



taking the lead in
neurodevice innovation





NDI is an extraordinary health care company. Our team has worked together for the past decade developing unique technologies to restore lost neurological function, prevent damage, and reduce the effects of disease and injury. We have built an enterprise that values innovation, creativity and teamwork for the sake of our customers, investment partners and employees. I am proud to lead NDI and I welcome you to join us as a partner.

Geoff Thrope

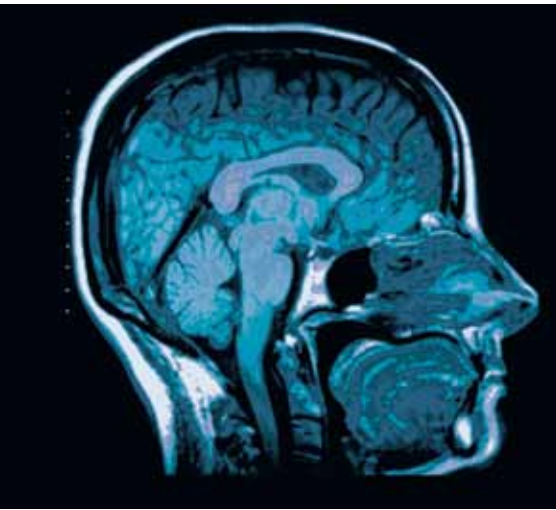
Founder, President and CEO



NDI is on the pulse of neurodevice innovation

- P**assion for improving patients' lives by developing innovative neurodevice therapies
- U**nique platform of technologies, pipeline of commercialization opportunities and portfolio companies
- L**ocation in premier center of biomedical and neurodevice innovation
- S**uperior expertise from leadership and management teams of seasoned neurodevice entrepreneurs, scientists and professionals
- E**xtensive track record in providing significant returns to investors

NDI: taking the lead in neurodevice innovation



NDI is a leader in the development and commercialization of innovative neurodevice technologies to

- Address significant unmet health conditions
- Improve patients' lives
- Provide significant returns to investors

NDI, founded in 2002, has a proven track record of moving technology from innovation to commercialization to profitability. We leverage our **platform** of innovative technologies to commercialize an extensive **pipeline** of neurotech opportunities, creating high-growth **portfolio** companies.

In April 2008, NDI sold its first portfolio company to Medtronic Inc. for **\$42 million**, returning over **150 times** the original investment back to investors.

NDI is headquartered in Cleveland, Ohio, one of the world's centers of neurodevice research and innovation. Our leadership team has a long history of working together, and includes seasoned medical device and investment professionals, scientists, physician advisors, and experts in clinical, regulatory, product development, operations and finance for the neurodevice industry.

neurodevices – a leading medical market



The neurodevice sector consists of companies developing medical devices, stimulators, surgical equipment and software to treat illnesses of the brain and nervous system. This sector has consistently outperformed other common areas of investment as measured by Total Shareholder Return. Within the **\$220 billion** medical device market, the neurodevice segment is one of the most exciting growth areas, with an annual growth rate of **18.6%**, according to *NeuroInsights*.

The worldwide market for neurodevices is now more than **\$6 billion** per year, with significant growth projected over the next decade due to increases in age-related

and treatment-resistant neurological diseases and disorders, and driven by the critical need for effective neurodevices to treat them. FDA-approved neurodevices are currently used to treat a wide variety of non-cardiac indications, including chronic pain, hearing loss, Parkinson's disease, and urinary incontinence.

Within the next decade, the neurodevice sector is expected to rival the **\$18 billion** cardiac market, as new markets proliferate, especially in those areas where drug therapies are ineffective, such as in stroke and treatment-resistant patients suffering from a wide range of disorders including pain, depression, epilepsy and obesity.

platform

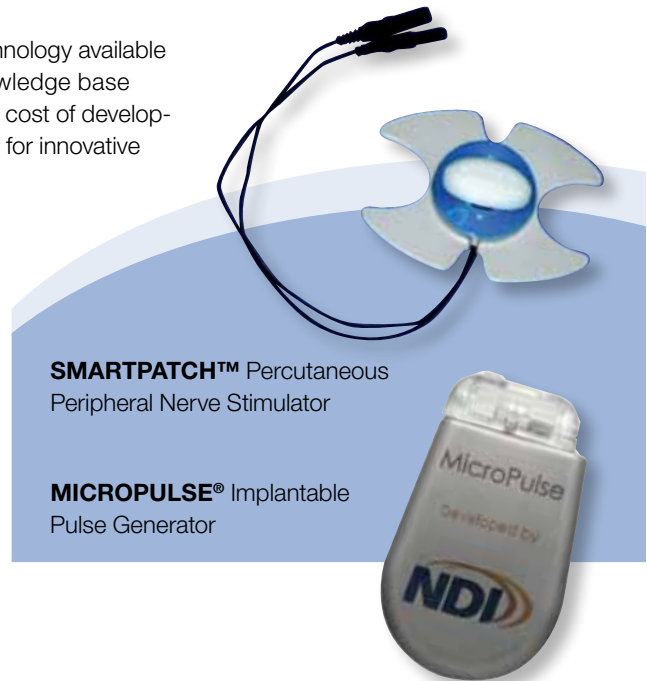
NDI maintains a proprietary technology platform of neurodevices

consisting of implantable pulse generators, external pulse generators, leads, surgical deployment tools, external programmers, and patient controllers that can be applied to many different therapeutic applications or adapted for new devices.

This technology platform is supported by an extensive and growing patent portfolio.

Our research and development teams work closely with targeted clinician end-users to generate a comprehensive therapeutic system for a given clinical application.

Having this platform technology available and the underlying knowledge base dramatically reduces the cost of development and time to market for innovative neurodevice products.



pipeline

NDI's model is to identify and select product opportunities in large markets where there is at least one validated product, but where critical clinical needs still exist.

NDI maintains a significant pipeline of commercialization opportunities from three primary sources:

- An extensive network in the medical device and investment community
- Collaborative relationships with research and technology transfer organizations and biomedical incubators
- NDI's own R&D division which designs and develops new products and therapies by leveraging its platform technologies

NDI formally collaborates with leading research and health care institutions including:

- **The Ohio Neurostimulation and Neuromodulation Partnership:** a collaboration of NDI, Case Western Reserve University, Cleveland Clinic, and MetroHealth Medical Center dedicated to the commercialization of technologies that address critical neurological disorders
- **The Cleveland Functional Electronic Stimulation (FES) Center:** one of the world's leading research centers developing advanced neurotech technologies and integrating them into cutting-edge clinical care

NDI also maintains an active facility in North Carolina's Research Triangle, leveraging strong relationships with Duke University.



portfolio

NDI has a successful track record in developing and nurturing portfolio companies because of our depth and breadth of expertise.

All major core elements are provided under one roof to best assess, develop and generate neurodevice products and companies.



NDI's portfolio companies include:

MEDSTIM

NDI's MEDSTIM System was sold to Medtronic Inc. in April, 2008 for **\$42 million**. The MEDSTIM system used an implanted device to deliver electrical stimulation to the nerves that control bladder function.

"We saw there were a lot of people chasing the urinary incontinence market with devices and drugs," said NDI President and CEO Geoff Thrope. "We looked at their mechanisms of action, and we understood why turning on a specific nerve would allow one to be continent, and that became a source of valuable intellectual property."

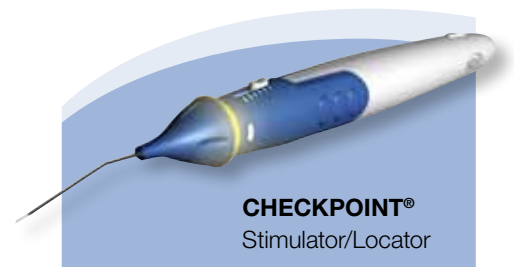
Checkpoint Surgical

Checkpoint Surgical is a revenue-generating company providing physicians with medical devices to locate, evaluate and preserve nerves and muscles in surgical procedures for better patient outcomes.

In 2010, Checkpoint Surgical initiated the commercial launch of the CHECKPOINT® Stimulator/Locator, the first product in a line of unique neuromuscular surgical devices.

The CHECKPOINT® is a single-use, hand-held, intra-operative nerve and muscle stimulator that helps surgeons identify, locate and evaluate nerve tissue to make decisions with confidence.

Checkpoint targets an estimated market over the next ten years in excess of **\$3 billion**.



SPR™ Therapeutics

SPR™ Therapeutics (Stimulation for Pain Relief) was spun-out from NDI in January 2010 and is developing and bringing to market its patented peripheral nerve stimulation (PNS) products for the treatment of pain. Its first product, the SMARTPATCH™ System, is a minimally invasive, short-term trial therapy for severe pain patients.

The SMARTPATCH™ uses a proprietary method of Intramuscular Nerve (IMN™) Therapy, which stimulates the peripheral

nerves within the muscle to treat the pain. It is non-narcotic, non-surgical, easily deployed and has demonstrated clinical benefit.

Its next product is a two-stage PNS system for the treatment of chronic pain, using the SMARTPATCH™ short-term trial system in the first stage, and a fully implantable MICROPULSE® long-term implant system in its second stage.

SPR's pain therapies represent an estimated **\$20 billion** market size.



NDI's leadership team

NDI's leadership team collectively has over 100 years of experience building and operating businesses and managing investment transactions. NDI's directors have successfully started, managed and financed businesses across a variety of industries, predominately in the medical device industry, that resulted in substantial investment returns.

Managing Directors



Geoffrey B. Thrope
Founder and
Managing Director

Mr. Thrope is the founder, president and CEO of NDI. He has more than 30 years of neurodevice experience, conducting academic research and leading commercial product development, sales and marketing and business development in the neurodevice industry. As a leading neurodevice entrepreneur, Mr. Thrope has achieved a successful track record of significant returns to his investors. He founded NDI in 2002 to develop and commercialize neurodevice products, establishing three ventures and returning over **150 times** the original investment back to shareholders in its first exit.

Prior to forming NDI, Mr. Thrope served as Vice President of New Business Development at NeuroControl Corporation, where he helped attract over **\$30 million** in venture capital investment. He is the inventor on over **60** neurostimulation patents issued and pending, and has published and presented more than **50** academic articles. He earned a Bachelor of Science degree in Biomedical Engineering from Case Western Reserve University.



Warren M. Grill, Ph.D.
Managing Director

Dr. Grill is the co-founder of NDI and its chief scientific officer. He is the Addy Professor of Biomedical Engineering at Duke University, Durham N.C., with secondary appointments in Neurobiology and Surgery. Dr. Grill has expertise in neural engineering, authoring **100** peer-reviewed

publications and holding multiple patents in the field. Dr. Grill is a consultant to the FDA's Neurological Devices Panel, senior technical editor for Neurotech Business Report, and on the editorial board of *Brain Stimulation* and the *Journal of Neural Engineering*.



Les C. Vinney
Managing Director

Mr. Vinney is senior advisor to Steris Corporation, a public company that develops, manufactures and markets a wide range of infection prevention and surgical support systems, products, services and technologies. He served as the president and CEO of Steris from 2000 through 2007, and was formerly

the senior vice president and CFO at the BF Goodrich Company. Mr. Vinney is chairman of NorTech (Northeast Ohio Technology Coalition) and a board member of the Federal Reserve Bank of Cleveland, Campbell Soup Company, Patterson Companies, University Hospitals, and Cleveland HeartLab.



Ralph M. Della Ratta, Jr.
Managing Director

Mr. Della Ratta is founder of Western Reserve Partners, an investment banking firm, and has over thirty years of experience in commercial and investment banking. Previously, he was senior managing director and manager of Investment Banking at McDonald Investments Inc., where he grew revenue over ten-fold and positioned the

firm to consistently rank among the top 15 M&A advisors nationally and in the top 5 for M&A transactions below \$250 million. Mr. Della Ratta serves on the Board of Directors of numerous public and private companies including MTD Holdings Inc., Olympic Steel Inc., and MAI Wealth Advisors LLC.



Patricia B. Shrader
Managing Director

Ms. Shrader is senior vice president, Regulatory and External Affairs for Becton, Dickinson and Company, a global medical technology company. Her responsibilities include interfacing with the FDA and similar agencies internationally on regulatory issues, public policy communications, and social investing.

A graduate of Georgetown Law, Ms. Shrader was previously counsel with the Washington DC law firm of Hogan & Hartson as a member of the Administrative Law Group. She is RAC certified by the Regulatory Affairs Professional Society, and a member of the Board of the Food and Drug Law Institute.



Leonard M. Cosentino
Managing Director

Mr. Cosentino has served as NDI's vice president of Strategic Initiatives and general counsel since 2006. He has a broad range of experience assisting early stage technology companies, private and public companies, venture capital firms, and entrepreneurs with complex merger, acquisition, joint venture, finance and investment transactions.

A graduate of Case Western Reserve University School of Law, Mr. Cosentino is a former partner of the Cleveland law firm McDonald Hopkins LLC.

Advisory Board

Raymond Rackley, M.D.

Professor of Surgery at the Cleveland Clinic Lerner College of Medicine at Case Western Reserve University and Staff in the Center for Pelvic Health and Reconstructive Surgery within the Glickman Urological and Kidney Institute

Hunter Peckham, Ph.D.

Donnell Institute Professor of Biomedical Engineering and Orthopaedics, Case Western Reserve University; Director, Cleveland Functional Electrical Stimulation Center

Michael Hausman, M.D.

Robert K. Lippman Professor of Orthopaedic Surgery and Vice-Chairman of the Department of Orthopaedics at the Mount Sinai School of Medicine, New York

Sandip Vasavada, M.D.

Urological Director, Center for Female Pelvic Medicine and Reconstructive Surgery, at Cleveland Clinic within the Glickman Urological and Kidney Institute



Cleveland – a leading location for neurodevice innovation

NDI is headquartered in Cleveland, Ohio, the nation's center for biomedical and neurodevice research. While

Cleveland has long been a leader in health care, its strong manufacturing capabilities plus billions in private and public investment make the region a premier location for **600+** biomedical businesses with over **230,000** health care and bioscience workers. Biomedical businesses have attracted over **\$925 million** in new investment since 2003, and the region's biomedical industry has grown **34%** in the same period.

Neurodevices comprise a major sector of Cleveland's biomedical industry. *NeuroInsights* considers Cleveland among

the regions to watch worldwide as it is ranked **#5** in the world for neurological health care and **#6** for neurodevice companies, based on the region's leadership in neural engineering and the development and clinical application of neurostimulation technologies.

Cleveland medical institutions such as Cleveland Clinic, MetroHealth Medical Center and University Hospitals are premier providers of neurological health care, R & D, and clinical testing for a wide range of disorders including general and pediatric neurology and neurosurgery, epilepsy, multiple sclerosis, Parkinson's disease, spinal injury, and stroke.



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