or direct the disposition of the securities of the Issuer owned by WCAS IX and WCAS Management, respectively. Each of the managing members of IX Associates and the stockholders of WCAS Management disclaims beneficial ownership of all securities other than those he owns directly or by virtue of his indirect pro rata interest, as a managing member of IX Associates and/or a stockholder of WCAS Management, in the securities owned by WCAS IX and/or WCAS Management.

(c) On December 5, 2003 WCAS IX distributed 2,350,102 shares of Common Stock to its partners, including 23,517 shares to IX Associates, immediately followed by the distribution of such 23,517 shares to the members of IX Associates.

(d) Except as described in this statement, no person has or had the power to direct the receipt of dividends on or the proceeds of sales of the shares of Common Stock owned or formerly owned by WCAS IX or WCAS Management.

(e) The Reporting Persons ceased to be the beneficial owners of less than five percent of the Common Stock on December 5, 2003.

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Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

WELSH, CARSON, ANDERSON & STOWE IX, L.P.
By: WCAS IX Associates, LLC, General Partner

By: /s/ Jonathan M. Rather

Managing Member

WCAS MANAGEMENT CORPORATION

By: /s/ Jonathan M. Rather

Vice President, Secretary & Treasurer

Dated: December 9, 2003

nt-variant: normal;">Cephied

Molecular diagnostics

Cerus Corp

Pathogen inactivation for donor blood, plasma and platelets

Epigenomics AG

Molecular diagnostics – cancer

Exact Sciences Corp.

Molecular diagnostics – early detection of colorectal cancer

GenMark Diagnostics Inc.

Automated, multiplex molecular diagnostic testing systems

Genomic Health Inc.

Molecular diagnostics – cancer care

Haemonetics Corporation

Provision of innovative blood management solutions

Meridian Bioscience Inc.

Develops, manufacture, commercialization of a range of innovative diagnostics test kits

Myriad Genetics Inc.

Molecular diagnostics

Nanostring

Life science tools for translational research and molecular diagnostic products

Oxford Biomedica

Biopharmaceutical company focused on the development and commercialization of gene-based medicines

Oxford Immunotec

Diagnostic tests for immune-regulated conditions (e.g. Tuberculosis)

Quidel Corp.

Provision of cellular based virology assays and molecular diagnostics testing systems

Sequenom Inc

Non-invasive pre-natal testing

T2 Biosystems

Clinical diagnostics for sepsis

ThromboGenics

Biopharmaceutical company focused on developing and commercializing innovative ophthalmic medicines

Trinity Biotech PLC

Development, manufacture and sale of diagnostics products

Veracyte Inc.

Molecular cytology

TearLab, Roka Bioscience, Nanosphere, CareDx, Cancer Genetics, Response Genetics, diaDexus and BG Medicine were excluded from the analysis because their market capitalization was less than 50% of the market capitalization of the Company.

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The remuneration committee retained Towers Watson as its independent compensation consultant. Towers Watson does not perform any other consulting work or other services for the Company, reports directly to the remuneration committee and takes direction from the Chairman of the remuneration committee. The remuneration committee has assessed the independence of Towers Watson pursuant to the rules prescribed by the SEC and has concluded that no conflict of interest existed in the financial year ended March 31, 2015 or currently exists that would prevent Towers Watson from serving as an independent consultant to the remuneration committee.

Fiscal 2015 Business Performance

In the year ended March 31, 2015 (fiscal 2015), we continued our multi-year strategic plan focused on developing and bringing to market our proprietary diagnostics platform for blood grouping and serological disease screening, MosaiQ™. In parallel, we continued the transformation of our conventional reagent business as a provider of high value-added products for blood grouping, focused specifically on our key original equipment manufacturer ("OEM") customers and our U.S. direct business. Our overriding objective during fiscal 2015 was to secure the long-term funding of the Company to achieve our corporate goals, through a combination of new equity issuance and revenue or investment from commercial partnerships.

Although tempered by the availability and timing of funding to the Company, we believe significant progress has been achieved on the MosaiQ™ project, with events having an adverse impact on development timelines being managed and delays mitigated. Assay development has progressed positively, with transfer to final production due in third quarter of calendar 2015, following completion of the conversion of our Eysins, Switzerland consumable manufacturing facility. Design and de-risking of the manufacturing system was also completed successfully during fiscal 2015, with installation of the first full MosaiQ™ consumable manufacturing system forecast to be completed by the end of the third quarter of calendar 2015. Work with our partner, Stratec Biomedical AG, on instrument development has progressed positively with the first engineering prototypes having been built and delivered to the Company during fiscal 2015. Results using these engineering prototypes have met or exceeded our expectations in terms of assay and system performance. We have actively engaged with key regulators in the United States and Europe as we prepare to make regulatory submissions for MosaiQ™ in calendar 2016. During fiscal 2015, MosaiQ™ was presented in greater detail to prospective customers, where it was received positively.

Our conventional reagent business continued to perform strongly. We believe our key achievements included:

- Achieving record product sales revenue during fiscal 2015;
- Recording U.S. direct sales growth of 18.3%;
- Continued strong cost control, with our key cost categories being in line with or below our expectations;
- Filing of the biologics license application ("BLA") for 14 rare antisera products for a key OEM client;
- Filing for U.S. Food and Drug Administration ("FDA") approval of seven new products to be offered by the Company directly in the United States, with all of these products subsequently being licensed for sale in the United States by the FDA;
- Advancing other planned new product introductions through development;
- Successful completion of audits by the U.S. FDA and UL (for CE-marking);
- Continued improvement in our key operational and performance metrics; and
- Advancing planning for the building of the new Edinburgh facility.

During fiscal 2015, the Company successfully completed its initial public offering, and a private placement of equity, raising gross proceeds of \$67 million (with up to \$35 million of equity proceeds expected to be received in connection with the exercise of the warrants issued at the time of the Company's initial public offering). In addition, we negotiated and entered into a distribution agreement with OCD to distribute MosaiQ™ in the patient testing market

worldwide and the donor testing market in geographies not covered by Quotient. Under the terms of the OCD agreement, we raised an additional \$25 million of funding (in the form of ordinary shares and preference shares) and agreed \$59 million of future milestone payments linked to regulatory approval and commercial launch of MosaiQ™.

In the period to March 31, 2015, we delivered: (i) return to investors who acquired ordinary shares and warrants in our initial public offering 191% (based on the increase in the closing prices of our ordinary shares and warrants on March 31, 2015); and (ii) a return of 79% to the investors who acquired ordinary shares in our November 2014 private placement (based on the increase in the closing price of our ordinary shares on March 31, 2015).

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Fiscal 2015 Executive Compensation Program

Our executive compensation program is generally designed to focus executive behavior on the achievement of both our annual objectives and long-term strategy, as well as align the interests of management to those of our shareholders. To that end, our fiscal 2015 Executive Compensation Program consisted of four primary elements: salary, benefits, long-term equity interests and an annual cash bonus opportunity that is based upon individual and corporate performance.

Based on our assessment of the performance of the named executive officers and our compensation philosophy as described in this Compensation Discussion and Analysis, and to recognize the high level of performance of these individuals and their importance to the Company, we took the following actions regarding fiscal 2015 compensation:

- Increased the base salaries of Messrs. Cowan, Stackawitz, Farrell, Unger and Boyd to \$472,500, \$336,000, \$320,000, \$300,000 and \$216,000, respectively,
- Paid 100% of target bonus to Messrs. Cowan, Stackawitz, Farrell, Unger and Boyd. In addition, we paid a supplemental bonus of \$250,000 to Mr. Unger during fiscal 2015 in connection with completion of the Company's initial public offering in April 2014; and
- Granted annual equity awards with time-based vesting terms to Messrs. Cowan, Stackawitz, Farrell, Unger and Boyd consisting of share option awards covering 90,000, 60,000, 79,000, 50,800 and 25,000, respectively, with an exercise price of \$8.00 per share option.

The amounts and mix attributable to the foregoing compensation were determined in a manner similar to the way in which we anticipate determining the amounts and mix of elements of compensation in Fiscal 2016. See "Fiscal 2016 Executive Compensation Program". Our executive compensation is discussed in greater detail in the sections that follow. The Remuneration Committee will continue to evaluate our overall compensation structure and awards to ensure they are reflective of the performance of our executive officers and our Company and consistent with our compensation objectives.

Fiscal 2016 Executive Compensation Program

Overview and Objectives

On May 15, 2015, we adopted the Fiscal 2016 Executive Compensation Program for our named executive officers. The Fiscal 2016 Executive Compensation Program for our named executive officers is designed to achieve the following objectives:

- Focus executive behavior on achievement of our annual and long-term strategic objectives,
- Provide a competitive compensation package that enables the Company to attract and retain, on a long-term basis, talented executives,
- Provide a total compensation structure that the remuneration committee believes is at least comparable with the Peer Group Companies for which we would compete for talent and which consists of a mix of base salary, equity and cash incentives, and
- Align the interests of management and shareholders by providing management with long-term incentives through equity ownership.

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The Fiscal 2016 Executive Compensation Program has four principal elements, namely base salary, benefits, short-term incentives and long-term incentives. A brief description of each element and their purpose at the Company is described below:

Compensation Element	Description	Purpose
Base salary	Fixed cash compensation based on role, job scope, experience, qualification and performance	To compensate for individual technical and leadership competences required for a specific role and to provide economic security. Notice periods for named executive officers vary between six and 12 months. There are no change-of-control provisions providing for enhanced severance terms.
Benefits	Competitive health, life assurance, disability and retirement benefits	To promote health and wellness in the workforce and to provide competitive retirement planning and saving opportunities. Benefits include private health coverage, life insurance, a defined contribution pension scheme and provision of a company car. There are no enhanced benefits for named executive officers.
Short-term incentive	Annual cash incentive opportunity payable based on achievement of corporate, business unit and individual objectives	To incentivize management to meet and exceed annual performance metrics and deliver on commitments to shareholders.
Long-term incentive	Annual equity award comprised of share options	To incentivize executive officers to increase shareholder value, reward long-term corporate performance and promote employee commitment through share ownership.
	Multi-year performance-based grant of Restricted Share Units (“MRSU’s”)	To align management compensation to achievement of our multi-year strategic plan.

Our objective is to target total direct compensation for our named executive officers, including the annualized value of the MRSUs proposed to be granted in 2015, as follows: Base Salary & Benefits – 30%; Short-term Incentive – 15%; and Long-Term Incentive 55% (Annual Equity Award – 15%; and MRSUs – 40%).

All elements of compensation are considered to be at risk with the exception of base salary, particularly the MRSUs which will have no value unless our market price of our ordinary shares exceeds a volume weighted average price of \$60 over any 20 trading day period between April 1, 2018 and December 31, 2018.

The amounts and mix attributable to base salary, short-term incentives and long-term incentives are determined by reference to market norms. Our aim is to align individual compensation with the objectives of the Fiscal 2016 Executive Compensation Program. While executive compensation mix is evaluated on an annual basis, we do not adhere to a rigid formula when determining the actual mix of compensation elements. Instead, our current policy is to balance the short-term and long-term focus of our compensation elements to reward short-term performance while emphasizing long-term value creation. These objectives are achieved by placing considerable weight on long-term, equity-based compensation while offering cash and short-term compensation to attract and retain executive talent.

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Determining Executive Compensation

The primary objective of our compensation philosophy is to design and support total remuneration packages aligned with strong business performance and long-term value creation for our shareholders. Our executive compensation plan in particular is currently designed with specific emphasis on accountability for the performance of the MosaiQ™ development program in the short-term and shareholder return over the longer term. This alignment is created through several mechanisms:

Compensation Mechanism Methodology

Pay Positioning	To attract and retain the best executives, all components of executive compensation are targeted at the market's 50 th percentile.								
Performance Target Setting	We set ambitious but achievable goals for ourselves and for the Company aligned with our commitment to building long-term sustainable value for our shareholders.								
Compensation Elements	<table border="0"> <tr> <td style="vertical-align: top;">Base Salary</td> <td>Sets baseline pay level.</td> </tr> <tr> <td style="vertical-align: top;">Annual Incentive Plan</td> <td>Annual incentive payment that rewards performance relative to annual financial goals and/or MosaiQ™ development goals.</td> </tr> <tr> <td style="vertical-align: top;">Options</td> <td>Long-term incentive with 10-year term that has no intrinsic value unless value is created for shareholders. The exercise price for options is equal to the current market value of Quotient ordinary shares at the time of grant.</td> </tr> <tr> <td style="vertical-align: top;">MRSUs</td> <td>A multi-year award vesting between April 1, 2018 and December 31, 2018 that has no intrinsic value unless the Company's ordinary shares exceeds a volume weighted average share price of at least \$60 over any 20 trading day period between April 1, 2018 and December 31, 2018.</td> </tr> </table>	Base Salary	Sets baseline pay level.	Annual Incentive Plan	Annual incentive payment that rewards performance relative to annual financial goals and/or MosaiQ™ development goals.	Options	Long-term incentive with 10-year term that has no intrinsic value unless value is created for shareholders. The exercise price for options is equal to the current market value of Quotient ordinary shares at the time of grant.	MRSUs	A multi-year award vesting between April 1, 2018 and December 31, 2018 that has no intrinsic value unless the Company's ordinary shares exceeds a volume weighted average share price of at least \$60 over any 20 trading day period between April 1, 2018 and December 31, 2018.
Base Salary	Sets baseline pay level.								
Annual Incentive Plan	Annual incentive payment that rewards performance relative to annual financial goals and/or MosaiQ™ development goals.								
Options	Long-term incentive with 10-year term that has no intrinsic value unless value is created for shareholders. The exercise price for options is equal to the current market value of Quotient ordinary shares at the time of grant.								
MRSUs	A multi-year award vesting between April 1, 2018 and December 31, 2018 that has no intrinsic value unless the Company's ordinary shares exceeds a volume weighted average share price of at least \$60 over any 20 trading day period between April 1, 2018 and December 31, 2018.								
Compensation Mix	Our compensation mix is weighted toward variable pay elements and long-term incentive pay elements.								

By applying the above methodologies, named executive officers are compensated at the market median when we meet our performance targets, deliver on the expectations we communicate to our shareholders and drive share price appreciation. Should our performance exceed expectations, our executives will be compensated above target, and vice versa. The significant weighting of long-term incentives ensures that the primary focus of our named executives is sustained long-term performance, while our short-term incentives motivate consistent annual achievement.

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Summary Compensation Table

The following table summarizes information regarding the compensation for the fiscal years ended March 31, 2015, 2014 and 2013 awarded to, earned by or paid to our named executive officers. Messrs. Unger and Farrell were our two most highly compensated executive officers other than our CEO during the fiscal year ended March 31, 2015. Messrs. Stackawitz and Farrell were our two most highly compensated executive officers other than our CEO during the fiscal year ended March 31, 2014. Messrs. Stackawitz and Boyd were our two most highly compensated executive officers other than our CEO during the fiscal year ended March 31, 2013.

Name and Principal Position	Fiscal Year Ended March 31,	Salary	Bonus	Option awards	All other	Total
					compensation	
Paul Cowan, Chief Executive Officer	2015	\$468,750	\$472,500	\$ 302,490	\$ —	\$1,243,740
	2014	\$450,000	\$450,000	\$ 242,982	\$ —	\$1,142,982
	2013	\$240,000	\$—	\$ 59,419	(1)\$ —	\$299,419
Jeremy Stackawitz, President	2015	\$333,333	\$168,000	\$ 201,660	\$ —	\$702,993
	2014	\$318,150	\$421,141	\$ —	\$ —	\$739,291
	2013	\$309,909	\$70,000	\$ —	\$ —	\$379,909
Edward Farrell, President	2015	\$318,607	\$150,000	\$ 265,519	\$ 39,917	\$774,043
	2014	\$310,800	\$155,400	\$ 284,730	\$ 40,253	\$791,183
	2013	\$36,810	\$—	\$ —	\$ 2,558	\$39,368
Stephen Unger, Chief Financial Officer	2015	\$300,000	\$400,000	\$ 170,739	\$ —	\$870,739
	2014	\$75,000	\$—	\$ 269,439	\$ 112,500	\$456,939
Roland Boyd, Former Chief Financial Officer; Current Group Financial Controller & Treasurer	2015	\$213,749	\$67,000	\$ 84,025	\$ 15,075	\$379,849
	2014	\$196,001	\$67,200	\$ 10,895	\$ 24,024	\$298,120
	2013	\$101,749	\$32,000	\$ 95,000	(2)\$ 14,200	\$242,949

(1) Represents 20,014 options at the fair market value of the underlying securities of \$2.97 on August 31, 2012.

(2) Represents 32,000 options at the fair market value of the underlying securities of \$2.97 on February 13, 2013.
Outstanding Equity Awards at Fiscal Year-End

The following table sets forth information regarding equity awards held by our named executive officers as of March 31, 2015. All options are options to purchase ordinary shares.

Option Awards

Name and Principal Position	Vesting start date	Number of securities	Number of securities	Option exercise price(2)	Option expiration date
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		underlying exercisable options	underlying unexercisable options(1)		
Paul Cowan, Chief Executive Officer	June 28, 2014 April 29, 2015	4,486 —	118,945 90,000	\$ 3.29 \$ 8.00	June 27, 2023 April 28, 2024
Jeremy Stackawitz, President	April 29, 2015	—	60,000	\$ 8.00	April 28, 2024
Edward Farrell, President	April 11, 2014 April 29, 2015	32,000 —	64,000 79,000	\$ 0.005 \$ 8.00	April 10, 2023 April 28, 2024
Stephen Unger, Chief Financial Officer	June 28, 2014 March 4, 2015 April 29, 2015	10,667 22,400 —	21,333 44,800 50,800	\$ 3.29 \$ 8.00 \$ 8.00	June 27, 2023 March 3, 2024 April 28, 2024
Roland Boyd, Former Chief Financial Officer; Current Group Financial Controller & Treasurer	August 14, 2013 June 28, 2014 April 29, 2015	21,334 2,667 —	10,666 5,333 25,000	\$ 1.44 \$ 3.29 \$ 8.00	February 14, 2023 June 27, 2023 April 28, 2024

(1) Vesting of all options is subject to continued service through the applicable vesting date.

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(2) The option exercise prices are lower than the fair market value of the underlying securities. As part of the preparation for our initial public offering, the Board reviewed the fair value of our ordinary shares at the various dates in recent years when option and share awards were granted. This review resulted in certain instances in the Board concluding that the fair value of the underlying securities was higher than the option exercise prices determined at the time. The resulting increase in compensation expense has been reflected in our financial statements.

Incentive Compensation

Incentive Compensation through Fiscal 2015

Mr. Cowan was granted options to acquire 20,014 ordinary shares at an exercise price of £0.91 on August 31, 2012, options to acquire 178,417 ordinary shares at an exercise price of \$3.29 on June 28, 2013, and options to acquire 90,000 ordinary shares at an exercise price of \$8.00 on April 29, 2014.

Mr. Stackawitz was issued 44,284 A ordinary shares, 12,652 A deferred shares and 37,957 B deferred shares at a subscription price of \$0.003 per share on February 16, 2012. He also was issued 96,000 C deferred shares at a subscription price of £0.91, equivalent to approximately \$1.44 per share on the same date. We issued these shares in connection with our acquisition of our predecessor's business to replace equivalent shares previously issued to Mr. Stackawitz by our predecessor. Prior to March 3, 2014, we were owed approximately \$138,000 of the purchase price for these shares by Mr. Stackawitz. On February 28, 2014, we paid Mr. Stackawitz a cash bonus, a portion of which was used to repay this amount in full. Subsequent to February 16, 2012, Mr. Stackawitz's A, B, and C deferred shares converted into 108,652 A ordinary shares and 37,957 B ordinary shares and these A ordinary shares and B ordinary shares converted to ordinary shares in April 2014 prior to the completion of our initial public offering. Mr. Stackawitz was granted options to acquire 60,000 ordinary shares with an exercise price of \$8.00 per share on April 29, 2014.

In April 2013, we granted Mr. Farrell an option to purchase 96,000 ordinary shares at an exercise price of £0.003 per share. On April 29, 2014 we granted Mr. Farrell options to acquire 79,000 ordinary shares at an exercise price of \$8.00 per share.

Mr. Unger was granted options to acquire 32,000 ordinary shares at an exercise price of \$3.29 on June 28, 2013 and 67,200 options to acquire ordinary shares on March 4, 2014 at an exercise price of \$8.00 per share. On April 29, 2014 we granted Mr. Unger options to acquire 50,800 ordinary shares at an exercise price of \$8.00 per share.

Mr. Boyd was granted options to acquire 32,000 ordinary shares at an exercise price of £0.91 on February 15, 2013, options to acquire 8,000 ordinary shares at an exercise price of \$3.29 on June 28, 2013 and options to acquire 25,000 ordinary shares at an exercise price of \$8.00 on April 29, 2014.

Incentive Compensation Pursuant to Fiscal 2016 Executive Compensation Plan

Following implementation of the Fiscal 2016 Executive Compensation Plan, the following equity grants were made to the named executive officers on May 20, 2015:

Name	2015 Share	2015 MRSU
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	Option Grant	Grant
Paul Cowan	35,000	42,000
Jeremy Stackawitz	22,500	22,500
Edward Farrell	30,000	35,000
Stephen Unger	22,500	22,500
Roland Boyd	15,000	15,000

The 2015 share option grants were granted with an exercise price of \$15.17. Each 2015 MRSU represents a contingent right to receive one ordinary share in Quotient. The 2015 MRSUs vest upon Quotient's ordinary shares achieving a volume weighted average market price of \$60.00 per share for 20 consecutive trading days during the period April 1, 2018 and December 31, 2018.

Agreements with Our Executive Officers

Paul Cowan

We entered into a service agreement with Paul Cowan dated February 16, 2012 that sets forth the terms and conditions under which Mr. Cowan serves as our Chairman and Chief Executive Officer. The agreement has no specific term. Mr. Cowan's current annual base salary for fiscal year 2016 is \$510,000.

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Both we and Mr. Cowan must give a minimum of 12 months' prior notice to terminate his employment, other than for cause (as defined in his service agreement). We have the right to place Mr. Cowan on paid leave rather than allowing him to continue to provide services during this notice period. Mr. Cowan is obligated to refrain from competition with us for nine months after his termination, unless that period is shortened by a period of leave. After notice to terminate has been given by Mr. Cowan or us, all or part of the duration of the notice period of leave would be counted as part of the non-competition period. Upon termination, we would owe Mr. Cowan the balance of his base salary for the remaining term of the agreement.

For fiscal years ending March 31, 2016 onwards, Mr. Cowan is eligible for an annual discretionary bonus equal to 80% of his base salary, subject to achievement of corporate performance goals and individual performance goals.

Jeremy Stackawitz

We entered into an employment agreement with Jeremy Stackawitz dated March 9, 2009 that sets forth the terms and conditions of Mr. Stackawitz's employment as one of our two Presidents. The agreement has no defined term and establishes an at-will employment relationship. Mr. Stackawitz's current annual base salary for fiscal year 2016 is \$350,000.

We may terminate Mr. Stackawitz's employment with or without cause, but Mr. Stackawitz is required to provide at least two months' advance notice to us if he is terminating his employment. If we terminate Mr. Stackawitz's employment other than for cause (as defined in his employment agreement), he will be entitled to receive, subject to certain conditions, severance equal to 12 months of his then current base salary and employee benefits (as defined in his employment agreement), payable as a lump sum as soon as practicable after the date of termination, but in no event later than March 15th of the following year. Mr. Stackawitz is obligated to (i) refrain from engaging in competition with us in the United States or in other countries in which we conduct our business for a period of one year after any termination and (ii) refrain from soliciting any of our executives, suppliers or customers for a period of two years after any termination.

Mr. Stackawitz is eligible for an annual discretionary bonus equal to 50% of his base salary, subject to achievement of corporate performance goals and individual performance goals.

Edward Farrell

We entered into an employment agreement with Edward Farrell dated November 21, 2012 that sets forth the terms and conditions of Mr. Farrell's employment as one of our two Presidents. Mr. Farrell's employment commenced on February 14, 2013. The agreement has no specific term and establishes an at-will employment relationship. Mr. Farrell's current annual base salary for fiscal year 2016 is £208,000, or approximately \$330,000.

Both we and Mr. Farrell must give a minimum of 12 months' prior notice to terminate his employment, other than for cause (as defined in his service agreement). We have the right to place Mr. Farrell on paid leave rather than allowing him to continue to provide services during this notice period. Mr. Farrell is obligated to refrain from competition with us for 12 months after his termination, unless that period is shortened by a period of leave. After notice to termination has been given by Mr. Farrell or us, all or part of the duration of the notice period of leave would be counted as part of the non-competition period. Upon termination, we would owe Mr. Farrell the balance of his base salary for the remaining term of the agreement.

In addition to his salary, Mr. Farrell is also entitled to a car allowance of £11,000, or approximately \$18,480 per annum, contributions by his employer to a personal pension plan of 6% of salary and private healthcare benefits of £1,860, or approximately \$3,000 per annum. Mr. Farrell is eligible for an annual discretionary bonus equal to 50% of his base salary, subject to achievement of corporate performance goals and individual performance goals.

Stephen Unger

We entered into an employment agreement with Stephen Unger dated March 5, 2014 that sets forth the terms and conditions of Mr. Unger's employment as our Chief Financial Officer. Mr. Unger's employment commenced on January 1, 2014. The agreement has no specific term and establishes an at-will employment relationship. Mr. Unger's current annual base salary for fiscal year 2016 is \$312,000.

We may terminate Mr. Unger's employment with or without cause, but Mr. Unger is required to provide at least two months' advance written notice to us if he terminates his employment. If we terminate Mr. Unger's employment other than for cause (as defined in his employment agreement), he will be entitled to receive, subject to certain conditions, severance equal to 12 months of his then current base salary and employee benefits then in effect (as defined in his employment agreement), payable as a lump sum as soon as practicable after the date of termination, but in no event later than March 15th of the following year. Mr. Unger is obligated to (i) refrain from engaging in

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competition with us in the United States or in other countries in which we conduct our business for a period of one year after any termination and (ii) refrain from soliciting any of our executives, suppliers or customers for a period of two years after any termination.

Mr. Unger is eligible for an annual discretionary bonus equal to 50% of his base salary, subject to achievement of corporate performance goals and individual performance goals. In April 2014, we granted Mr. Unger a bonus of \$250,000.

Roland Boyd

We entered into a service agreement with Roland Boyd dated August 14, 2012 that sets forth the terms and conditions under which Mr. Boyd has served as our Chief Financial Officer and serves as Group Financial Controller and Treasurer. The agreement has an indefinite term. Mr. Boyd's current annual base salary for fiscal year 2016 is £175,000 or approximately \$280,000.

Both we and Mr. Boyd must give a minimum of 6 months' prior notice to terminate his employment, other than for cause (as defined in his service agreement). We have the right to place Mr. Boyd on paid leave rather than allowing him to continue to provide services during this notice period. Mr. Boyd is obligated to refrain from competition with us for 12 months after his termination, unless that period is shortened by a period of leave. After notice to terminate has been given by Mr. Boyd or us, all or part of the duration of the notice period of leave would be counted as part of the non-competition period. Upon termination, we would owe Mr. Boyd the balance of his base salary and contractual benefits for the remaining term of the agreement.

In addition to his salary, Mr. Boyd is also entitled to a car allowance of £800 per month (or a company car up to a value of £35,000), contributions by his employer to a personal pension plan of 6% of salary and private healthcare benefits of £1,860, or approximately \$3,000 per annum. Mr. Boyd is eligible for an annual discretionary bonus equal to 33.33% of his base salary, subject to achievement of corporate performance goals and individual performance goals.

Equity and Incentive Plans

Our shareholders and Board of Directors previously adopted the 2013 Enterprise Management Plan, or the 2013 Plan. In connection with the completion of our initial public offering, we adopted the 2014 Stock Incentive Plan, or the 2014 Plan.

The following table presents certain information about our equity compensation plans as of March 31, 2015:

Award	Number of Securities to be Issued Upon Exercise of	Weighted-Average Exercise Price of Outstanding Options,	Number of Securities Remaining Available for Future Issuance
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	Outstanding Options, Warrants and Rights	Warrants and Rights	Under Equity Compensation Plans (excluding Securities Reflected in the First Column of this Table)
Equity compensation plans approved by			
shareholders	1,258,118	5.36	888,913
Equity compensation plans not approved by			
shareholders	—	—	—
Total	1,258,118	5.36	888,913

As of March 31, 2015, the number of shares reserved for issuance, number of shares issued, number of shares underlying outstanding share options and number of shares remaining available for future issuance under the 2013 Plan and the 2014 Plan is set forth in the table below. Our Board of Directors has determined not to make any further awards under the 2013 Plan.

Name of Plan	Number of shares reserved for issuance	Number of shares issued	Number of shares underlying outstanding awards	Number of shares remaining available for future issuance
2013 Enterprise Management Plan	844,553	197,522	634,568	12,463
2014 Stock Incentive Plan (1)	1,500,000	—	623,550	876,450

(1) Outstanding awards comprise 50,000 RSUs and 573,550 options

On April 1, 2015 the number of shares reserved for issuance by the 2014 Stock increased by 170,205 shares, which represented 1% on the Company's current shares in issue on April 1, 2015.

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The following description of each of our share incentive plans is qualified by reference to the full text of those plans, which are incorporated by reference as exhibits to our Annual Report on Form 10-K.

2013 Enterprise Management Incentive Plan

We adopted the 2013 Enterprise Management Incentive Plan, or the 2013 Plan, to enhance our ability to attract, retain and motivate employees expected to make important contributions to our company by providing them with equity ownership opportunities and performance-based incentives. All of our employees were eligible to be granted share options under the 2013 Plan. The 2013 Plan was administered by our Board of Directors. Subject to certain conditions, the 2013 Plan permits grants of enterprise management incentive options, or EMI options, under the terms of Schedule 5 to the UK Income Tax (Earnings and Pensions) Act 2003 (or ITEPA) for UK-based employees.

Share options granted pursuant to the 2013 Enterprise Management Incentive Plan may be exercised upon the occurrence of certain events, including among other events, (i) in a sale of any shares of our share capital, which confers more than 50% of the total voting rights of all our issued shares; (ii) in the sale of all or substantially all of the undertakings of our company and our subsidiaries, and (iii) in the event of a listing of our shares on any "Recognized Investment Exchange" as defined in Section 841(a) of the Corporation Taxes Act 2009. In the event our shares are listed, an option may be exercised, in three equal installments, on the first, second and third anniversaries of the date of the grant. Options must be exercised during an employee's term of employment or service or within 40 days of termination of employment or service (or within one year in the case of termination on account of a participant's death). The options lapse after specified periods upon the occurrence of applicable events, including, forty days after (i) the sale of any shares of our share capital which confers more than 50% of the total voting rights of all our issued shares or (ii) the sale of all or substantially all of the undertakings of our company and our subsidiaries.

The maximum term of an option award is ten years.

Each option grant was documented through an option agreement. The exercise price per share of all options was determined by our Board of Directors at the time of the grant.

Awards are non-transferable and our Board of Directors retains discretion to amend, modify or terminate any outstanding award. Awards may be accelerated to become immediately exercisable in full or in part upon approval of our Board of Directors.

In the event of certain changes in our capitalization, the number of shares available for issuance under the 2013 Plan, as well as the exercise price per share of each outstanding option, may be appropriately adjusted by our Board of Directors. The 2013 Plan provides for certain exchange rights in the event of change in control and provides for conditional exercise in connection with a court-ordered reorganization of our company or our amalgamation with any other company or companies.

As of March 31, 2015, there were 634,568 ordinary shares issuable upon the exercise of outstanding options, at a weighted-average exercise price of \$3.07 per ordinary share.

2014 Stock Incentive Plan

Our Board of Directors and our shareholders have approved the 2014 Stock Incentive Plan, or the 2014 Plan. The 2014 Plan provides us flexibility with respect to our ability to attract and retain the services of qualified employees, officers, directors, consultants and other service providers upon whose judgment, initiative and efforts the successful

conduct and development of our business depends, and to provide additional incentives to such persons to devote their effort and skill to the advancement and betterment of our company, by providing them an opportunity to participate in the ownership of our company and thereby have an interest in its success and increased value.

We have reserved an aggregate of 1,500,000 ordinary shares for issuance under the 2014 Plan. This number is subject to adjustment in the event of a recapitalization, share split, share consolidation, reclassification, share dividend or other change in our capital structure. To the extent that an award terminates, or expires for any reason, then any shares subject to the award may be used again for new grants. However, shares which are (i) not issued or delivered as a result of the net settlement of outstanding share appreciation rights, or SARs, or options, (ii) used to pay the exercise price related to outstanding options, (iii) used to pay withholding taxes related to outstanding options or SARs or (iv) repurchased on the open market with the proceeds from an option exercise, will not be available for re-grant under the 2014 Plan.

The number of ordinary shares reserved for issuance will automatically increase on April 1 of each year, from April 1, 2015 through April 1, 2023, by the lesser of 1% of the total number of our ordinary shares outstanding on March 31 of the preceding year, 200,000 shares or such smaller amount as determined by our Board of Directors. The maximum number of shares that may be issued upon the exercise of incentive stock options under the 2014 Plan is 3,000,000 shares.

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The 2014 Plan permits us to make grants of (i) incentive stock options pursuant to Section 422 of the Code and (ii) non-qualified stock options. Incentive share options may only be issued to our employees. Non-qualified share options may be issued to our employees, directors, consultants and other service providers. The option exercise price of each option granted pursuant to the 2014 Plan will be determined by our remuneration committee and may not be less than 100% of the fair market value of the ordinary shares on the date of grant, subject to certain exceptions. The term of each option will be fixed by the our remuneration committee and may not exceed ten years from the date of grant. All option grants under the 2014 Plan are made pursuant to a written option agreement.

The 2014 Plan permits us to sell or make grants of restricted shares. Restricted shares may be sold or granted to our employees, directors, consultants and other service providers (or of any current or future parent or subsidiary of our company). Restricted shares issued under the 2014 Plan is sold or granted pursuant to a written restricted shares purchase agreement.

The 2014 Plan also permits us to issue SARs. SARs may be issued to our employees, directors, consultants and other service providers. The base price per share of ordinary shares covered by each SAR may not be less than 100% of the fair market value of the ordinary shares on the date of grant, subject to certain exceptions. SAR grants under the 2014 Plan are made pursuant to a written SAR agreement.

Further, the 2014 Plan permits us to issue restricted share units, or RSUs. RSUs may be issued to our employees, directors, consultants and other service providers. RSU grants under the 2014 Plan are made pursuant to a written RSU agreement.

The 2014 Plan is administered by our remuneration committee, which has the authority to control and manage the operation and administration of the 2014 Plan. In particular, the remuneration committee has the authority to determine the persons to whom, and the time or times at which, incentive share options, nonqualified share options, restricted shares, SARs or RSUs shall be granted, the number of shares to be represented by each option agreement or covered by each restricted share purchase agreement, SAR agreement or RSU agreement and the exercise price of such options and the base price of such SARs. In addition, our remuneration committee has the authority to accelerate the exercisability or vesting of any award, and to determine the specific terms, conditions and restrictions of each award. The remuneration committee will be composed exclusively of individuals intended to be, to the extent provided by Rule 16b-3 of the Exchange Act, independent directors and will, at such times as we are subject to Section 162(m) of the Internal Revenue Code, qualify as outside directors for purposes of Section 162(m) of the Internal Revenue Code.

Unless provided otherwise within each written option agreement, restricted share purchase agreement, SAR agreement or RSU agreement as the case may be, the vesting of all options, restricted share, SARs and RSUs granted under the 2014 Plan shall accelerate automatically in the event of a “change in control” (as defined in the 2014 Plan) effective as of immediately prior to the consummation of the change in control unless such equity awards are to be assumed by the acquiring or successor entity (or parent thereof) or equity awards of comparable value are to be issued in exchange therefor or the equity awards granted under the 2014 Plan are to be replaced by the acquiring entity with other incentives under a new incentive program containing such terms and provisions as our remuneration committee in its discretion may consider equitable.

Our Board of Directors may from time to time alter, amend, suspend or terminate the 2014 Plan in such respects as our Board of Directors may deem advisable, provided that no such alteration, amendment, suspension or termination shall be made which shall substantially affect or impair the rights of any participant under any awards previously granted without such participant’s consent.

No awards may be granted under the 2014 Plan after the date that is ten years from the date the 2014 Plan was approved by our shareholders.

As of March 31, 2015, there were 573,550 ordinary shares issuable upon the exercise of outstanding options, at a weighted-average exercise price of \$8.35 per ordinary share and 50,000 RSUs outstanding under the plan.

Share Ownership Guidelines

At its July 30, 2015 Board meeting, the Company intends to adopt guidelines to encourage ownership of shares of the Company by directors and named executive officers. Under these guidelines, directors and named executive officers have five years from the adoption of the guidelines (or if later, the date of employment, election or promotion, whichever applies) to achieve an ownership target as follows:

Award	Ownership Target: Base Salary Multiple
Non-Employee Directors	Share value equal to or greater than three times annual retainer
CEO	Share value equal to or greater than six times base salary
Named executive officers (other than CEO)	Share value equal to or greater than two times base salary

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Shares that count toward satisfaction of the ownership targets include:

- Shares directly owned – individual, immediate family or trust (including without limitation shares purchased on the open market or acquired upon exercise of share options);
- Vested restricted shares, restricted share units or deferred share units; and
- “In the money” vested share options.

Shares that do not count towards the ownership targets include:

- Unvested share options, restricted shares, restricted share units or deferred share units;
- “Out of the money” vested share options; and
- Performance restricted shares or performance equity units not yet vested.

Defined Contribution Pension Plan

We operate a defined contribution pension plan for our employees. No executive officers (other than Edward Farrell and Roland Boyd) and no directors participate in this plan. The assets of the plan are held separately from us in an independently administered fund. Pension costs during the years ended March 31, 2015, 2014 and 2013 amounted to \$510,000, \$349,000 and \$263,000 respectively.

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REPORT OF THE AUDIT COMMITTEE

The information contained in this report shall not be deemed to be “soliciting material” or “filed” or incorporated by reference in future filings with the SEC, or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates it by reference into a document filed under the Securities Act of 1933 or the Securities Exchange Act of 1934.

The audit committee currently consists of Messrs. Bologna, Hallsworth, McDonough and Ms. O’Connor, with Mr. Hallsworth serving as chairman of the committee. Our Board of Directors has determined that Messrs. Hallsworth, Bologna and McDonough and Ms. O’Connor meet the independence requirements of Rule 10A-3 under the Exchange Act and the applicable listing standards of NASDAQ. Our Board of Directors has determined that Mr. Hallsworth is an “audit committee financial expert” within the meaning of SEC regulations and applicable listing standards of NASDAQ.

The audit committee operates under a written charter adopted by the Board, which is evaluated annually. The charter of the audit committee is available on Quotient’s website at www.quotientbd.com. Click on the tab “Investors” and then the caption “Corporate Governance.”

The audit committee selects, evaluates and, where deemed appropriate, replaces Quotient’s independent registered public accountants. The audit committee also pre-approves all audit services, engagement fees and terms, and all permitted non-audit engagements, except for certain de minimus amounts.

Management is responsible for Quotient’s internal controls and the financial reporting process. Quotient’s independent registered public accountants are responsible for performing an audit of Quotient’s consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). The audit committee’s responsibility is to monitor and oversee these processes.

In this context, the audit committee has reviewed Quotient’s audited financial statements for the fiscal year ended March 31, 2015 and has met and held discussions with management and Ernst & Young LLP (“E&Y”), the Company’s independent registered public accountants. Management represented to the audit committee that Quotient’s consolidated financial statements for fiscal 2015 were prepared in accordance with accounting principles generally accepted in the United States of America, and the audit committee discussed the consolidated financial statements with E&Y. The audit committee also discussed with E&Y the matters required to be discussed by Statement on Auditing Standards No. 16, as amended (AICPA, Professional Standards, Vol. 1, AU section 380) as adopted by the Public Accounting Oversight Board in Rule 3200T.

The audit committee received the written disclosures and letter from E&Y required by the applicable requirements of the Public Company Accounting Oversight Board regarding E&Y’s communications with the audit committee concerning its independence, and the audit committee discussed with E&Y the accounting firm’s independence.

Based upon the audit committee’s discussions with management and E&Y and the audit committee’s review of the representation of management and the report of E&Y to the audit committee, the audit committee recommended to the Board that the audited consolidated financial statements be included in Quotient’s Annual Report on Form 10-K for the fiscal year ended March 31, 2015, filed with the SEC.

The audit committee also considered whether non-audit services provided by E&Y were compatible with maintaining their independence and concluded that such non-audit services did not affect their independence.

Respectfully submitted,

Frederick Hallsworth, Chair

Thomas Bologna

Brian McDonough

Sarah O'Connor
Independent Registered Public Accountants' Fees

Review of the Company's Audited Financial Statements for the Fiscal Years ended March 31, 2015, 2014 and 2013

The audit committee approves Ernst & Young LLP's and its affiliates audit and non-audit services in advance as required under Sarbanes-Oxley and SEC rules. Before the commencement of each fiscal year, the audit committee appoints the independent auditor to perform audit services that we expect to be performed for the fiscal year and appoints the auditor to perform audit-related, tax and other permitted non-audit services. In addition, our audit committee approves the terms of the engagement letter to be entered into by us with the independent auditor. The audit committee has also delegated to its chairman the authority, from time to time, to pre-approve audit-related and non-audit

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services not prohibited by law to be performed our independent auditors and associated fees, provided that the chairman shall report any decisions to pre-approve such audit-related and non-audit services and fees to our full audit committee at its next regular meeting.

The table below sets forth the fees paid to Ernst & Young LLP over the past three years in connection with its work for us. All such audit, audit-related and tax services were pre-approved by the audit committee, which concluded that the provision of such services by Ernst & Young LLP was compatible with the maintenance of that firm's independence in the conduct of its auditing functions.

Fees billed by Ernst & Young LLP in for the fiscal years ended March 31, 2015, 2014 and 2013 were as follows:

Fees	2015	2014	2013
Audit fees (1)	\$ 130,000	\$ 125,000	\$ 52,720
Audit-related fees	100,000	—	—
Tax fees	20,000	11,000	11,000
All other fees (2)	22,500	729,040	1,040
Total fees	\$ 272,500	\$ 865,040	\$ 64,760

- (1) Fees billed for audit services in 2015, 2014 and 2013 consisted of audit of our annual financial statements, statutory audits; and services related to SEC matters.
- (2) Other fees billed in 2015 consisted of services related to the filing of an S-1 registration statement related to our November 2014 private placement of ordinary shares and pre-funded warrants. Other fees billed in 2014 consisted of services relating to our initial public offering.

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APPOINTMENT OF AND PAYMENT TO AUDITORS (RESOLUTION 9)

The audit committee of our Board has appointed E&Y as our auditors. As required by law, shareholders are requested to re-appoint E&Y as the Company's auditors for the period ending with the annual general meeting of the Company to be held in 2016. Shareholders are also requested to authorize the directors to determine the fees to be paid to the auditors. Shareholders are also requested to ratify the appointment of E&Y as the Company's independent registered public accounting firm for purposes of United States securities law reporting for the fiscal year ending March 31, 2016.

A representative of E&Y will be present at the Annual Meeting with the opportunity to make a statement if the firm desires and to respond to appropriate questions.

The Board of Directors recommends a vote "FOR" the re-appointment of Ernst & Young LLP as our auditors, to ratify their appointment as our independent registered public accounting firm and to authorize the directors to determine the fees to be paid to the auditors.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information relating to the beneficial ownership of our ordinary shares as of June 30, 2015 for:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of our outstanding ordinary shares;
- each of our directors;
- each of our executive officers; and
- all directors and executive officers as a group.

Beneficial ownership is determined in accordance with SEC rules. In general, under these rules a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares voting power or investment power with respect to such security. A person is also deemed to be a beneficial owner of a security if that person has the right to acquire beneficial ownership of such security within 60 days June 30, 2015. Except as otherwise indicated, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all ordinary shares held by that person.

Ordinary shares that a person has the right to acquire within 60 days of June 30, 2015 are deemed outstanding for purposes of computing the percentage ownership of such person's holdings, but are not deemed outstanding for purposes of computing the percentage ownership of any other person, except with respect to the percentage ownership of all directors and executive officers as a group. The beneficial ownership percentage of each shareholder is calculated on the basis of 17,028,915 ordinary shares outstanding as of June 30, 2015.

Except as indicated in footnotes to this table, we believe that the shareholders named in this table have sole voting and investment power with respect to all ordinary shares shown to be beneficially owned by them, based on information provided to us by such shareholders.

Unless otherwise indicated below, the address for each beneficial owner listed is c/o Quotient Limited, P.O. Box 1075, Elizabeth House, 9 Castle Street, St Helier, JE4 2QP, Jersey, Channel Islands.

Name and address of beneficial owner	Number of ordinary shares beneficially owned	Percentage of ordinary shares beneficially owned
5% shareholders:		
QBDG (1)	3,513,054	20.6 %
Galen Partners (2)	6,087,397	35.2 %
BlackRock, Inc. (3)	1,459,000	8.6 %
Sio Capital Management, LLC (4)	1,656,449	9.5 %
Clearbridge, LLC (5)	942,930	5.4 %
Cormorant Global Healthcare Master Fund, LP (6)	1,519,100	8.7 %

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Visium Balanced Master Fund, Ltd (7)	1,792,460	10.0	%
Perceptive (8)	867,395	5.1	%
Executive officers and directors:			
Paul Cowan (9)	3,633,678	21.2	%
Jeremy Stackawitz	162,741	1.0	%
Edward Farrell	92,466	*	
Stephen Unger	83,667	*	
Roland Boyd	61,667	*	
Heino von Prondzynski	—	*	
Thomas Bologna	138,150	*	
Frederick Hallsworth	58,185	*	
Brian McDonough	65,416	*	
Sarah O'Connor	13,600	*	
Zubeen Shroff (10)	6,089,064	35.2	%
John Wilkerson (11)	6,088,564	35.2	%
All Directors and Executive Officers as a group	10,399,801	58.9	%

* Denotes less than 1%.

(1) Deidre Cowan, Mr. Cowan's spouse, exercises sole voting and dispositive power over the 3,513,054 ordinary shares held of record by QBDG.

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- (2) The business address of Galen Partners is 680 Washington Blvd., Stamford, CT 06901. Includes 5,239,293 ordinary shares and 230,331 warrants, which are exercisable for 184,264 ordinary shares, held of record by Galen Partners V LP, 447,400 ordinary shares and 19,669 warrants, which are exercisable for 15,735 ordinary shares, held of record by Galen Partners International V LP, and 150,704 ordinary shares held of record by Galen Management, LLC (collectively, "Galen Partners"). John Wilkerson, David Jahns, and Zubeen Shroff exercise voting, investment and dispositive rights over our securities held of record by Galen Partners.
- (3) Information based solely on a Schedule 13G/A filed with the SEC on January 22, 2015 by BlackRock, Inc. The business address of BlackRock, Inc. is 55 East 52nd Street, New York, NY 10022.
- (4) Information based solely on a Schedule 13G filed with the SEC on February 17, 2015 by Sio Capital Management, LLC. The business address of Sio Capital Management, LLC is 535 Fifth Avenue, Suite 910, New York, NY 10017. Consists of 1,212,850 ordinary shares and 554,499 warrants, which are exercisable for 443,599 ordinary shares.
- (5) Information based solely on a Schedule 13G filed with the SEC on February 17, 2015 by Clearbridge, LLC. The business address of Clearbridge, LLC is 100 International Drive, Baltimore, MD 21202. Consists of 479,170 ordinary shares and 579,700 warrants, which are exercisable for 463,760 ordinary shares.
- (6) The business address of Cormorant Global Healthcare Master Fund, LP is 200 Clarendon Street, 52nd Floor, Boston, Massachusetts 02116. Includes 1,119,100 ordinary shares and 500,000 warrants.
- (7) The business address of Visium Balanced Master Fund, Ltd is c/o Visium Asset Management, LP, 888 Seventh Avenue, New York, NY 10019. Consists of 896,768 ordinary shares, 755,659 shares issuable upon exercise of warrants issued in the initial public offering and 140,033 shares issuable upon exercise of pre-funded warrants. Visium owns 850,000 pre-funded warrants and beneficial ownership is calculated by excluding 709,967 ordinary shares that are issuable upon exercise of the pre-funded warrant, but may not be exercised due to certain provisions in the pre-funded warrants which limit the exercisability of the pre-funded warrants if, after giving effect to such exercise, the holder's beneficial ownership of ordinary shares would exceed 9.99%.
- (8) The business address of Perceptive Life Sciences Master Fund Ltd. and Titan Perc. Ltd. is c/o Perceptive Advisors LLC, 499 Park Avenue 25th Flo., New York, NY 10022. 658,633 ordinary shares and 116,162 warrants, which are exercisable for 92,929 ordinary shares, are held of record by Perceptive Life Sciences Master Fund, Ltd. 103,761 ordinary shares and 15,089 warrants, which are exercisable for 12,071 ordinary shares, are held of record by Titan Perc, Ltd. Perceptive Advisors LLC is the advisor of Perceptive Life Sciences Master Fund Ltd. and Titan-Perc Ltd. Perceptive Advisors LLC and Joseph Edelman claim shared voting power and shared dispositive power over the shares held by Perceptive Life Sciences Master Fund Ltd. and Titan-Perc Ltd. Mr. Edelman is the managing member of Perceptive Advisors LLC.
- (9) Includes 26,666 ordinary shares and 93,958 options held of record by Mr. Cowan and 3,513,054 ordinary shares beneficially owned by Mr. Cowan's spouse, Deidre Cowan, who exercises sole voting and dispositive power over 3,513,054 ordinary shares held of record by QBDG.
- (10) Comprises the ordinary shares identified in footnote 2 and 1,667 options held of record by Mr. Shroff. Mr. Shroff disclaims beneficial ownership of the ordinary shares identified in footnote 2, except to the extent of his proportionate pecuniary interest in such shares.
- (11) Comprises the ordinary shares identified in footnote 2 and 1,167 options held of record by Mr. Wilkerson. Mr. Wilkerson disclaims beneficial ownership of the ordinary shares identified in footnote 2, except to the extent of his proportionate pecuniary interest in such shares.

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OTHER INFORMATION

Quotient Mailing Address

The mailing address of our principal executive offices is: Quotient Limited, Pentlands Science Park, Bush Loan, Penicuik, Midlothian, EH26 OPZ, United Kingdom.

Shareholder Proposals for the 2016 Annual Meeting

In accordance with rules of the SEC, all proposals of shareholders that are requested to be included in Quotient's Proxy Statement for the 2016 Annual General Meeting of Shareholders must be received by the Corporate Secretary on or before May 21, 2016 (120 days before the one-year anniversary of the mailing date).

If you wish to bring a matter before a general meeting outside the process described above, you may do so by following the procedures set forth in the Company's Memorandum and Articles of Association and the Companies (Jersey) Law 1991, as amended.

Presentation of Accounts

Under Jersey law, the directors are required to present the accounts of the Company and the reports of the directors and auditors (if any) before shareholders at a general meeting. Therefore, the accounts of the Company for the fiscal year ended March 31, 2015 will be presented to the shareholders at the Annual Meeting.

Section 16(a) Beneficial Ownership Reporting Compliance

All of our directors, executive officers and any greater than 10 percent shareholders are required by Section 16(a) of the Exchange Act to file with the SEC initial reports of ownership and reports of changes in ownership of shares and to furnish us with copies of such reports. Based on a review of those reports and written representations that no other reports were required, we believe that our Section 16 officers complied with all of their applicable Section 16(a) filing requirements.

Householding

Only one copy of each of our Annual Report to Shareholders and this Proxy Statement have been sent to multiple shareholders who share the same address and last name, unless we have received contrary instructions from one or more of those shareholders. This procedure is referred to as "householding." We have been notified that certain intermediaries (brokers or banks) will also household proxy materials. We will deliver promptly, upon oral or written request, separate copies of the Annual Report and Proxy Statement to any shareholder at the same address. If you wish to receive separate copies of one or both of these documents, or if you do not wish to participate in householding in the future, you may write to our Treasurer, Roland Boyd, at Quotient Limited, Pentlands Science Park, Bush Loan, Penicuik, Midlothian, EH26 OPZ, United Kingdom or call 011-44-0131-445-6159. You may contact your broker or bank to make a similar request. Shareholders sharing an address who now receive multiple copies of our Annual Report and Proxy Statement may request delivery of a single copy of each document by writing or calling us at the address or telephone number above or by contacting their broker or bank (provided the broker or bank has determined to household proxy materials).

Other Business

Management does not know of any other matters to be brought before the Annual Meeting except those set forth in the notice thereof. If other business is properly presented for consideration at the Annual Meeting, it is intended that the proxies will be voted by the persons named therein in accordance with their judgment on such matters.

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Proxy – Quotient Limited

Proxy Solicited by Board of Directors for the Annual General Meeting of Shareholder - October 29, 2015

Stephen Unger and Roland Boyd or any of them, each with the power of substitution, are hereby authorized to represent and vote the shares of the undersigned, with all the powers which the undersigned would possess if personally present, at the Annual Meeting of Shareholders of Quotient Limited to be held on October 29, 2015 or at any postponement or adjournment thereof.

Shares represented by this proxy will be voted as directed by the shareholder. If no such directions are indicated, the Proxies will have authority to vote FOR all nominees and FOR Proposal Nine.

PLEASE MARK, SIGN, DATE, AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

CONTINUED AND TO BE SIGNED AND DATED ON REVERSE SIDE.

SEE REVERSE SIDE SEE REVERSE SIDE

p PLEASE DETACH ALONG PERFORATED LINE AND MAIL IN THE ENVELOPE PROVIDED. p

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Using a black ink pen, mark your votes with an x as shown in this example. Please do not write outside the designated areas.

Annual General Meeting Proxy Card

A – Proposals – The Board of Directors unanimously recommends a vote “FOR” the nominees for Director in Proposals 1-8 and “FOR” approval of the auditors in Proposal 9.

“ Mark here to vote as the Board recommends.

1. Election of Directors until the next Annual Meeting of the Company:
- | | | | |
|---------------------|---------------------------|----------------------------|---------------------|
| 01 – Paul Cowan | 03 – Frederick Hallsworth | 05 – Sarah O’Connor | 07 – Zubeen Shroff |
| 02 – Thomas Bologna | 04 – Brian McDonough | 06 – Heino von Prondzynski | 08 – John Wilkerson |

“ Mark here to vote FOR all nominees.	“ Mark here to withhold vote from all nominees.	“ For all EXCEPT – To withhold authority to vote for a nominee, write the name of such nominee below.
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FOR AGAINST ABSTAIN
“ “ “

9. Proposal to re-appoint Ernst & Young LLP as our auditors from the conclusion of this meeting until the next Annual Meeting of the Company to be held in 2016, to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm and to authorize the directors to determine the fees to be paid to the auditors

B –Authorized Signatures – This section must be completed for your vote to be counted. – Date and Sign Below. Please sign exactly as name appears hereon. When joint tenants hold shares, both should sign. When signing as attorney, executor, administrator, trustee, or guardian, please give full title as such. If a corporation, please sign in full corporate name by president or other authorized officer. If a partnership, please sign in partnership name by authorized person.

Date (mm/dd/yyyy) – Please print

date below.

Signature 1 – Please keep signature within the box. Signature 2 – Please keep signature within the box.

/ /

p PLEASE DETACH ALONG PERFORATED LINE AND MAIL IN THE ENVELOPE PROVIDED. p