

Each of our non-employee directors receives restricted stock units and options to purchase shares of our common stock on the terms and conditions set forth in our stockholder-approved equity plan. A non-employee director receives a combination of options and/or restricted stock unit awards on the date of each annual meeting of our stockholders, as follows:

- The number of shares of common stock in the restricted stock unit award is determined by dividing (1) a dollar value to be paid in the form of restricted stock units (“Restricted Stock Unit Amount”) by (2) the fair market value per share of our common stock on the date of grant.
- The number of shares that may be purchased pursuant to the option award is determined by dividing (1) a dollar amount to be paid in the form of option grants (“Option Amount”) by (2) the quotient of (A) the fair market value per share of our common stock on the date of grant divided by (B) two (2).
- The total of the Restricted Stock Unit Amount plus the Option Amount received by each non-employee director at each annual meeting of stockholders is equal to \$150,000. The Compensation Committee will determine the allocation between restricted stock units and option amounts annually.

A non-employee director who is initially appointed after any annual meeting of stockholders will receive a restricted stock unit award or option grant on the date of his or her initial appointment to the Board of Directors equal to the pro-rated amount of the annual grant.

Annual option grants and restricted stock unit awards (or any pro-rated grants for directors initially appointed between annual meetings) vest on the earlier to occur of the first anniversary of the date of grant or the next annual meeting of stockholders. No portion of an option automatically granted to a director is exercisable after the tenth anniversary after the date of option grant. Additionally, an option automatically granted to a director may be exercisable after the termination of the director’s services as described in the option agreement, generally ending three months after such termination.

The following table shows compensation information for our non-employee directors for fiscal year 2019.

2019 Director Compensation Table

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(1)	Option Awards (\$)	Total(\$)
Richard S. Hill	\$ 106,000	\$ 149,987	—	\$ 255,987
Darcy Antonellis	\$ 55,333	\$ 149,987	—	\$ 205,320
David C. Habiger	\$ 70,000	\$ 149,987	—	\$ 219,987
V. Sue Molina	\$ 81,000	\$ 149,987	—	\$ 230,987
George A. Riedel	\$ 68,333	\$ 149,987	—	\$ 218,320
Christopher A. Seams	\$ 82,000	\$ 149,987	—	\$ 231,987

(1) The amounts reflected in this column represent the aggregate grant date fair value for stock awards granted to our non-employee directors in 2019, measured in accordance with ASC 718, excluding the effect of estimated forfeitures, and do not reflect whether the recipient has actually realized a financial benefit from these awards. For the methodology of how the aggregate grant date fair value amount is calculated, please see Note 13 of the Notes to Consolidated Financial Statements included in this Form 10-K. The aggregate number of shares subject to unvested restricted stock unit awards outstanding for each non-employee director at December 31, 2019 was: Mr. Hill: 5,889; Ms. Antonellis: 5,889; Mr. Habiger: 5,889; Ms. Molina: 5,889; Mr. Riedel: 5,889 and Mr. Seams: 5,889. None of the non-employee directors held any stock options as of December 31, 2019.

Executive Compensation and Related Information

Compensation Discussion And Analysis

Introduction

The following discussion and analysis contains statements regarding company performance targets and goals used in setting compensation for our named executive officers. These targets and goals are disclosed in the limited context of the Company’s compensation programs and should not be understood to be statements of management’s future expectations or estimates of future results or other guidance. The Company specifically cautions investors not to apply these statements to other contexts.