

BioCardia, Inc.  
Form DEF 14A  
April 27, 2018

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 14A**

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-2

**BioCardia, Inc.**

**(Name of Registrant as Specified In Its Charter)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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**BIOCARDIA, INC.**  
**125 SHOREWAY ROAD, SUITE B**  
**SAN CARLOS, CALIFORNIA 94070**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
**To Be Held at 9:00 a.m. Pacific Time on Friday, June 15, 2018**

Dear Stockholders of BioCardia, Inc.:

Please be advised that the 2018 annual meeting of stockholders (the “Annual Meeting”) of BioCardia, Inc., a Delaware corporation, will be held on **Thursday, June 15, 2018 at 9:00 a.m. Pacific Time**, at Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, CA 94304-1050, for the following purposes, as more fully described in the accompanying proxy statement:

1. To elect two Class II directors to serve until the 2021 annual meeting of stockholders and until their successors are duly elected and qualified;
2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2018;
3. To hold a non-binding vote on executive compensation; and
4. To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

Our board of directors has fixed the close of business on April 20, 2018 as the record date for the Annual Meeting. Only stockholders of record on April 20, 2018 are entitled to notice of and to vote at the Annual Meeting. Further information regarding voting rights and the matters to be voted upon is presented in the accompanying proxy statement. If you plan on attending this year’s Annual Meeting as a stockholder, follow the instructions provided in your proxy, as explained on page 3 of the proxy statement.

On or about April 27, 2018, we expect to mail to our stockholders a Notice of Internet Availability of Proxy Materials (the “Notice”) containing instructions on how to access our proxy statement and our 2018 annual report. The Notice provides instructions on how to vote via the Internet or by telephone and includes instructions on how to receive a

paper copy of our proxy materials by mail. This proxy statement and our annual report can be accessed directly at the following Internet address: [www.proxyvote.com](http://www.proxyvote.com). All you have to do is enter the control number located on your proxy card.

**YOUR VOTE IS IMPORTANT. Whether or not you plan to attend the Annual Meeting, we urge you to submit your vote via the Internet, telephone or mail.**

We appreciate your continued support of BioCardia, Inc. and look forward to either greeting you personally at the Annual Meeting or receiving your proxy.

By order of the Board of Directors,

Peter Altman, Ph.D.  
President, Chief Executive Officer, and Director

Fernando L. Fernandez  
Director

Richard Krasno, Ph.D.  
Director

Jay M. Moyes  
Director

Richard C. Pfenniger, Jr.  
Director

Thomas Quertermous, M.D.  
Director

Simon H. Stertz, M.D.  
Chairman of the Board

Allan R. Tessler  
Director

San Carlos, California  
April 27, 2018

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**BIOCARDIA, INC.**

**PROXY STATEMENT  
FOR 2018 ANNUAL MEETING OF STOCKHOLDERS  
To Be Held at 9:00 a.m. Pacific Time on Friday, June 15, 2018**

This proxy statement and the enclosed form of proxy are furnished in connection with the solicitation of proxies by our board of directors for use at the 2018 annual meeting of stockholders of BioCardia, Inc., a Delaware corporation, and any postponements, adjournments or continuations thereof (the “Annual Meeting”). The Annual Meeting will be held on Friday, June 15, 2018 at 9:00 a.m. Pacific Time, at Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, CA 94304-1050. The Notice of Internet Availability of Proxy Materials (the “Notice”) containing instructions on how to access this proxy statement and our annual report is first being mailed on or about April 27, 2018 to all stockholders entitled to vote at the Annual Meeting.

The information provided in the “question and answer” format below is for your convenience only and is merely a summary of the information contained in this proxy statement. You should read this entire proxy statement carefully. Information contained on, or that can be accessed through, our website is not intended to be incorporated by reference into this proxy statement and references to our website address in this proxy statement are inactive textual references only.

**What matters am I voting on?**

You will be voting on:

• the election of three Class II directors to serve until the 2021 annual meeting of stockholders and until their successors are duly elected and qualified;

• a proposal to ratify the appointment of KPMG LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2018;

• the approval, on an advisory basis, of a resolution approving the Company’s executive compensation; and

• any other business as may properly come before the Annual Meeting.

**How does the board of directors recommend I vote on these proposals?**

Our board of directors recommends a vote:

“FOR” the election of Thomas Quertermous, M.D., Allan R. Tessler and Richard C. Pfenniger, Jr. as Class II directors;

“FOR” the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2018; and

“FOR” the resolution approving our executive compensation.

**Who is entitled to vote?**

Holders of our common stock as of the close of business on April 20, 2018, the record date, may vote at the Annual Meeting. As of the record date, there were 38,241,244 shares of our common stock outstanding. In deciding all matters at the Annual Meeting, each stockholder will be entitled to one vote for each share of our common stock held by them on the record date. We do not have cumulative voting rights for the election of directors.

*Registered Stockholders.* If shares of our common stock are registered directly in your name with our transfer agent, you are considered the stockholder of record with respect to those shares, and the Notice was provided to you directly by us. As the stockholder of record, you have the right to grant your voting proxy directly to the individuals listed on the proxy card or to vote in person at the Annual Meeting.

*Street Name Stockholders.* If shares of our common stock are held on your behalf in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of those shares held in “street name,” and the Notice was forwarded to you by your broker or nominee, who is considered the stockholder of record with respect to those shares. As the beneficial owner, you have the right to direct your broker or nominee as to how to vote your shares. Beneficial owners are also invited to attend the Annual Meeting. However, since a beneficial owner is not the stockholder of record, you may not vote your shares of our common stock in person at the Annual Meeting unless you follow your broker’s procedures for obtaining a legal proxy. If you request a printed copy of our proxy materials by mail, your broker or nominee will provide a voting instruction card for you to use. Throughout this proxy, we refer to stockholders who hold their shares through a broker, bank or other nominee as “street name stockholders.”





### **How many votes are needed for approval of each proposal?**

*Proposal No. 1:* Directors are elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. “Plurality” means that the nominees who receive the largest number of votes cast “FOR” are elected as directors. As a result, any shares not voted “FOR” a particular nominee (whether as a result of stockholder abstention or a broker non-vote) will not be counted in such nominee’s favor and will have no effect on the outcome of the election. Votes of “WITHHOLD” and broker non-votes have no legal effect on the election of directors due to the fact that such elections are by a plurality. Abstentions will have no effect on the outcome of this proposal.

*Proposal No. 2:* The ratification of the appointment of KPMG LLP requires the affirmative vote of a majority of the voting power of the shares present or represented by proxy at the Annual Meeting at which a quorum is present and entitled to vote thereon. Please note that abstentions are considered votes present and entitled to vote on this proposal, and thus, will have the same effect as a vote “AGAINST” the proposal. Broker non-votes will have no effect on the outcome of this proposal.

*Proposal No. 3:* Approval, on an advisory basis, of our executive compensation requires the affirmative vote of a majority of the issued and outstanding shares of the Company’s common stock, represented in person or by proxy at the meeting and entitled to vote thereon. Abstentions, which are considered present and entitled to vote on this matter, will have the same effect as a vote “AGAINST” this proposal. Broker non-votes, which are not considered present and entitled to vote on this matter, will not have any effect on the vote with respect to this proposal.

### **What is a quorum?**

A quorum is the minimum number of shares required to be present at the Annual Meeting for the Annual Meeting to be properly held under our amended and restated bylaws and Delaware law. The presence, in person or by proxy, of a majority of all issued and outstanding shares of our common stock entitled to vote at the Annual Meeting will constitute a quorum at the Annual Meeting. Abstentions, withhold votes and broker non-votes are counted as shares present and entitled to vote for purposes of determining a quorum.

### **How do I vote?**

If you are a stockholder of record, there are four ways to vote:

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by Internet at [www.proxyvote.com](http://www.proxyvote.com), 24 hours a day, seven days a week, until 11:59 p.m. Eastern Time on June 14, 2018 (have your proxy card in hand when you visit the website);

by toll-free telephone at 1-800-690-6903 (have your proxy card in hand when you call);

by completing and mailing your proxy card (if you received printed proxy materials); or

by written ballot at the Annual Meeting.

If you are a street name stockholder, you will receive voting instructions from your broker, bank or other nominee. You must follow the voting instructions provided by your broker, bank or other nominee in order to instruct your broker, bank or other nominee on how to vote your shares. Street name stockholders should generally be able to vote by returning an instruction card, or by telephone or on the Internet. However, the availability of telephone and Internet voting will depend on the voting process of your broker, bank or other nominee. If you are a street name stockholder, you may not vote your shares in person at the Annual Meeting unless you obtain a legal proxy from your broker, bank or other nominee.

### **Can I change my vote?**

Yes. If you are a stockholder of record, you can change your vote or revoke your proxy any time before the Annual Meeting by:

• entering a new vote by Internet or by telephone;

• returning a later-dated proxy card;

• notifying the Secretary of BioCardia, Inc., in writing, at BioCardia, Inc., 125 Shoreway Road, Suite B, San Carlos, California 94070; or

• completing a written ballot at the Annual Meeting.

If you are a street name stockholder, your broker, bank or other nominee can provide you with instructions on how to change your vote.

### **What do I need to do to attend the Annual Meeting in person?**

Seating will begin at 8:30 a.m. and the meeting will begin at 9:00 a.m. On the day of the meeting, each stockholder will be required to present valid picture identification such as a driver's license or passport. If you hold your shares in street name, you must request and receive in advance of the Annual Meeting a legal proxy from your broker, bank or other nominee in order to vote in person at the Annual Meeting.

Use of cameras, recording devices, computers and other personal electronic devices will not be permitted at the Annual Meeting. Photography and video are prohibited at the Annual Meeting.

Please allow ample time for check-in. For security reasons, stockholders should be prepared and may be required to pass through metal detectors prior to entering the Annual Meeting. Please note that large bags and packages will not be allowed at the Annual Meeting. Persons will be subject to search.

**What is the effect of giving a proxy?**

Proxies are solicited by and on behalf of our board of directors. Peter Altman and David McClung have been designated as proxies by our board of directors. When proxies are properly dated, executed and returned, the shares represented by such proxies will be voted at the Annual Meeting in accordance with the instructions of the stockholder. If no specific instructions are given, however, the shares will be voted in accordance with the recommendations of our board of directors as described above. If any matters not described in this proxy statement are properly presented at the Annual Meeting, the proxy holders will use their own judgment to determine how to vote the shares. If the Annual Meeting is adjourned, the proxy holders can vote the shares on the new Annual Meeting date as well, unless you have properly revoked your proxy instructions, as described above.

**Why did I receive a Notice of Internet Availability of Proxy Materials instead of a full set of proxy materials?**

In accordance with the rules of the Securities and Exchange Commission (the “SEC”), we have elected to furnish our proxy materials, including this proxy statement and our annual report, primarily via the Internet. The Notice containing instructions on how to access our proxy materials is first being mailed on or about April 27, 2018 to all stockholders entitled to vote at the Annual Meeting. Stockholders may request to receive all future proxy materials in printed form by mail or electronically by e-mail by following the instructions contained in the Notice. We encourage stockholders to take advantage of the availability of our proxy materials on the Internet to help reduce the environmental impact of our annual meetings of stockholders.

**How are proxies solicited for the Annual Meeting?**

Our board of directors is soliciting proxies for use at the Annual Meeting. All expenses associated with this solicitation will be borne by us. We will reimburse brokers or other nominees for reasonable expenses that they incur in sending our proxy materials to you if a broker or other nominee holds shares of our common stock on your behalf.

**Is my vote confidential?**

Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within BioCardia, Inc. or to third parties, except as necessary to meet applicable legal requirements, to allow for the tabulation of votes and certification of the vote, or to facilitate a successful proxy solicitation.

**How may my brokerage firm or other intermediary vote my shares if I fail to provide timely directions?**

Brokerage firms and other intermediaries holding shares of our common stock in street name for customers are generally required to vote such shares in the manner directed by their customers. In the absence of timely directions, your broker will have discretion to vote your shares on our sole “routine” matter: the proposal to ratify the appointment of KPMG LLP. Your broker will not have discretion to vote on the election of directors or on the executive compensation, which are “non-routine” matters, absent direction from you.

**Where can I find the voting results of the Annual Meeting?**

We will announce preliminary voting results at the Annual Meeting. We will also disclose voting results on a Current Report on Form 8-K that we will file with the SEC within four business days after the Annual Meeting. If final voting results are not available to us in time to file a Current Report on Form 8-K within four business days after the Annual Meeting, we will file a Current Report on Form 8-K to publish preliminary results and will provide the final results in an amendment to such Current Report on Form 8-K as soon as they become available.

**I share an address with another stockholder, and we received only one paper copy of the proxy materials. How may I obtain an additional copy of the proxy materials?**

We have adopted a procedure called “householding,” which the SEC has approved. Under this procedure, we deliver a single copy of the Notice and, if applicable, our proxy materials to multiple stockholders who share the same address unless we have received contrary instructions from one or more of the stockholders. This procedure reduces our printing costs, mailing costs, and fees. Stockholders who participate in householding will continue to be able to access and receive separate proxy cards. Upon written or oral request, we will deliver promptly a separate copy of the Notice and, if applicable, our proxy materials to any stockholder at a shared address to which we delivered a single copy of any of these materials. To receive a separate copy, or, if a stockholder is receiving multiple copies, to request that we only send a single copy of the Notice and, if applicable, our proxy materials, such stockholder may contact us at the

following address:

BioCardia, Inc.  
Attention: Secretary  
125 Shoreway Road, Suite B  
San Carlos, California 94070

Stockholders who beneficially own shares of our common stock held in street name may contact their brokerage firm, bank, broker-dealer or other similar organization to request information about householding.

**What is the deadline to propose actions for consideration at next year's annual meeting of stockholders or to nominate individuals to serve as directors?**

### **Stockholder Proposals**

Stockholders may present proper proposals for inclusion in our proxy statement and for consideration at the next annual meeting of stockholders by submitting their proposals in writing to our Secretary in a timely manner. For a stockholder proposal to be considered for inclusion in our proxy statement for our 2019 annual meeting of stockholders, our Secretary must receive the written proposal at our principal executive offices not earlier than February 12, 2019 and not later than March 14, 2019. In addition, stockholder proposals must comply with the requirements of Rule 14a-8 regarding the inclusion of stockholder proposals in company-sponsored proxy materials. Stockholder proposals should be addressed to:

BioCardia, Inc.  
Attention: Secretary  
125 Shoreway Road, Suite B  
San Carlos, California 94070

Our amended and restated bylaws also establish an advance notice procedure for stockholders who wish to present a proposal before an annual meeting of stockholders but do not intend for the proposal to be included in our proxy statement. Our amended and restated bylaws provide that the only business that may be conducted at an annual meeting is business that is (i) brought before the meeting by the corporation and specified in the notice of meeting given by or at the direction of our board of directors, (ii) brought before the meeting by or at the direction of our board of directors, or (iii) otherwise properly brought before the meeting by a stockholder who (A) was a stockholder of record both at the time of giving the notice and at the time of the meeting, (B) is entitled to vote at the meeting, and (C) has complied with all of the notice procedures set forth in our bylaws.

To be timely for our 2019 annual meeting of stockholders, our Secretary must receive the written notice at our principal executive offices:

not earlier than February 12, 2019; and

not later than the close of business on March 14, 2019.

In the event that we hold our 2019 annual meeting of stockholders more than 30 days before or more than 30 days after the one-year anniversary of the Annual Meeting, then notice of a stockholder proposal that is not intended to be included in our proxy statement must be received no earlier than the close of business on the 120th day before such annual meeting and no later than the close of business on the later of the following two dates:

the 90th day prior to such annual meeting; or

the 10th day following the day on which public disclosure of the date of such annual meeting was made.

If a stockholder who has notified us of his, her or its intention to present a proposal at an annual meeting does not appear to present his, her or its proposal at such annual meeting, we are not required to present the proposal for a vote at such annual meeting.

### **Nomination of Director Candidates**

You may propose director candidates for consideration by our nominating and corporate governance committee. Any such recommendations should include the nominee's name and qualifications for membership on our board of directors and should be directed to our Secretary at the address set forth above. For additional information regarding



stockholder recommendations for director candidates, see “Board of Directors and Corporate Governance–Stockholder Recommendations for Nominations to the Board of Directors.”

In addition, our amended and restated bylaws permit stockholders to nominate directors for election at an annual meeting of stockholders. To nominate a director, the stockholder must provide the information required by our amended and restated bylaws. In addition, the stockholder must give timely notice to our Secretary in accordance with our amended and restated bylaws, which, in general, require that the notice be received by our Secretary within the time period described above under “Stockholder Proposals” for stockholder proposals that are not intended to be included in a proxy statement.

### **Availability of Bylaws**

A copy of our amended and restated bylaws may be obtained by accessing our filings on the SEC’s website at <http://www.sec.gov>. You may also contact our Secretary at our principal executive offices for a copy of the relevant bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates.

**BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

Our business affairs are managed under the direction of our board of directors, which is currently composed of eight members. All of our directors other than Peter Altman are independent within the meaning of the listing standards of the NASDAQ Stock Market LLC. Our board of directors is divided into three staggered classes of directors. At each annual meeting of stockholders, a class of directors will be elected for a three-year term to succeed the same class whose term is then expiring.

The following table sets forth the names, ages as of March 31, 2018, and certain other information for each of the directors with terms expiring at the Annual Meeting (who are also nominees for election as a director at the Annual Meeting) and for each of the continuing members of our board of directors:

	<b>Class</b>	<b>Age</b>	<b>Position</b>	<b>Director Since<sup>(4)</sup></b>	<b>Current Term Expires</b>	<b>Expiration of Term For Which Nominated</b>
<b>Directors with Terms expiring at the Annual Meeting/ Nominees</b>						
Thomas Quertermous, M.D. <sup>(3)</sup>	II	66	Director	2002	2018	2021
Richard Pfenniger, Jr. <sup>(2)</sup>	II	62	Director	2016	2018	2021
Allan R. Tessler <sup>(1)</sup>	II	81	Director	2012	2018	2021
<b>Continuing Directors</b>						
Peter Altman, Ph.D.	I	51	President, Chief Executive Officer and Director	2002	2020	—
Fernando L. Fernandez <sup>(1)</sup>	I	57	Director	2016	2020	—
Richard Krasno, Ph.D. <sup>(3)</sup>	III	76	Director	2016	2019	—
Jay M. Moyes <sup>(1)(2)</sup>	III	64	Director	2011	2019	—
Simon H. Stertzner, M.D. <sup>(2)(3)</sup>	III	82	Chairman of the Board of Directors	2002	2019	—

(1) Member of the audit committee

(2) Member of the compensation committee

(3) Member of the nominating and corporate governance committee

(4)

Service on our board of directors prior to 2016 noted in the narrative below includes service with BioCardia Lifesciences, Inc., the company we merged with in our reverse merger transaction in October 2016.

### **Nominees for Director**

*Thomas Quertermous, M.D.* has served on our board of directors since 2002. Dr. Quertermous is the William G. Irwin Professor of Medicine and Director of the Division of Cardiovascular Medicine at Stanford University since 1997. Dr. Quertermous came to Stanford from Vanderbilt University where he served as H.J. Morgan Professor of Medicine and Director of the Division of Cardiology. From 2006 to 2013, Dr. Quertermous served as a board member at Aviir, Inc., a company providing metabolic tests and services for the prevention and management of cardiovascular diseases. Dr. Quertermous received both a Master of Science degree in biophysics and theoretical biology and his Doctor of Medicine degree from the University of Chicago, where he also completed residency training in internal medicine. Subsequently, he served as clinical fellow in the Cardiac Unit at the Massachusetts General Hospital and completed a research fellowship in the Department of Genetics at Harvard Medical School.

We believe that Dr. Quertermous possesses specific attributes that qualify him to serve as a member of our board of directors, including his expertise in the cardiovascular, biotechnology and therapeutic development industries.

*Richard C. Pfenniger, Jr.* was appointed to our board of directors in October 2016. From May 2014 to February 2015, Mr. Pfenniger served as Interim Chief Executive Officer of Vein Clinics of America, Inc., a medical group specializing in the treatment of vein disease. From January 2013 to May 2013, Mr. Pfenniger served as Interim Chief Executive Officer of IntegraMed America, Inc., an operator of the largest U.S. network of fertility centers. From October 2003 until October 2011, when it was acquired by Metropolitan Health, Inc., he served as Chairman of the board of directors and President and Chief Executive Officer of Continucare Corporation, a provider of primary care physician and practice management services. Prior thereto, Mr. Pfenniger served as Chief Executive Officer of Whitman Education, Inc. from 1997 to 2003 and as Chief Operating Officer of IVAX Corporation from 1994 to 1997 after having served as the Senior Vice President – Legal Affairs from 1989 to 1994. Mr. Pfenniger currently serves as a director on the board of directors of OPKO Health, Inc., a pharmaceutical and medical diagnostic company, since 2008; on TransEnterix, Inc., a medical device company, since 2005; on GP Strategies, Inc., a corporate training and performance improvement company, since 2005; on Wright Investors' Service Holdings, Inc., a financial services company, since 2015; and on IntegraMed America, Inc. since 2012. Mr. Pfenniger holds a Juris Doctor degree from the University of Florida and a Bachelor of Business Administration degree from Florida Atlantic University.

We believe that Mr. Pfenniger possesses specific attributes that qualify him to serve as a member of our board of directors, including his expertise with public companies and the healthcare industry.

*Allan R. Tessler* has served on our board of directors since 2012. Mr. Tessler has served as Chairman and Chief Executive Officer of International Financial Group, Inc. since 1987. He also serves as a board member of the online brokerage firm TD Ameritrade since November 2006, and as a board member of L Brands since 1987, where he is also Lead Director and Chair of the Finance Committee. Mr. Tessler has also served on the board of directors of Steel Partners Holding, since July 2009 and for Imperva Inc., since 2013. Mr. Tessler was Chief Executive Officer of Epoch Holding Corporation, an investment management company, from February 2000 to June 2004, and Chairman of its board of directors from May 1994 to December 2013; the Co-Chairman and Co-Chief Executive Officer of Interactive Data Corporation, a securities market data supplier, from June 1992 to February 2000; and a co-founder and Chairman of the board of directors of Enhance Financial Services, a public insurance holding company, from 1986 to 2001. Mr. Tessler is a member of the board of governors of the Boys & Girls Clubs of America. Mr. Tessler holds a Bachelor of Arts degree from Cornell University and a Bachelor of Laws degree from Cornell University Law School.

We believe that Mr. Tessler possesses specific attributes that qualify him to serve as a member of our board of directors, including an array of executive management and board positions he has served for publicly traded companies during his career.

### **Continuing Directors**

*Peter Altman, Ph.D.* has served as our President and Chief Executive Officer since 2002, where he has global responsibility for the development, manufacture and marketing of our therapeutic candidates and products. He was

founding Chief Executive Officer from 1999 to 2003 and board member of CareDx from 1999 to 2014, a developer of a gene based diagnostics to be used in chronic inflammatory diseases, including cardiac transplantation, coronary artery disease and systemic lupus erythematosus. He was also founding Chief Executive Officer for Lumen Therapeutics from 2004 to 2005, an early-stage pharmaceutical company. He has 30 years of experience in life science research and product development, is named inventor in 45 U.S. patents, and has authored 40 scientific publications. Dr. Altman currently serves as a director on the board of directors of Oncocyclist Biotech, since 2018. He received his Ph.D. in Bioengineering/Pharmaceutical Chemistry from the University of California, San Francisco and University of California, Berkeley, his Management of Technology certificate from the Walter A. Haas School of Business at the University of California, Berkeley, and both his Master of Science and Bachelor of Science in Mechanical Engineering from the Columbia University School of Engineering and Applied Sciences. Dr. Altman has been elected Fellow of the American Heart Association.

We believe that Dr. Altman possesses specific attributes that qualify him to serve as a member of our board of directors, including his extensive experience in the biotechnology, medical device and diagnostic industries and the operational insight and expertise he has accumulated as our President and Chief Executive Officer.

*Fernando L. Fernandez* was appointed to our board of directors in October 2016. Mr. Fernandez has served as the Vice President of Finance and Chief Financial Officer of United Data Technologies, an information technology company, since November 2016. Mr. Fernandez served as the Market Vice President and Chief Financial Officer of the Care Delivery segment of Humana, Inc., a health and well-being company, from December 2012 to October 2016. From June 2004 to December 2012, Mr. Fernandez served as the Senior Vice President of Finance and Chief Financial Officer of Continucare Corporation, a medical care service company. He currently serves as a director for South Florida Business Forum since January 2018. Mr. Fernandez spent his early career in public accounting and finance functions at other companies, including Whitman Education Group, Inc., Frost-Nevada LP, and PriceWaterhouseCoopers LLP. Mr. Fernandez holds a Bachelor of Business Administration, Accounting from the University of Miami, and is a CPA.

We believe that Mr. Fernandez possesses specific attributes that qualify him to serve as a member of our board of directors, including his expertise in accounting and finance.

*Richard Krasno, Ph.D.* was appointed to our board of directors in October 2016. Dr. Krasno has served as a director of Ladenburg Thalmann since March 2015, Castle Brands, Inc. since 2014, and OPKO Health, Inc. since 2017. Dr. Krasno served as the executive director of the William R. Kenan, Jr. Charitable Trust from 1999 to 2014 and, from 1999 to 2010, as president of the four affiliated funds. Prior to that, Dr. Krasno was the president of the Monterey Institute of International Studies in Monterey, California. From 2004 to 2012, Dr. Krasno also served as a director of the University of North Carolina Health Care System and served as chairman of the board of directors from 2009 to 2012. From 1981 to 1998, he served as president and chief executive officer of the Institute of International Education in New York. He also served as Deputy Assistant Secretary of Education in Washington, D.C. from 1979 to 1980. Mr. Krasno holds a Bachelor of Science from the University of Illinois and a Ph.D. from Stanford.

We believe that Mr. Krasno possesses specific attributes including his qualifications and skills, including financial literacy and expertise, his managerial experience and the knowledge and experience he has attained through his service as a director of publicly-traded corporations, which qualify him to serve as a member of our board of directors.

*Jay M. Moyes* has served on our board of directors since 2011. He has served on the board of directors of Puma Biotechnologies since April 2012, and on the board of directors of Achieve Life Sciences from 2018 to the present and on the board of directors and Chairman of the Audit Committee of Osiris Therapeutics, a biosurgical company, from May 2006 until December 2017. He also served as a member of the board of directors and Chairman of the Audit Committee of Integrated Diagnostics, a privately held molecular diagnostics company, from 2011 to 2016. From 2012 to 2014, Mr. Moyes served as a member of the board of directors of Amedica Corporation, a publicly traded orthopaedics company, and as Chief Financial Officer from 2013 to 2014. From 2008 to 2009, Mr. Moyes served as Chief Financial Officer of CareDx, a publicly traded molecular diagnostics company. Prior to that, he served as Chief Financial Officer of Myriad Genetics, Inc., a publicly held healthcare diagnostics company, from June 1996 until his retirement in November 2007, and as Vice President of Finance from July 1993 until July 2005. From 1991 to 1993, Mr. Moyes served as Vice President of Finance and Chief Financial Officer of Genmark, a privately held genetics company. Mr. Moyes held various positions with the accounting firm of KPMG from 1979 to 1991. He also served as a member of the Board of Trustees of the Utah Life Science Association from 1999 to 2006. Mr. Moyes holds a Masters of Business Administration from the University of Utah, a Bachelor of Arts in economics from Weber State University, and is formerly a Certified Public Accountant.

We believe that Mr. Moyes possesses specific attributes that qualify him to serve as a member of our board of directors, including his extensive background in finance and accounting in the life sciences industry.

*Simon H. Stertzer, M.D.* is Chairman of our board of directors and has served on our board of directors since 2002. Dr. Stertzer is a Professor of Medicine, Emeritus at the Stanford University School of Medicine, Division of

Cardiovascular Medicine, and a Professor at the Stanford University Biodesign Program. He served as Assistant Resident in Medicine at New York University and later as Chief Medical Resident at New York University Division of Bellevue Hospital. Dr. Stertzer was a founder and board member of Arterial Vascular Engineering, an angioplasty balloon and stent company that went public in 1996 and was subsequently acquired by Medtronic. Dr. Stertzer served as Director of the Catheterization Laboratory at Lenox Hill Hospital from 1971 to 1983. He also served as Director of AVIA App LLC and Frontiere Algorithmic Design LLC, each since 2015. He was the Director of Medical Research and Director of the Cardiac Catheterization Laboratory at the San Francisco Heart Institute from 1983 until 1993. He was appointed Professor of Medicine at Stanford University in 1998, and became Professor Emeritus at Stanford University in 2011. Dr. Stertzer received his Doctor of Medicine degree from New York University. He also earned a Certificat de Physiologie from University of Paris (Sorbonne) and had a fellowship at New York University Hospital in Cardiovascular Disease. Dr. Stertzer received a Bachelor of Arts degree in Humanities from Union College.

We believe that Dr. Stertzler possesses specific attributes that qualify him to serve as Chairman of our board of directors, including his historical association with our company and his expertise in interventional cardiology and the operational experience he has accumulated in the life sciences industry.

### **Director Independence**

We are not currently subject to listing requirements of any national securities exchange that has requirements that a majority of the board of directors be “independent.” Nevertheless, we expect that our board of directors will determine that all of our directors, other than Dr. Altman, qualify as “independent” directors in accordance with listing requirements of The NASDAQ Stock Market, or NASDAQ. Dr. Altman is not considered independent because he is an employee of BioCardia. The NASDAQ independence definition includes a series of objective tests, such as that the director is not, and has not been for at least three years, one of our employees and that neither the director nor any of his family members has engaged in various types of business dealings with us.

### **Board Leadership Structure**

Board Structure. Our board of directors has eight authorized seats divided into three classes (Class I, Class II and Class III) with staggered three-year terms. Three Class II directors are to be elected at the 2018 Annual Meeting to serve a three-year term expiring at the 2021 annual meeting of stockholders or until their respective successors have been elected and qualified. The Class I and Class III directors will continue to serve their respective terms until the respective 2020 and 2019 annual meetings of stockholders.

Board Leadership Structure. Our board of directors does not have a policy on whether or not the role of the Chief Executive Officer and Chairman should be separate or, if it is to be separate, whether the Chairman should be selected from the non-employee directors or be an employee. Currently, we operate with Dr. Altman serving as a director and our President and Chief Executive Officer and Dr. Stertzler serving as our Chairman. We believe that the separation of the Chairman and Chief Executive Officer positions suit the talents, expertise and experience that each of Drs. Altman and Stertzler bring to the Company.

Board Committees. Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee. The composition and responsibilities of each of the committees of our board of directors is described below. Members will serve on these committees until their resignation or until as otherwise determined by our board of directors.



## **Family Relationships**

There are no family relationships among any of our directors or executive officers.

## **Board Meetings and Committees**

During our fiscal year ended December 31, 2017, the board of directors held 10 meetings (including regularly scheduled and special meetings), and each director attended at least 75% of the aggregate of (i) the total number of meetings of our board of directors held during the period for which he or she has been a director and (ii) the total number of meetings held by all committees of our board of directors on which he or she served during the periods that he or she served.

Although we do not have a formal policy regarding attendance by members of our board of directors at annual meetings of stockholders, we invite, but do not require, our directors to attend. None of our directors attended our 2017 annual meeting of the stockholders.

Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee. The composition and responsibilities of each of the committees of our board of directors is described below. Members will serve on these committees until their resignation or until as otherwise determined by our board of directors.

## **Audit Committee**

Our audit committee currently consists of Allan Tessler, who is the chair of the committee, Jay Moyes and Fernando Fernandez, each of whom are independent in for Audit Committee purposes under the requirements of Financial Industry Regulatory Authority (“FINRA”) and the SEC. Mr. Tessler is an “audit committee financial expert” as the term is defined under SEC regulations. The audit committee operates under a written charter. The functions of the audit committee include:

- overseeing the engagement of our independent registered accounting firm;

- reviewing our audited financial statements and discussing them with the independent registered accounting firm and our management;

- meeting with the independent registered accounting firm and our management to consider the adequacy of our internal controls; and

- reviewing our financial plans, reporting recommendations to our full board of directors for approval and authorizing actions.

Both our independent registered accounting firm and internal financial personnel regularly meet with our audit committee and have unrestricted access to the audit committee.

Our audit committee operates under a written charter adopted by our board of directors, a current copy of which is available on the Corporate Governance portion of our website at [investors.biocardia.com](http://investors.biocardia.com). During 2017, our audit committee held five meetings.

## **Compensation Committee**

Our compensation committee currently consists of Jay Moyes, who is the chair of the committee, Simon Stertzer and Richard Pfenniger, each of whom are independent in accordance with the NASDAQ Stock Market LLC standards. Each member of our compensation committee is also a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Securities and Exchange Act of 1934, as amended (the “Exchange Act”). The compensation committee operates under a written charter. The functions of the compensation committee include:

reviewing and, if deemed appropriate, recommending to our board of directors policies, practices and procedures relating to the compensation of our directors, officers and other managerial employees and the establishment and administration of our employee benefit plans;

determining or recommending to the board of directors the compensation of our executive officers; and

advising and consulting with our officers regarding managerial personnel and development.

Our compensation committee operates under a written charter adopted by our board of directors, a current copy of which is available on the Corporate Governance portion of our website at [investors.biocardia.com](http://investors.biocardia.com). During 2017, our compensation committee held one meeting.

### **Nominating and Corporate Governance Committee**

Our nominating and corporate governance committee consists of Simon Stertzler, who is the chair of the committee, Thomas Quertermous and Richard Krasno, each of whom are independent in accordance with the NASDAQ Stock Market LLC standards. The nomination committee operates under a written charter. The functions of the nominating and corporate governance include:

establishing standards for service on our board of directors;

identifying individuals qualified to become members of our board of directors and recommending director candidates for election or re-election to our board;

considering and making recommendations to our board of directors regarding the size and composition of the board of directors, committee composition and structure and procedures affecting directors;

reviewing compliance with relevant corporate government guidelines;

reviewing governance-related stockholder proposals and recommending Board responses; and

reviewing actual and potential conflicts of interest of Board members and corporate officer, other than related-party transactions reviewed by the Audit Committee, and approving or prohibiting any involvement of such persons in matters that may involve a conflict of interest or taking of a corporate opportunity.

Our nominating and corporate governance committee operates under a written charter adopted by our Board of Directors, a current copy of which is available on the Corporate Governance portion of our website at [investors.biocardia.com](http://investors.biocardia.com). During 2017, our nominating and corporate governance did not hold a meeting.

### **Compensation Committee Interlocks and Insider Participation**

None of the members of the compensation committee is or has ever been one of our officers or employees. None of our executive officers serve, or in the past have served, as a member of the compensation committee or on the board of directors of any entity that has one or more executive officers serving on our board of directors or compensation committee.

### **Considerations in Evaluating Director Nominees**

Our nominating and corporate governance committee uses a variety of methods for identifying and evaluating director nominees. In its evaluation of director candidates, our nominating and corporate governance committee will consider the existing size and composition of our board of directors and certain other factors, including the character, integrity, diversity of experience, independence, area of expertise, corporate experience, potential conflicts of interest, and other factors that the committee may consider appropriate. Our nominating and corporate governance committee relies upon various criteria for board membership, which may include, without limitation, that a candidate: be of the highest ethical character; exhibit sound business judgment; skills that are complementary to those of the existing Board; ability to assist and support management and make significant contributions to the Company's success; and an understanding of the fiduciary responsibilities that is required of a member of the Board and the commitment of time and energy necessary to diligently carry out those responsibilities. Qualification and backgrounds of the directors as a whole should provide the proper breadth of knowledge, abilities and experience to appropriate composition of the board. Although our nominating and corporate governance committee does not have a specific policy with respect to board diversity, the Board believes that our board of directors should be a diverse body, and our nominating and corporate governance committee considers a broad range of backgrounds and experiences. In making determinations regarding nomination of directors, our nominating and corporate governance committee may take into account the benefits of diverse viewpoints. Renomination of existing directors will not be viewed as automatic, but rather will be based on continuing qualification using the criteria set forth above.

Our nominating and corporate governance committee considers these and other factors as it oversees the annual board of director and committee evaluations. After completing its review and evaluation of director candidates, our

nominating and corporate governance recommends to our full board of directors the director nominees for selection.

### **Stockholder Recommendations for Nominations to the Board of Directors**

Our nominating and corporate governance committee will consider candidates for director recommended by stockholders, provided that (i) any recommending stockholder must have continuously held at least 1% of the company's fully diluted securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal, and (ii) such recommendations comply with our amended and restated certificate of incorporation and amended and restated bylaws and applicable laws, rules and regulations, including those promulgated by the SEC. The nominating and corporate governance committee will evaluate such recommendations in accordance with its charter, our amended and restated bylaws, our policies and procedures for director candidates, as well as the regular director nominee criteria described above.

Any nomination should be sent in writing to our Secretary at BioCardia, Inc., 125 Shoreway Road, Suite B, San Carlos, California 94070.

## Communications with the Board of Directors

Interested parties wishing to communicate with our board of directors or with an individual member or members of our board of directors to provide comments, to report concerns, or to ask a question, at the following address:

BioCardia, Inc.  
Attention: Secretary  
125 Shoreway Road, Suite B  
San Carlos, California 94070

You may submit your concerns anonymously or confidentially by postal mail. You may also indicate whether you are a stockholder, customer, supplier, or other interested party.

Communications are distributed to the board, or to any individual directors as appropriate, depending on the facts and circumstances outlined in the communication. In that regard, the BioCardia, Inc. board of directors has requested that certain items which are unrelated to the duties and responsibilities of the board should be excluded, such as:

Product complaints

Product inquiries

New product suggestions

Resumes and other forms of job inquiries

Surveys

Business solicitations or advertisements

In addition, material that is unduly hostile, threatening, illegal or similarly unsuitable will be excluded, with the provision that any communication that is filtered out must be made available to any non-management director upon request.

## **Code of Business Conduct and Ethics**

We have adopted a code of business conduct and ethics that applies to our officers, directors and employees, including our Chief Executive Officer, Chief Financial Officer, and other executive and senior financial officers. Our code of business conduct and ethics is available on our website at [investors.biocardia.com](http://investors.biocardia.com). We intend to disclose any amendments of our code of business conduct and ethics, or waivers of its requirements for directors or executive officers, on our website.

## **Risk Oversight**

Our board of directors has responsibility for the oversight of our risk management processes and, either as a whole or through our committees, regularly discusses with management our major risk exposures, their potential impact on our business and the steps we take to mitigate or manage them. The risk oversight process includes receiving reports from committees of our board of directors and members of senior management to enable our board of directors to understand our risk identification, risk management and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, strategic and reputational risk.

The audit committee oversees our management of financial risks. Periodically, the audit committee reviews our policies with respect to risk assessment and risk management. Oversight by the audit committee includes direct communication with our external auditors, and discussions with management regarding significant risk exposures and the actions management has taken to limit, monitor or control such exposures. The compensation committee is responsible for assessing whether any of our compensation policies or programs has the potential to encourage excessive risk-taking. The nominating and corporate governance manages risks associated with the independence of the board of directors, corporate disclosure practices and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire board or directors is regularly informed through committee reports about such risks. Matters of significant strategic risk are considered by our board of directors as a whole.

## Non-Employee Director Compensation

### Cash and Equity Compensation

We compensate non-employee members of the board of directors. Directors who are also employees do not receive cash or equity compensation for service on the board of directors in addition to compensation payable for their service as our employees. The non-employee members of our board of directors are reimbursed for travel, lodging and other reasonable expenses incurred in attending board of directors or committee meetings. Our directors received equity grants annually at the fair market value of our common stock at the time of grant under our 2016 Plan.

In January 2017 our compensation policy for non-employee directors was established. The cash and equity components of our compensation policy for non-employee directors are set forth below:

<b>Position</b>	<b>Annual Cash Retainer</b>	<b>Equity Grant</b>
<i>Base Fee</i>	\$ 40,000	\$ 44,000
<i>Chairperson Fee</i>		
Chairman of the Board	25,000	
Audit Committee	15,000	
Compensation Committee	10,000	
Nominating and Corporate Governance Committee	7,500	
<i>Committee Member Fee</i>		
Audit Committee	7,500	
Compensation Committee	5,000	
Nominating and Corporate governance	3,750	

Under our non-employee director compensation program, each non-employee director received an initial equity award in January of 2017 of either an option to purchase 267,000 shares of common stock or receive 184,000 restricted stock units which, in either case, vest over three years upon the anniversary of the grant date, subject to continued service through the vesting date. We expect additional annual equity grants may be made to our non-employee directors and that compensation for our non-employee directors will be competitive at the 50<sup>th</sup> percentile of our peer group.

### Compensation for 2017



The following table sets forth summary information concerning the compensation awarded to, paid to, or earned by the non-employee members of our board of directors for the fiscal year ended December 31, 2017:

<b>Director</b>	<b>Fees Earned or Paid in Cash(\$)</b>	<b>Stock Awards (\$)<sup>(1)</sup></b>	<b>Option Awards (\$)<sup>(1)</sup></b>	<b>Total (\$)</b>
Fernando L. Fernandez	\$47,500.00	\$213,280.00	—	\$260,780.00
Richard Krasno, Ph.D.	\$43,750.00	\$213,280.00	—	\$257,030.00
Jay M. Moyes	\$57,500.00	—	\$219,725.00	\$277,225.00
Richard C. Pfenniger, Jr.	\$45,000.00	\$213,280.00	—	\$258,280.00
Thomas Quertermous, M.D.	\$43,750.00	—	\$219,725.00	\$263,475.00
Simon H. Stertzner, M.D.	\$77,500.00	—	\$219,725.00	\$297,225.00
Allan R. Tessler	\$55,000.00	\$213,280.00	—	\$268,280.00

This amount reflects the aggregate grant fair value computed in accordance with ASC Topic 718. The assumptions (1) that we used to calculate these amounts are discussed in Note 14 to our consolidated financial statements included in our Annual Report on Form 10-K, as filed with the SEC on March 16, 2018.

The following table lists all outstanding equity awards held by our non-employee directors as of December 31, 2017.

Name	Aggregate Number of Stock Options Outstanding as of December 31, 2017 <sup>(1)</sup>	Aggregate Number of Stock Awards Outstanding as of December 31, 2017 <sup>(1)</sup>	
Fernando L. Fernandez	—	24,499	(2)
Richard Krasno, Ph.D.	—	24,499	(2)
Jay M. Moyes	53,401	—	(3)
Richard C. Pfenniger, Jr.	—	24,499	(2)
Thomas Quertermous, M.D.	35,298	—	(4)
Simon H. Stertzner, M.D.	109,984	—	(5)
Allan R. Tessler	13,578	—	(6)

(1) Where applicable, share numbers have been adjusted to reflect the Company's reverse stock split, which became effective on November 2, 2017.

Includes (i) 5,111 shares subject to a restricted stock award that vested on January 13, 2018, (ii) 9,166 shares (2) subject to a restricted stock award that vests June 15, 2018, (iii) 5,111 shares subject to a restricted stock award that vests January 13, 2019 and (iv) 5,111 shares subject to a restricted stock award that vests January 13, 2020.

Includes (i) 18,103 shares subject to an option, which are fully vested and immediately exercisable, (ii) 7,416 (3) shares subject to an option that vested January 13, 2018, (iii) 13,048 shares subject to an option that vest on June 15, 2018, (iv) 7,417 shares subject to an option that vest on January 13, 2019 and (v) 7,417 shares subject to an option that vest on January 13, 2020.

Includes (i) 7,416 shares subject to an option that vested January 13, 2018, (ii) 13,048 shares subject to an option (4) that vest on June 13, 2018, (iii) 7,417 shares subject to an option that vest on January 13, 2019 and (iv) 7,417 shares subject to an option that vest on January 13, 2020.

Includes (i) 74,686 shares subject to an option which are fully vested and immediately exercisable and (ii) 7,416 (5) shares subject to an option that vested January 13, 2018, (ii) 13,048 shares subject to an option that vest on June 13, 2018, (iii) 7,417 shares subject to an option that vest on January 13, 2019 and (iv) 7,417 shares subject to an option that vest on January 13, 2020.

(6) Includes 13,578 shares subject to an option, which are fully vested and immediately exercisable.

**PROPOSAL NO. 1  
ELECTION OF DIRECTORS**

Our board of directors is currently composed of eight members. In accordance with our amended and restated certificate of incorporation, our board of directors is divided into three staggered classes of directors. At the Annual Meeting, three Class II directors will be elected for a three-year term to succeed the same class whose term is then expiring.

Each director's term continues until the election and qualification of his or her successor, or such director's earlier death, resignation, or removal. Any increase or decrease in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of our directors. This classification of our board of directors may have the effect of delaying or preventing changes in control of our company.

**Nominees**

Our nominating and corporate governance committee has recommended, and our board of directors has approved, Thomas Quertermous, M.D., Allan R. Tessler and Richard C. Pfenniger, Jr. as nominees for election as Class II directors at the Annual Meeting. If elected, each of Dr. Quertermous, Mr. Tessler and Mr. Pfenniger will serve as Class II directors through the 2021 annual meeting of stockholders and until their successors are duly elected and qualified. Each of the nominees is currently a director of our company. For information concerning the nominees, please see the section titled "Board of Directors and Corporate Governance."

If you are a stockholder of record and you sign your proxy card or vote by telephone or over the Internet but do not give instructions with respect to the voting of directors, your shares will be voted "FOR" the re-election of Dr. Quertermous, Mr. Tessler and Mr. Pfenniger. We expect that Dr. Quertermous, Mr. Tessler and Mr. Pfenniger will accept such nomination however, in the event that a director nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee who shall be designated by our board of directors to fill such vacancy. If you are a street name stockholder and you do not give voting instructions to your broker or nominee, your broker will leave your shares unvoted on this matter.

**Vote Required**

The election of each Class II director requires a plurality vote of the shares of our common stock present or represented by proxy at the Annual Meeting at which a quorum is present and entitled to vote thereon. Broker

non-votes and abstentions will have no effect on the proposal.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” EACH OF THE NOMINEES NAMED ABOVE.**

**PROPOSAL NO. 2  
RATIFICATION OF APPOINTMENT OF  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Our audit committee has appointed KPMG LLP (“KPMG”), an independent registered public accounting firm, to audit our consolidated financial statements for our fiscal year ending December 31, 2018.

Notwithstanding the appointment of KPMG and even if our stockholders ratify the appointment, our audit committee, in its discretion, may appoint another independent registered public accounting firm at any time during our fiscal year if our audit committee believes that such a change would be in the best interests of BioCardia, Inc. and its stockholders. At the Annual Meeting, our stockholders are being asked to ratify the appointment of KPMG as our independent registered public accounting firm for our fiscal year ending December 31, 2018. Our audit committee is submitting the appointment of KPMG to our stockholders because we value our stockholders’ views on our independent registered public accounting firm and as a matter of good corporate governance. Representatives of KPMG will be present at the Annual Meeting, and they will have an opportunity to make a statement and will be available to respond to appropriate questions from our stockholders.

If our stockholders do not ratify the appointment of KPMG, our board of directors may reconsider the appointment.

**Fees Paid to the Independent Registered Public Accounting Firms**

The following table presents fees for professional audit services and other services rendered to our company by KPMG for our fiscal year ended December 31, 2017.

	<b>KPMG (In Thousands)</b>
Audit Fees <sup>(1)</sup>	\$ 642
Audit-Related Fees <sup>(2)</sup>	—
Tax Fees <sup>(3)</sup>	—
All Other Fees <sup>(4)</sup>	—
Total Fees	\$ 642

The following table presents fees for professional audit services and other services rendered to our company by KPMG and Anton & Chia, LLP (“Anton & Chia”) for our fiscal year ended December 31, 2016. In October 2016,

KPMG replaced Anton & Chia as our independent registered public accounting firm.

	<b>KPMG</b>	<b>Anton &amp; Chia, LLP</b>
	<b>(In Thousands)</b>	<b>(In Thousands)</b>
Audit Fees <sup>(1)</sup>	\$ 713	\$ 11
Audit-Related Fees <sup>(2)</sup>	—	—
Tax Fees <sup>(3)</sup>	—	—
All Other Fees <sup>(4)</sup>	—	—
Total Fees	\$ 713	\$ 11

Audit Fees consist of professional services rendered in connection with the audit of our annual consolidated financial statements, including audited financial statements presented in our Annual Report on Form 10-K, services (1) that are normally provided by the independent registered public accountants in connection with statutory and regulatory filings or engagements for those fiscal years and timely review of our quarterly consolidated financial statements.

Audit-Related Fees consist of fees for professional services for assurance and related services that are reasonably (2) related to the performance of the audit or review of our consolidated financial statements and are not reported under "Audit Fees." These services include accounting consultations concerning financial accounting and reporting standards.

(3) Tax Fees consist of fees for professional services for tax compliance, tax advice and tax planning. These services include assistance regarding federal, state and international tax compliance.

(4) All Other Fees consist of permitted services other than those that meet the criteria above.

All fees described above were pre-approved by the BioCardia Audit Committee or the board of directors of Tiger X Medical, Inc., as applicable. We changed our name from Tiger X Medical, Inc. to BioCardia, Inc. following our reverse merger transaction that occurred in October 2016.

### **Auditor Independence**

In our fiscal year ended December 31, 2017, there were no other professional services provided by KPMG that would have required our audit committee to consider their compatibility with maintaining the independence of KPMG.

### **Audit Committee Policy on Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm**

Our audit committee has established a policy governing our use of the services of our independent registered public accounting firm. Under the policy, our audit committee is required to pre-approve all audit and non-audit services performed by our independent registered public accounting firm in order to ensure that the provision of such services does not impair the public accountants' independence.

### **Vote Required**

The ratification of the appointment of KPMG requires the affirmative vote of a majority of the voting power of the shares present or represented by proxy at the Annual Meeting at which a quorum is present and entitled to vote thereon. Abstentions will have the effect of a vote "AGAINST" the proposal and broker non-votes will have no effect.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF KPMG LLP.**



**PROPOSAL NO. 3  
NON-BINDING VOTE OF EXECUTIVE COMPENSATION**

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, enables our stockholders to vote to approve, on an advisory or non-binding basis, the compensation of our named executive officers as disclosed in accordance with the SEC's rules in the "Executive Compensation" section of this proxy statement below. This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to express their views on our named executive officers' compensation as a whole. This vote is not intended to address any specific item of compensation or any specific named executive officer, but rather the overall compensation of all of our named executive officers and the philosophy, policies and practices described in this proxy statement.

The say-on-pay vote is advisory, and therefore not binding on the Company, the Compensation Committee or our board of directors. The say-on-pay vote will, however, provide information to us regarding investor sentiment about our executive compensation philosophy, policies and practices, which the Compensation Committee will be able to consider when determining executive compensation for the remainder of the current fiscal year and beyond. Our board of directors and our Compensation Committee value the opinions of our stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this proxy statement, we will consider our stockholders' concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

We believe that the information we've provided within the Executive Compensation section of this proxy statement demonstrates that our executive compensation program was designed appropriately and is working to ensure management's interests are aligned with our stockholders' interests to support long-term value creation. Accordingly, we ask our stockholders to vote "FOR" the following resolution at the Annual Meeting:

"RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's Proxy Statement for the Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the compensation tables and the other related disclosure."

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE ADVISORY (NON-BINDING) VOTE APPROVING EXECUTIVE COMPENSATION. THE AFFIRMATIVE VOTE OF THE HOLDERS OF A MAJORITY OF THE SHARES PRESENT AND ENTITLED TO VOTE IS NECESSARY FOR APPROVAL.**



## REPORT OF THE AUDIT COMMITTEE

The audit committee is a committee of the board of directors comprised solely of independent directors as defined by the listing standards of NASDAQ Stock Market LLC and required by the rules and regulations of the SEC. The audit committee operates under a written charter approved by the board of directors, which is available on the Corporate Governance portion of our website at [investors.biocardia.com](http://investors.biocardia.com). The composition of the audit committee, the attributes of its members and the responsibilities of the audit committee, as reflected in its charter, are intended to be in accordance with applicable requirements for corporate audit committees. The audit committee reviews and assesses the adequacy of its charter and the audit committee's performance on an annual basis.

With respect to the company's financial reporting process, the management of the company is responsible for (1) establishing and maintaining internal controls and (2) preparing the company's consolidated financial statements. Our independent registered public accounting firm, currently KPMG, is responsible for auditing these financial statements. It is the responsibility of the audit committee to oversee these activities. It is not the responsibility of the audit committee to prepare our financial statements. These are the fundamental responsibilities of management. In the performance of its oversight function, the audit committee has:

- reviewed and discussed the audited financial statements with management and KPMG;

- discussed with KPMG the matters required to be discussed by the statement on Auditing Standards No. 16, as amended (AICPA, Professional Standards, Vol. 1. AU section 380), and as adopted by the Public Company Accounting Oversight Board in Rule 3200T; and

- received the written disclosures and the letter from KPMG required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence, and has discussed with KPMG its independence.

Based on the audit committee's review and discussions with management and KPMG, the audit committee recommended to the board of directors that the audited financial statements be included in the Annual Report on Form 10-K for the fiscal year ended December 31, 2017 for filing with the Securities and Exchange Commission.

Respectfully submitted by the members of the audit committee of the board of directors:

Allan Tessler (Chairman)  
Jay Moyes

Fernando Fernandez

This report of the audit committee is required by the SEC and, in accordance with the SEC's rules, will not be deemed to be part of or incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended ("Securities Act"), or under the Exchange Act, except to the extent that we specifically incorporate this information by reference, and will not otherwise be deemed "soliciting material" or "filed" under either the Securities Act or the Exchange Act.

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**EXECUTIVE OFFICERS**

The following table identifies certain information about our executive officers as of March 31, 2018. Officers are elected by our board of directors to hold office until their successors are elected and qualified.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Peter Altman, Ph.D.	51	President, Chief Executive Officer, and Director
Richard Thomas Allen	62	Vice President of Quality
Henricus Duckers, M.D., Ph.D., FESC	50	Chief Medical Officer
David McClung	54	Chief Financial Officer
Phil Pesta	52	Vice President of Operations

The service of our executive officers prior to 2016 noted in the narrative below includes service with BioCardia Lifesciences, Inc., the company we merged with in the reverse merger transaction in October 2016. For a brief biography of Dr. Altman, please see “Board of Directors and Corporate Governance–Nominees for Director.”

*Richard Thomas Allen* has served as our Vice President of Quality since December 2015. Mr. Allen has more than ten years of experience in quality oversight roles and technical consulting with medical device and medical technology companies. Before joining our company, Mr. Allen worked as an independent consultant from 2008 until January 2013 and from June 2015 until November 2015. His responsibilities included a range of technical consulting roles and supervisory positions for quality systems oversight of product development. From February 2013 until May 2015, Mr. Allen served as the Director of Quality Affairs for Hansen Medical Inc. He was responsible for the quality systems and oversight of manufacturing and product development. Mr. Allen earned a Bachelor of Science degree in Bioengineering from Texas A&M University and an Executive MBA from the Fuqua School of Business, Duke University.

*Henricus Duckers* has served as our Chief Medical Officer since 2016. From 2013 to 2016, Dr. Duckers was the Chair of Regenerative Medicine and the Head of R&D in the Department of Cardiology and Pulmonology at the University Medical Center Utrecht. He has over 20 years of experience in cardiovascular research, is named inventor in ten U.S. patents, and has authored 140 scientific publications in cardiology, neurology and cell biology. Dr. Duckers studied Medicine and Pharmacy at the University of Utrecht, as well as Management in Health Care (Univ. Rotterdam). From 1992 to 1993 he completed his Ph.D. at the Rudolf Magnus Institute for NeuroScience, Cum Laude, and obtained a registration as clinical pharmacologist. He was trained as an interventional cardiologist at the Thoraxcenter Rotterdam, where, he, among other notable achievements, also supervised the molecular cardiology program.

*David McClung* has served as our Chief Financial Officer since September 2017 and has been with the Company since September 2013, also serving as Vice President of Finance from March 2016 to August 2017 and as Senior

Director of Finance & Controller from September 2013 to February 2016. Mr. McClung has more than 20 years of finance and accounting experience in publicly and privately financed organizations, including startup enterprises, large public companies and middle-market businesses. Before joining our company, Mr. McClung served as Director of Finance and Controller at Sonitus Medical, Inc., a privately-held manufacturer of an FDA cleared prosthetic hearing device for the treatment of single-sided deafness and conductive hearing loss, from June 2011 to August 2013. Prior to that, Mr. McClung served as Controller at NextWave Pharmaceuticals, Inc. a specialty pharmaceutical company acquired by Pfizer, Inc., from April 2010 to June 2011. Mr. McClung spent his early career in public accounting and finance functions at other companies, including Matson Navigation, Inc., The Clorox Company and KPMG LLP. Mr. McClung earned a Bachelor of Arts degree in Accounting from Georgia State University, graduating with honors. He is an actively licensed CPA and member of the AICPA and the California Society of CPAs.

*Phil Pesta* has served as our Vice President of Operations since July 2011. Mr. Pesta has more than 20 years of experience in the medical device industry, primarily in manufacturing and operations roles. Before joining our company, Mr. Pesta was with Boston Scientific. He was most recently responsible for developing the operations transfer plan for the divestiture of their neurovascular division to Stryker Corporation. Prior to that, Mr. Pesta held simultaneous roles as Director of Engineering at Boston Scientific's electrophysiology division and Plant Manager at the embolic protection division. Earlier in his career, Mr. Pesta held positions in project management and manufacturing engineering at other companies, including Conceptus, Novare Surgical Systems, Medtronic Anneurx and Modified Polymer Components. He has facilitated the commercial launch of multiple products and is listed as an inventor on three U.S. patents. Mr. Pesta earned a Bachelor of Arts Degree in General Design Studies from San Jose State University.

## **EXECUTIVE COMPENSATION**

### **Processes and Procedures for Compensation Decisions**

Our compensation committee is responsible for the executive compensation programs for our executive officers and reports to our board of directors on its discussions, decisions and other actions. Our compensation committee reviews and approves corporate goals and objectives relating to the compensation of our Chief Executive Officer, evaluates the performance of our Chief Executive Officer in light of those goals and objectives and determines and approves the compensation of our Chief Executive Officer based on such evaluation. Our compensation committee has the sole authority to determine our Chief Executive Officer's compensation. In addition, our compensation committee, in consultation with our Chief Executive Officer, reviews and approves all compensation for other officers, including the directors.

The compensation committee is authorized to retain the services of one or more executive compensation and benefits consultants or other outside experts or advisors as it sees fit, in connection with the establishment of our compensation programs and related policies.

### **Compensation Discussion and Analysis**

This Compensation Discussion and Analysis highlights the objectives and philosophy of our executive compensation program, describes each component of our executive compensation program, and explains our compensation committee's decisions in designing our executive compensation program for 2017.

In 2017, our named executive officers were:

- Peter Altman, Ph.D.;
- David McClung;
- Henricus Duckers, M.D., Ph.D.;
- Richard Thomas Allen; and
- Phil Pesta.



***2017 Business Highlights***

Our executive compensation program should be considered in light of our performance during 2017, as our executive compensation program is intended to align the compensation paid to our executive officers with specified performance measures. The following key operating and financial performance measures in 2017 demonstrate the continued growth and success of our company:

- CardiAMP Phase III Pivotal Stem Cell Therapy for Heart Failure Trial initiation, completion of roll in cohort, and successful Interim Safety Analysis
- Publication of 12-Month Results from Phase II TRIDENT Clinical Trial That Shows Positive Safety Profile for Allogeneic Bone Marrow Stem Cells Delivered with Helix Transendocardial Delivery System
  - Publication of Study Showing Helix Transendocardial Delivery System Enables Greater Myocardial Retention of Stem Cell Therapy
- Submission and subsequent approval by FDA of Pivotal Trial for CardiAMP Cell Therapy in Chronic Myocardial Ischemia
- Addition of Dr. Ian McNiece as Chief Scientific Officer
- Revenues of \$479,000 on a net loss of \$12.3 million
- Net cash used in operations \$8.7 million

### ***Executive Compensation Governance and Practices***

Our executive compensation program is based on a pay-for-performance philosophy that rewards our named executive officers for achieving specified performance goals. Our executive compensation program also incorporates sound governance principles. In 2017, the following policies and practices were in place:

#### *What we do:*

- We conduct an annual review of our compensation strategy.
- Our compensation committee consists entirely of independent directors.
- Our compensation committee has engaged an independent compensation consultant that reports directly to our compensation committee.
- A significant portion of the cash compensation of each continuing named executive officer is tied to the achievement of specified performance goals and is therefore entirely at-risk.
- Executive officers are required to provide service to us over a period of four years in order to fully vest in time-based equity awards.
- We provide limited and modest perquisites.

#### *What we do not do:*

- We do not provide any “single trigger” change in control payments or benefits.
- We do not provide any post-employment retirement or pension benefits to our executive officers that are not available to our employees generally.
- We do not provide tax gross-ups for payments or benefits paid in connection with a change in control.
- We do not permit short sales, hedging, or pledging of stock ownership positions and transactions involving derivatives of our common stock.

### ***Executive Compensation Philosophy and Objectives***

We operate in a highly competitive business environment, which is characterized by frequent technological advances, rapidly changing market requirements and the emergence of new market entrants. To successfully grow our business in this dynamic environment, we must continually develop and refine our products and services to stay ahead of our customers' needs and challenges. To achieve these objectives, we need a highly talented and seasoned team of technical, sales, marketing, operations, and other business professionals.

We compete with other companies in our industry and region and other biotechnology companies in the San Francisco Bay Area and Silicon Valley technology markets to attract and retain a skilled management team. To attract and retain qualified executives, our compensation committee recognizes that it needs to develop competitive compensation packages to meet this challenge. We have embraced a compensation philosophy of offering our named executive officers a competitive total compensation program, each of the components of which recognizes and rewards individual performance and contributions to our success. This allows us to attract, retain, and motivate talented executive officers with the skills and abilities needed to drive our desired business results.

The specific philosophy of our executive compensation program is to:

- Employ executives who are primarily motivated by creating long-term value;
- Employ executives who believe in, and live up to, our core values;
- Motivate and reward behavior consistent with company and individual performance objectives; and
- Design pay programs that are directly linked to our performance and the creation of long-term stockholder value.

### ***Executive Compensation Program Design***

Our executive compensation program for 2017 reflected our stage of development as a growing publicly-traded company. Accordingly, we designed our executive compensation program to provide market-competitive compensation in the form of base salary, a cash incentive compensation opportunity, equity awards, including both time-based restricted stock units and stock options, and certain employee health and welfare benefits. We believe our executive compensation program is appropriate for a company of our size, in our industry, and in our stage of growth. As the company matures, we will continue to evaluate our executive compensation program and governance practices.

We offer cash compensation in the form of base salaries and annual cash incentive compensation opportunities. Typically, we have structured our cash incentive compensation opportunities to focus on the achievement of specific short-term financial and operational objectives that will further our longer-term growth objectives. In an effort to continue to motivate our named executive officers to further these objectives, our compensation committee sets performance objectives that are aggressive and reflects disciplined execution of our growth objectives.

Additionally, equity awards for shares of our common stock serve as a key component of our executive compensation program. Currently, we grant stock options to ensure that the recipient receives value only through driving stockholder value. In the future, we may introduce other forms of equity awards as we deem appropriate, including, without limitation, full value awards, or awards without a purchase price, including restricted stock units, to ensure that the recipient receives value for the shares regardless of fluctuations in the market price of our common stock, and to promote stockholder value creation given that the value of a recipient's shares increases only as stockholder value increases, in furtherance of our objective of providing long-term incentives to our named executive officers while promoting stockholder value creation.

Finally, we offer our executive officers standard health and welfare benefits that are generally available to our other employees, including medical, dental, vision, short-term disability, long-term disability, life insurance and Section 401(k) savings plans.

We have not adopted any formal policies or guidelines for allocating compensation between short-term and long-term compensation or between cash and non-cash compensation, although we use competitive market data to develop a general framework for establishing the appropriate pay mix. Within this overall framework, our compensation committee reviews each component of executive compensation separately and also takes into consideration the value of each named executive officer's compensation package as a whole and its relative value in comparison to our other named executive officers.

Our compensation committee evaluates our compensation philosophy and executive compensation program as circumstances require and reviews executive compensation annually. As part of this review, we expect that our compensation committee will apply our philosophy and the objectives outlined above, together with consideration for the levels of compensation that we would be willing to pay to ensure that our executive compensation remains competitive and that we meet our retention objectives, as well as the cost to us if we were required to find a replacement for a key executive officer.

### ***Compensation-Setting Process***

#### *Role of Our Compensation Committee*

Compensation decisions for our named executive officers are made by our compensation committee. Currently, our compensation committee is responsible for reviewing, evaluating and approving the compensation arrangements, plans, policies, and practices for our named executive officers and overseeing and administering our cash-based and equity-based compensation plans.

Near the end of each year, our compensation committee, after consulting with our management team and Compensia, and reviewing the peer group data provided by Compensia, makes decisions with respect to any base salary adjustment, establishes the corporate performance objectives and target annual cash incentive compensation opportunities, and makes decisions with respect to equity awards for our executive officers, including our named executive officers, for the following fiscal year. With respect to our cash incentive compensation plan, our compensation committee determines the applicable target performance levels for each corporate performance objective used for each applicable quarterly performance measurement period following board approval of our annual financial plan and budget.

Our compensation committee reviews our executive compensation program from time to time, including base salary, incentive compensation and long-term equity compensation, to determine whether they are appropriate, properly coordinated, and achieve their intended purposes, and to make any modifications to existing plans and arrangements or to adopt new plans or arrangements.

*Role of Management*

In carrying out its responsibilities, our compensation committee works with members of our management team, including our chief executive officer and our senior vice president, people and culture. Typically, our management team (together with Compensia) assists our compensation committee in the execution of its responsibilities by providing information on corporate and individual performance, market data, and management's perspective and recommendations on compensation matters.

Typically, except with respect to his own compensation, our chief executive officer will make recommendations to our compensation committee regarding compensation matters, including the compensation of our executive officers. Our chief executive officer also participates in meetings of our compensation committee, except with respect to discussions involving his own compensation, in which case he leaves the meeting.

While our compensation committee solicits the recommendations and proposals of our chief executive officer with respect to compensation-related matters, these recommendations and proposals are only one factor in our compensation committee's decision-making process.

*Role of Compensation Consultant*

Our compensation committee has the authority to retain the services of external advisors, including compensation consultants, legal counsel and other advisors, from time to time, as it sees fit in connection with carrying out its duties.

In 2017, our compensation committee continued to engage Compensia to review our then-existing executive compensation and director compensation programs, including assisting us in identifying a peer group of companies for purposes of positioning our levels of executive compensation and providing a competitive market compensation assessment of the short- and long-term compensation of our executive officers, including our named executive officers.

Compensia reports directly to our compensation committee. In addition, Compensia attends meetings of our compensation committee, as requested. Compensia does not provide any services to us other than the services provided to our compensation committee. Although our compensation committee considers the recommendations of Compensia as to our executive and director compensation programs, these recommendations are only one factor in our compensation committee's decision-making process.

Our compensation committee has assessed the independence of Compensia taking into account, among other things, the factors set forth in Exchange Act Rule 10C-1 and the NASDAQ listing rules, and has concluded that no conflict of interest exists with respect to the work that Compensia performs for our compensation committee.

### *Use of Competitive Data*

To assess the competitiveness of our executive compensation program and to assist in setting compensation levels, Compensia utilized their proprietary data bases with a scope of companies comparable to BioCardia in terms of size, revenues, and market capitalization.

### *Competitive Positioning*

With respect to 2017 compensatory decisions, our compensation committee continued to compare and analyze our executive compensation with that of a compensation peer group of publicly traded life science companies within Compensia's proprietary data base.

### *2017 Executive Compensation Program Components*

#### *Overview*

For 2017, our compensation committee reviewed our executive compensation program, including our named executive officers' base salaries, cash incentive compensation opportunities and equity awards. The compensation committee reviewed the peer group compensation data provided by Compensia and the recommendations made by our chief executive officer (for compensation other than his own). The compensation committee also considered the pay levels of our named executive officers as compared to the compensation provided to executives in comparable positions by members of our peer group and the overall market, the performance of each named executive officer, and the continued competition for experienced leadership in our industry.

The following describes each component of our executive compensation program, the rationale for each, and how the compensation amounts and awards were determined for fiscal 2017.

*Base Salary*

Base salary is the primary fixed component of our executive compensation program. We use base salary to compensate our named executive officers for services rendered during the fiscal year and to ensure that we remain competitive in attracting and retaining executive talent. Generally, we establish the initial base salaries of our executive officers through arm's-length negotiation at the time we hire the individual executive officer, taking into account his or her position, qualifications, experience, salary expectations, compensation data from surveys of similarly-situated companies, and the base salaries of our other executive officers.

Thereafter, our compensation committee reviews the base salaries of each named executive officer annually and makes adjustments as it determines to be reasonable and necessary to reflect our performance, the scope of a named executive officer's performance, contributions, responsibilities, experience, current salary level, position (in the case of a promotion), compensation data from surveys of similarly-situated companies, and market positioning, as appropriate.

In February 2018, our compensation committee reviewed our executive compensation program, including the base salaries of our named executive officers. In conducting such review, our compensation committee considered the peer group compensation data provided by Compensia, which indicated that certain of our named executive officers base salaries were below the 12th percentile of the base salaries provided by companies in our compensation peer group to similarly situated executive officers.

In addition to the peer group compensation data provided by Compensia, our compensation committee also considered other relevant factors, including, among others, our performance during 2017 relative to our corporate goals, the performance and contributions of each of our named executive officers, and the continued competition for experienced leadership in our industry.

Each named executive officer's base salary is listed in the table below.

<b>Named Executive Officer</b>	<b>Base Salary for 2016</b>	<b>Base Salary for 2017</b>	<b>Percentage Increase</b>	
Peter Altman	\$233,630.68	\$310,000.00	32.7	%



Henricus Duckers	\$66,455.55	\$270,000.00	306.3	%
David McClung	\$180,334.81	\$210,000.00	16.5	%
Phil Pesta	\$211,092.96	\$230,000.00	9.0	%
Richard Thomas Allen	\$203,388.46	\$226,113.64	11.1	%

The total base salaries paid to our named executive officers in 2017 are set forth in the section entitled “*Summary Compensation Table*” below.

*Short-Term Cash Incentive Compensation — Executive Bonus Plan*

We use short-term cash incentive compensation to motivate our named executive officers to achieve our annual financial and operational objectives, while making progress towards our longer-term strategic and growth goals.

Our executive 2017 bonus and 2018 targets were set by our compensation committee in February 1, 2018. Our executive bonus plan allows our compensation committee to provide cash incentive awards to employees selected by our compensation committee, including our named executive officers, which may but need not be based upon performance goals established by our compensation committee.

For 2017, the target and actual incentive amounts under our executive bonus plan for our named executive officers were the following:

<b>Named Executive Officer</b>	<b>Target Award Opportunity (% of Base Salary)</b>	<b>Target Award Opportunity (\$)</b>	<b>Actual Award Amount (\$)</b>
Peter Altman	40	% \$ 124,000.00	\$ 62,000.00
Henricus Duckers	25	% \$ 67,500.00	\$ 51,300.00
David McClung	25	% \$ 75,000.00	\$ 60,000.00
Phil Pesta	25	% \$ 57,500.00	\$ 46,000.00
Richard Thomas Allen	25	% \$ 57,500.00	\$ 43,700.00

#### *Equity Awards*

We grant equity awards as a component of our executive compensation program in order to align our named executive officers' long-term interests with our stockholders' interests.

The size of the equity awards granted to our named executive officers in connection with their hire is determined through arm's-length negotiation, taking into consideration factors such as the named executive officer's role and responsibilities, the named executive officer's target cash compensation, the equity award's potential retention and incentive value, survey data on the size of new-hire awards provided by similar companies to similarly situated employees, and prevailing market conditions.

We also periodically grant equity awards to our named executive officers as additional incentive to continue service with us or in connection with promotions. We generally do not apply a fixed formula when determining the size of these equity awards. Instead, we set the size of these equity awards to properly reward the named executive officer for his or her contribution to the growth in our long-term stockholder value by considering factors such as the named executive officer's experience, responsibilities, performance, and contributions; the equity held by the named executive officer (including the economic value of his or her unvested equity awards and the ability of this equity to satisfy our retention and incentive objectives); a compensation analysis performed by Compensia; compensation peer group and market data provided by Compensia; the equity award recommendations of management; and internal equity considerations.

In determining the composition of these equity awards, our compensation committee decides the type of equity award to grant to our named executive officers to ensure that those grants align with the practices of the companies in our

compensation peer group and relatively recent public companies. These companies generally grant equity awards that deliver value based on performance or the success of the company, such as options or performance shares. For 2017, our compensation committee decided not to grant additional equity awards to our named executive officers because they had each received equity awards in 2016 and the compensation committee determined that additional equity were not needed at that time to remain consistent with the philosophy of our executive compensation program.

#### *Change in Control and Severance Benefits*

We have entered into employment agreements with our named executive officers that provide for certain payments and benefits upon the termination of their employment under certain circumstances. We believe that these employment agreements provide retention value by encouraging our named executive officers to continue service with us and increase stockholder value by reducing any potential distractions caused by the possibility of an involuntary termination or a potential change in control, allowing our named executive officers to focus on their duties and responsibilities. For a summary of the material terms and conditions of these employment arrangements, see the sections below entitled “*Employment Agreements*” and “*Potential Payments upon Termination or Change in Control.*”

#### *Other Compensation and Benefits*

We provide employee benefits to all eligible employees, including our named executive officers. As discussed above, these benefits include medical, dental and vision insurance, a 401(k) plan, life and disability insurance, an employee stock purchase plan, a taxable monthly wellness credit and other plans and programs.

**Stock Trading Practices; Hedging and Pledging Policy**

We maintain an Insider Trading Policy that, among other things, prohibits our employees, including our named executive officers, from trading during special blackout periods. In addition, we prohibit short sales, hedging and similar transactions designed to decrease the risks associated with holding our securities, as well as pledging the company's securities as collateral for loans and transactions involving derivative securities relating to our common stock. Our Insider Trading Policy requires that all directors and officers, including our named executive officers, pre-clear with our legal department any proposed open market transactions.

**Fiscal 2017 Summary Compensation Table**

The following table sets forth total compensation paid to our named executive officers, who are comprised of (1) our principal executive officer, (2) our principal financial officer and (3) our next three highest compensated executive officers other than the principal executive officer and principal financial officer.

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary (\$)</b>	<b>Bonus (\$)</b>	<b>Stock Awards (\$)<sup>(1)</sup></b>	<b>Option Awards (\$)<sup>(1)</sup></b>	<b>All Other Compensation (\$)</b>	<b>Total (\$)</b>
Peter Altman, Ph.D. <i>President, Chief Executive Officer, and Director</i>	2017	310,000.00	62,000.00 <sup>(2)</sup>	—	—	—	372,000.00
	2016	233,630.68	124,000.00 <sup>(3)</sup>	—	1,622,703.49	—	1,980,334.17
David McClung <i>Chief Financial Officer</i>	2017	210,000.00	60,000.00 <sup>(2)</sup>	—	—	—	270,000.00
	2016	180,334.81	52,500.00 <sup>(3)</sup>	—	173,841.53	—	406,676.34
Henricus Duckers <i>Chief Medical Officer</i>	2017	270,000.00	51,300.00 <sup>(2)</sup>	—	—	—	321,300.00
	2016	66,455.55	16,875.00 <sup>(3)</sup>	—	376,747.35	149,636.11	609,714.01
Richard Thomas Allen <i>Vice President of Quality</i>	2017	226,113.64	43,700.00 <sup>(2)</sup>	—	—	—	269,813.64
	2016	203,388.46	43,125.00 <sup>(3)</sup>	—	254,859.55	—	501,373.01
Phil Pesta <i>Vice President of Operations</i>	2017	230,000.00	46,000.00 <sup>(2)</sup>	—	—	—	276,000.00
	2016	211,092.96	43,125.00 <sup>(3)</sup>	—	127,705.27	—	381,923.23

This amount reflects the aggregate grant fair value computed in accordance with ASC Topic 718. The assumptions (1) that we used to calculate these amounts are discussed in Note 14 to our consolidated financial statements included in our Annual Report on Form 10-K, as filed with the SEC on March 16, 2018.

(2) This amount was earned in in the fiscal year ending December 31, 2017, but was not paid until 2018.

(3) This amount was earned in in the fiscal year ending December 31, 2016, but was not paid until 2017.

## **Employment Agreements**

### ***Peter Altman***

We have not entered into an employment agreement with Dr. Altman. Accordingly, he is employed on an at-will basis. Dr. Altman's current annual base salary is \$360,000.00 and he is eligible for an annual bonus equal to 40% of his base salary.

Dr. Altman is also eligible for equity compensation under our equity compensation plans, as determined from time to time by the compensation committee of our board of directors.

### ***David McClung***

We have not entered into an employment agreement with Mr. McClung. Accordingly, he is employed on an at-will basis. Mr. McClung's current annual base salary is \$300,000.00 and he is eligible for an annual bonus equal to 25% of his base salary.

Mr. McClung is also eligible for equity compensation under our equity compensation plans, as determined from time to time by the compensation committee of our board of directors.

***Henricus Duckers***

We have not entered into an employment agreement with Dr. Duckers. Accordingly, he is employed on an at-will basis. Dr. Duckers' current annual base salary is \$350,000.00 and he is eligible for an annual bonus equal to 25% of his base salary.

Dr. Duckers is also eligible for equity compensation under our equity compensation plans, as determined from time to time by the compensation committee of our board of directors.

***Richard Thomas Allen***

We have not entered into an employment agreement with Mr. Allen. Accordingly, he is employed on an at-will basis. Mr. Allen's current annual base salary is \$235,000.00 and he is eligible for an annual bonus equal to 25% of his base salary.

Mr. Allen is also eligible for equity compensation under our equity compensation plans, as determined from time to time by the compensation committee of our board of directors.

***Phil Pesta***

We have not entered into an employment agreement with Phil Pesta. Accordingly, he is employed on an at-will basis. Mr. Pesta's current annual base salary is \$235,000.00 and he is eligible for an annual bonus equal to 25% of his base salary.

Mr. Pesta is also eligible for equity compensation under our equity compensation plans, as determined from time to time by the compensation committee of our board of directors.

**Potential Payments on Termination or Change of Control**

We entered into change of control and severance agreements with each of our named executive officers, effective as of the completion of our Merger. Under each of these agreements, if, within the period three months prior to and 12 months following a “change of control” (such period, the “change in control period”), we terminate the employment of the applicable employee other than for “cause,” death or disability, or the employee resigns for “good reason” (as such terms are defined in the employee’s change of control and severance agreement) and, within 60 days following the employee’s termination, the employee executes an irrevocable separation agreement and release of claims, the employee is entitled to receive (i) a lump sum payment equal to the following percentage of the employee’s annual base salary: 150% for Dr. Altman, 100% for Mr. McClung, 100% for Mr. Allen, 100% for Dr. Duckers and 100% for Mr. Pesta, (ii) a lump sum payment equal to the following percentage of the employee’s target annual bonus: 150% for Dr. Altman, 100% for Mr. McClung, 100% for Mr. Allen, 100% for Dr. Duckers and 100% for Mr. Pesta, (iii) reimbursement of premiums to maintain group health insurance continuation benefits pursuant to “COBRA” for employee and employee’s dependents for 18 months for Dr. Altman, 12 months for Mr. McClung, 12 months for Mr. Allen, 12 months for Dr. Duckers and 12 months for Mr. Pesta, and (iv) accelerated vesting as to 100% of the employee’s outstanding unvested equity awards.

Additionally, under each of these agreements, if, outside of the change in control period, we terminate the employment of the applicable employee other than for cause, death or disability, or the employee resigns for good reason and, within 60 days following the employee’s termination, the employee executes an irrevocable separation agreement and release of claims, the employee is entitled to receive (i) a lump sum payment equal to the following percentage of the employee’s annual base salary: 100% for Dr. Altman, 50% for Mr. McClung, 50% for Mr. Allen, 50% for Dr. Duckers and 50% for Mr. Pesta, (ii) reimbursement of premiums to maintain group health insurance continuation benefits pursuant to “COBRA” for employee and employee’s dependents for 12 months for Dr. Altman, 6 months for Mr. McClung, 6 months for Mr. Allen, 6 months for Dr. Duckers and 6 months for Mr. Pesta, and (iii) the employee’s outstanding unvested equity awards will vest as to an additional 24 months for Dr. Altman, 12 months for Mr. McClung, 12 months for Mr. Allen, 12 months for Dr. Duckers and 12 months for Mr. Pesta.

Pursuant to the change of control and severance agreements, in the event any payment or benefit provided to our named executive officers would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code, as amended, or the Code (as a result of a payment being classified as a parachute payment under Section 280G of the Code), the applicable employee will receive such payment as would entitle him to receive the greatest after-tax benefit, even if it means that we pay him a lower aggregate payment so as to minimize or eliminate the potential excise tax imposed by Section 4999 of the Code.

**Outstanding Equity Awards at 2017 Year-End**

The following table sets forth summary information regarding the outstanding equity awards for each of the named executive officers as of December 31, 2017:

Name	Grant Date	Option Awards <sup>(1)(2)</sup>				Stock Awards <sup>(2)</sup>	
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$) <sup>(3)</sup>	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)
Peter Altman	6/19/2008	78,491	—	1.80	6/19/2018	—	—
	4/10/2010	6,788	—	1.80	4/10/2020	—	—
	7/5/2014	271,295	46,319	1.80	7/5/2024	—	—
	8/19/2016	352,919	857,089	1.80	8/19/2026	—	—
David McClung	6/23/2014	20,275	2,357	1.80	6/23/2024	—	—
	8/9/2016	28,245	36,314	1.80	8/9/2026	—	—
	8/19/2016	29,145	37,472	1.80	8/19/2026	—	—
Henricus Duckers	8/9/2016	53,937	107,874	1.80	8/9/2026	—	—
	8/19/2016	37,027	89,922	1.80	8/19/2026	—	—
Richard Thomas Allen	8/9/2016	5,366	53,261	1.80	8/9/2026	—	—
	8/19/2016	5,769	61,136	1.80	8/19/2026	—	—
Phil Pesta	7/28/2011	54,318	—	1.80	7/28/2021	—	—
	7/9/2013	2,262	—	1.80	7/9/2023	—	—
	7/5/2014	36,171	6,176	1.80	7/5/2024	—	—
	8/19/2016	27,740	67,367	1.80	8/19/2026	—	—

(1) Information for this table is depicted on an award-by-award basis unless the exercise price and expiration date are identical.

(2) Where applicable, share numbers have been adjusted to reflect the Company's reverse stock split, which became effective on November 2, 2017.

(3) This column represents the fair value of a share of our common stock on the date of grant, as determined by our board of directors.



**2017 Option Exercises and Stock Vested**

The following table sets forth summary information regarding the number of shares of our common stock acquired upon the exercise of stock options and the vesting of stock awards for each of the named executive officers during 2017:

Name	Option Awards <sup>(1)</sup>		Stock Awards <sup>(1)</sup>	
	Number of Shares Acquired on Exercise (#)	Value Realized Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized Vesting (\$)
Peter Altman	—	—	—	—
David McClung	—	—	—	—
Henricus Duckers	—	—	—	—
Richard Thomas Allen	67,299	266,505.03	—	—
Phil Pesta	—	—	—	—

(1) Where applicable, share numbers have been adjusted to reflect the Company's reverse stock split, which became effective on November 2, 2017.

## **401(k) Savings Plan**

We maintain a tax-qualified retirement plan, or our 401(k) plan, that provides eligible employees with an opportunity to save for retirement on a tax-advantaged basis. Eligible employees are able to participate in our 401(k) plan as of the first day of the month following the date they meet our 401(k) plan's eligibility requirements, and participants are able to defer up to 100% of their eligible compensation subject to applicable annual Internal Revenue Code limits. All participants' interests in their deferrals are 100% vested when contributed. Our 401(k) plan permits us to make matching contributions and discretionary contributions to eligible participants.

## **Risk Assessment**

Our compensation committee and management discuss and evaluate our compensation program and policies for our employees (including our named executive officers) to determine whether they encourage excessive risk-taking and to assess policies and practices that could mitigate such risks. In addition, our compensation committee has engaged Compensia to independently review our executive compensation program. Based on these reviews, our compensation committee designs our executive compensation program to encourage our named executive officers to focus on our short-term and long-term success, and for the following reasons, our compensation committee believes that any risks arising from compensation program and policies are not reasonably likely to have a material adverse effect on us in the future:

- our compensation program is designed to provide a balanced mix of cash and equity, annual and longer-term incentives in order to encourage strategies and actions that are in our long-term best interests;
- base salaries are consistent with an employee's responsibilities so that they are not motivated to take excessive risks to achieve a reasonable level of financial security; and
- stock options become exercisable over a four-year period and remain exercisable for up to ten years from the date of grant, encouraging employees to look to long-term appreciation in equity values.

## **Tax and Accounting Considerations**

### ***Deductibility of Executive Compensation***

Section 162(m) of the Internal Revenue Code, or Section 162(m), generally limits the amount we may deduct from our federal income taxes for compensation paid to our chief executive officer and certain other executive officers to \$1 million per executive officer per year, subject to certain exceptions. Neither our compensation committee nor its authorized committee has adopted a policy that all equity or other compensation must be deductible.

***Taxation of “Parachute Payments” and Deferred Compensation***

If certain service providers receive payments or benefits in connection with a change in control that exceeds certain prescribed limits, they may be subject to an excise tax under Section 4999 of the Internal Revenue Code, and we may lose the ability to deduct the amounts subject to this excise tax under Section 280G of the Internal Revenue Code. Section 409A of the Internal Revenue Code, or Section 409A, imposes significant additional taxes on service providers that receive “deferred compensation” that does not meet the requirements of Section 409A. In 2017, we did not provide (and did not have any agreements or obligations to provide) any of our named executive officers with a “gross-up” payment or other reimbursement for any excise tax liability that he or she might owe under Section 4999 or for any additional tax that he or she might owe under Section 409A.

***Accounting Considerations***

We follow the authoritative accounting guidance under ASC Topic 718 for our share-based awards. ASC Topic 718 requires companies to measure the compensation expense for all share-based awards made to employees (including named executive officers) and directors based on the grant date “fair value” of these awards. ASC Topic 718 also requires companies to recognize the compensation cost of share-based awards in their income statements over the periods that the employees or directors are required to render service in order to vest in the awards.

The grant date “fair value” of the awards granted to our named executive officers have been calculated for accounting purposes and reported in the tables above, even though our named executive officers may never realize any value from those awards.

### Equity Compensation Plan Information

The following table summarizes our equity compensation plan information as of December 31, 2017. Information is included for equity compensation plans approved by our stockholders and equity compensation plans not approved by our stockholders. We will not grant equity awards in the future under any of the equity compensation plans not approved by our stockholders included in the table below.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights <sup>(1)</sup>	(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights <sup>(2)</sup>	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) <sup>(1)</sup>
Equity compensation plans approved by stockholders <sup>(1)</sup>	3,892,119	\$ 3.09	67,662,277
Equity compensation plans not approved by stockholders <sup>(3)</sup>	418,977	\$ 1.80	—
Total	4,311,096	\$ 2.96	67,662,277

(1) Where applicable, share numbers have been adjusted to reflect the Company’s reverse stock split, which became effective on November 2, 2017.

(2) The weighted average exercise price is calculated based solely on outstanding stock options. It does not take into account the shares of our common stock underlying RSUs, which have no exercise price.

(3) In August 2016, the Company granted an option to purchase common stock outside of the Company’s stock option plans to a consultant.

### Pay Ratio Disclosure

Under SEC rules, we are required to provide the following information regarding the relationship between the annual total compensation of Dr. Altman, our President and Chief Executive Officer, and the median annual total compensation of our employees (other than Dr. Altman) for fiscal 2017:

• Dr. Altman's annual total compensation, as reported in the Summary Compensation Table included in this proxy statement, which was \$372,000.00.

• The median of the annual total compensation of all employees (other than Dr. Altman) of the Company was approximately \$123,500.00.

• Based on the above, for 2017, the ratio of Dr. Altman's annual total compensation to the median of the annual total compensation of all employees was approximately 3.0 to 1.

This pay ratio is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K under the Securities Act of 1933, as amended. We determined the median of the annual total compensation of our employees as of December 31, 2017, at which time we had 23 full-time, part-time, and temporary employees (excluding Dr. Altman), all of whom are U.S. employees. We compared the annual base salary for salaried employees (or for hourly employees, hourly rate multiplied by expected annual work schedule) for 2017 and target incentive compensation and commissions for 2017 to determine the median employee. Once we identified our median employee, we estimated such employee's annual total compensation in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K, yielding the median annual total compensation disclosed above. With respect to the annual total compensation of Dr. Altman, we used the amount reported in the "Total" column in the Summary Compensation Table included in this proxy statement.

## **Compensation Committee Report**

The compensation committee has reviewed and discussed the section titled “Executive Compensation” with management, including the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K. Based on such review and discussion, the compensation committee has recommended to the board of directors that the section titled “Executive Compensation” be included in this proxy statement.

Respectfully submitted by the members of the compensation committee of the board of directors:

Jay Moyes (Chairman)  
Simon Stertzer  
Richard Pfenniger

## **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. In accordance with SEC rules, shares of our Common Stock which may be acquired upon exercise of stock options which are currently exercisable or which become exercisable within 60 days of February 28, 2018 are deemed beneficially owned by the holders of such options and are deemed outstanding for the purpose of computing the percentage of ownership of such person, but are not treated as outstanding for the purpose of computing the percentage of ownership of any other person.

As of February 28, 2018 there were 38,241,592 shares of Common Stock outstanding. The following table sets forth information with respect to the beneficial ownership of our Common Stock, by (i) each stockholder known by us to be the beneficial owner of more than 5% of our Common Stock (our only class of voting securities), (ii) each of our directors and executive officers, and (iii) all of our directors and executive officers as a group. To the best of our knowledge, except as otherwise indicated, each of the persons named in the table has sole voting and investment power with respect to the shares of our Common Stock beneficially owned by such person, except to the extent such power may be shared with a spouse. To our knowledge, none of the shares listed below are held under a voting trust or similar agreement, except as noted. Other than the Merger, to our knowledge, there is no arrangement, including any pledge by any person of our securities or any of our parents, the operation of which may at a subsequent date result in a change in control of the Company.

Unless otherwise noted below, the address of each person listed on the table is c/o BioCardia, Inc., 125 Shoreway Road, Suite B, San Carlos, CA 94070.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned <sup>(1)</sup>	Percentage of Beneficial Ownership	
<b>5% Stockholders:</b>			
Entities affiliated with Stertzer Family Trust <sup>(2)</sup>	3,632,195	9.1	%
Sabiah Ltd. <sup>(3)</sup>	2,255,429	5.7	%
Frost Gamma Investments Trust <sup>(4)</sup>	10,875,319	27.3	%
OPKO Health, Inc.	2,178,180	5.5	%
Entities affiliated with Gerald P. Peters <sup>(5)</sup>	2,344,272	5.9	%
<b>Named Executive Officers and Directors:</b>			
Richard Thomas Allen	129,504	*	
Peter Altman, Ph.D. <sup>(6)</sup>	1,548,304	3.9	%
Henricus Duckers	122,021	*	
Fernando L. Fernandez	5,111	*	
Richard Krasno	5,111	*	
David McClung	97,106	*	
Jay M. Moyes <sup>(7)</sup>	28,831	*	
Phil Pesta	134,862	*	
Richard C. Pfenniger, Jr.	55,111	*	
Thomas Quertermous, M.D.	116,204	*	
Simon H. Stertzer, M.D. <sup>(8)</sup>	3,632,195	9.1	%
Allan R. Tessler <sup>(9)</sup>	833,292	2.1	%
All directors and executive officers as a group (13 people)	6,707,652	16.9	%

\*Represents beneficial ownership of less than 1%.

- (1) Where applicable, share numbers have been adjusted to reflect the Company's reverse stock split, which became effective on November 2, 2017.

Consists of (i) 2,586,608 shares of Common Stock held by the Stertzer Family Trust, (ii) 409,680 shares of our Common Stock held by Windrock Enterprises L.L.C., (iii) 104,910 shares of our Common Stock held by the Stertzer Gamma Trust, (iv) 448,895 shares our Common Stock held by Stertzer Holdings LLC, and (v) 82,102 shares subject to options that are vested and exercisable within 60 days of February 28, 2018, held by Dr. Stertzer.

- (2) Dr. Stertzer and his spouse are co-trustees of the Stertzer Family Trust, and sole members and managers of Windrock Enterprises L.L.C., and share voting and dispositive control over the shares held by the Stertzer Family Trust and Windrock Enterprises L.L.C. Dr. Stertzer is the grantor of the Stertzer Gamma Trust and may be deemed to have voting and dispositive control over the shares held by the Stertzer Gamma Trust. Dr. Stertzer may be deemed to have voting and dispositive control over the shares held by Stertzer Holdings LLC.

- (3) Luis M de la Fuente, his wife and child are the stockholders of Sabiah Ltd. and share voting and dispositive control over the shares held by Sabiah Ltd. The address for this entity is P.O. Box 438, Road Town, Tortola, British Virgin Islands.

- (4) Dr. Phillip Frost is the trustee and Frost Gamma Limited Partnership is the sole and exclusive beneficiary of Frost Gamma Investments Trust. Dr. Frost is one of two limited partners of Frost Gamma Limited Partnership. The general partner of Frost Gamma Limited Partnership is Frost Gamma, Inc. and the sole shareholder of Frost Gamma, Inc. is Frost-Nevada Corporation. Dr. Frost is also the sole shareholder of Frost-Nevada Corporation. The address for these entities is 4400 Biscayne Boulevard, Suite 1500, Miami, Florida 33137.

- (5) Consists of (i) 774 shares of our Common Stock held by Gerald P. Peters, (ii) 805,385 shares of our Common Stock held by The Peters Corporation, (iii) 301,112 shares of our Common Stock held by the Peters Family Art Foundation, (iv) 481,500 shares of our Common Stock held in the Kathleen K. Peters & Gerald P. Peters III Revocable Trust UTA dtd. Sept. 29, 2008, (v) 690,836 shares of our Common Stock held in an account for the benefit of Mr. Peters, and (vi) 64,665 shares of our Common Stock held in an account for the benefit of his spouse. Gerald P. Peters, President, Chief Executive Officer and Financial & Fiscal Officer of the Peters Family Art Foundation may be deemed to have voting and dispositive control over the shares held by the Peters Family Art Foundation. The address for the Peters Family Art Foundation is P.O. Box 2437, Santa Fe, NM 87504. Mr. Peters may be deemed to have voting and dispositive control over the shares held by The Peters Corporation.

- (6) Consists of 694,842 shares of our Common Stock held by Dr. Altman and 853,462 shares subject to options vested and exercisable within 60 days of February 28, 2018.

- (7) Consists of 3,312 shares of our Common Stock and 25,519 shares subject to options held by Mr. Moyes that are vested and exercisable within 60 days of February 28, 2018.

- (8) Consists of (i) 2,586,608 shares of Common Stock held by the Stertzer Family Trust, (ii) 409,680 shares of our Common Stock held by Windrock Enterprises L.L.C., (iii) 104,910 shares of our Common Stock held by the Stertzer Gamma Trust, (iv) 448,895 shares our Common Stock held by Stertzer Holdings LLC, and (v) 82,102 shares subject to options, held by Dr. Stertzer that are vested and exercisable within 60 days of February 28, 2018. Dr. Stertzer and his spouse are co-trustees of the Stertzer Family Trust, and sole members and managers of Windrock Enterprises L.L.C., and share voting and dispositive control over the shares held by the Stertzer Family Trust and Windrock Enterprises L.L.C. Dr. Stertzer is the grantor of the Stertzer Gamma Trust and may be deemed



to have voting and dispositive control over the shares held by the Stertz Gamma Trust. Dr. Stertz may be deemed to have voting and dispositive control over the shares held by Stertz Holdings LLC.

Consists of (i) 5,111 shares of Common Stock held by Mr. Tessler, (ii) 13,578 shares subject to options held by Mr. Tessler that are exercisable within 60 days of February 28, 2018, (iii) 580,425 shares of our Common Stock held by ART/FGT Family Limited Partnership, (iv) 117,089 shares of our Common Stock held by International Financial Group, and (v) 117,089 shares of our Common Stock held by The Tessler Family Limited Partnership.

(9) Mr. Tessler and his spouse are limited partners of the ART/FGT Family Limited Partnership and share voting and dispositive control over the shares held by the ART/FGT Family Limited Partnership. The address for the ART/FGT Family Limited Partnership is 2500 Moose Wilson Road, Wilson, Wyoming 83014. Mr. Tessler may be deemed to have voting and dispositive control over the shares held by the Tessler Family Limited Partnership and International Financial Group.

## **RELATED PERSON TRANSACTIONS**

### **Policies and Procedures for Related Party Transactions**

We have adopted a formal policy that our executive officers, directors, holders of more than 5% of any class of our voting securities, and any member of the immediate family of and any entity affiliated with any of the foregoing persons, are not permitted to enter into a related party transaction with us without the prior consent of our audit committee, or other independent members of our board of directors if it is inappropriate for our audit committee to review such transaction due to a conflict of interest. Any request for us to enter into a transaction with an executive officer, director, principal stockholder, or any of their immediate family members or affiliates, in which the amount involved exceeds \$120,000 must first be presented to our audit committee for review, consideration and approval. In approving or rejecting any such proposal, our audit committee is to consider the relevant facts and circumstances available and deemed relevant to the audit committee, including, but not limited to, whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related party's interest in the transaction. All of the transactions described above were entered into prior to the adoption of this policy.

### **Related Party Transactions**

We describe below transactions and series of similar transactions, since the beginning of our last fiscal year, to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed \$120,000; and

any of our directors, nominees for director, executive officers or holders of more than 5% of our outstanding capital stock, or any immediate family member of, or person sharing the household with, any of these individuals or entities, had or will have a direct or indirect material interest.

Other than as described below, there has not been, nor is there any currently proposed, transactions or series of similar transactions to which we have been or will be a party.

### **Other Transactions**

We have granted stock options to our named executive officers and certain of our directors. See the section titled “Executive Compensation–Outstanding Equity Awards at 2017 Year-End” for a description of these stock options.

We have entered into change of control and severance agreements with certain of our executive officers that provides for certain severance and change in control benefits. See the section titled “Executive Compensation–Potential Payments upon Termination or Change of Control.”

### **Indemnification Agreements**

We have entered into indemnification agreements with each of our directors and executive officers. The indemnification agreements, our amended and restated certificate of incorporation and our amended and restated bylaws require us to indemnify our directors to the fullest extent permitted by Delaware law.

## **OTHER MATTERS**

### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires that our executive officers and directors, and persons who own more than 10% of our common stock, file reports of ownership and changes of ownership with the SEC. Such directors, executive officers and 10% stockholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file.

SEC regulations require us to identify in this proxy statement anyone who filed a required report late during the most recent fiscal year. Based on our review of forms we received, or written representations from reporting persons stating that they were not required to file these forms, we believe that during our fiscal year ended December 31, 2017, all Section 16(a) filing requirements were satisfied on a timely basis, except with respect to the following failures to timely file: (i) a Form 4 for Peter Altman (filed with the SEC on March 22, 2018), (ii) a Form 4 for David McClung (filed with the SEC on March 22, 2018), (iii) a Form 4 for Henricus Duckers (filed with the SEC on March 22, 2018), (iv) a Form 4 for Richard Thomas Allen (filed with the SEC on March 22, 2018) and (v) a Form 4 for Phil Pesta (filed with the SEC on March 22, 2018).

### **Fiscal Year 2017 Annual Report and SEC Filings**

Our financial statements for our fiscal year ended December 31, 2017 are included in our Annual Report on Form 10-K, which we will make available to stockholders at the same time as this proxy statement. This proxy statement and our annual report are posted on the Financials & Filings portion of our website at [investors.biocardia.com](http://investors.biocardia.com) and are available from the SEC at its website at <http://www.sec.gov>. You may also obtain a copy of our annual report without charge by sending a written request to BioCardia, Inc., Attention: Secretary, 125 Shoreway Road, Suite B, San Carlos, California 94070.

\* \* \*

The board of directors does not know of any other matters to be presented at the Annual Meeting. If any additional matters are properly presented at the Annual Meeting, the persons named in the enclosed proxy card will have discretion to vote the shares of our common stock they represent in accordance with their own judgment on such matters.

It is important that your shares of our common stock be represented at the Annual Meeting, regardless of the number of shares that you hold. You are, therefore, urged to vote by telephone or by using the Internet as instructed on the enclosed proxy card or execute and return, at your earliest convenience, the enclosed proxy card in the envelope that has also been provided.

**THE BOARD OF DIRECTORS**

San Carlos, California  
April 27, 2018



