

MILESTONE SCIENTIFIC INC.
Form DEF 14A
April 12, 2017
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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-12

Milestone Scientific Inc.
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i) (1) 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:

(5) Total fee paid:

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:

Milestone Scientific Inc.

Notice of Annual Meeting of Stockholders

To be held on May 23, 2017

To the Stockholders of Milestone Scientific Inc.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Milestone Scientific Inc. (“Milestone” or the “Company”) will be held at Golenbock Eiseman Assor Bell & Peskoe LLP, 437 Madison Avenue, New York, New York on May 23, 2017 at 9:00 AM, Eastern Time, for the purpose of considering and acting upon the following:

1. Election of five (5) directors.
2. Advisory approval of the appointment of Friedman LLP as the Company's independent auditors for the fiscal year ending December 31, 2017.
3. Such other business as may legally come before the meeting and any adjournments or postponements thereof.

The Board of Directors has fixed the close of business on March 31, 2017 as the record date for determining the stockholders having the right to notice of and to vote at the meeting.

By order of the Board of Directors

Leslie Bernhard

Chairman of the Board

Livingston, New Jersey

April 13, 2017

IMPORTANT: Every stockholder, whether or not he or she expects to attend the annual meeting in person, is urged to execute the proxy and return it promptly in the enclosed business reply envelope. Sending in your proxy will not prevent you from voting your stock at the meeting if you desire to do so, as your proxy is revocable at your option. We would appreciate your giving this matter your prompt attention.

* * * * *

Important Notice Regarding Internet Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on May 23, 2017:

The Proxy Statement and Annual Report are available at www.proxyvote.com.

* * * * *

MILESTONE SCIENTIFIC INC.

PROXY STATEMENT

For Annual Meeting of Stockholders

To be Held on May 23, 2017

Proxies in the form enclosed with this statement are solicited by the Board of Directors (the “Board”) of Milestone Scientific Inc. (“we”, “us”, “our”, the “Company” or “Milestone Scientific”) to be used at the Annual Meeting of Stockholders (the “Annual Meeting”) and any adjournments thereof, to be held at Golenbock Eiseman Assor Bell & Peskoe LLP, 437 Madison Avenue, New York, New York on May 23, 2017 at 9:00 AM, Eastern Time, for the purposes set forth in the Notice of Meeting and this Proxy Statement. The Board knows of no other business which will come before the meeting. This Proxy Statement and the accompanying proxy will be mailed to stockholders on or about April 13, 2017.

THE VOTING AND VOTE REQUIRED

Record Date and Quorum

Only stockholders of record at the close of business on March 31, 2017 (the “Record Date”) are entitled to notice of and vote at the Annual Meeting. On the Record Date, there were 30,679,353 outstanding shares of common stock, par value \$.001 per share (“Common Stock”) and 7,000 shares of our Series A Convertible Preferred Stock, par value \$.001 per share, outstanding (“Preferred Stock”). Each share of Common Stock is entitled to one vote, and each share of Preferred Stock is entitled to approximately 421.94 votes. In the aggregate, the holders of all classes, voting as a single class, may cast 33,633,119 votes at the Annual Meeting. Shares represented by each properly executed, unrevoked proxy received in time for the Annual Meeting will be voted as specified. A quorum will be present at the Annual Meeting if stockholders owning not less than one-third of the shares issued and outstanding on the Record Date are present at the meeting in person or by Proxy.

Voting of Proxies

The persons acting as proxies pursuant to the enclosed proxy will vote the shares represented as directed in the signed proxy. Unless otherwise directed in the proxy, the proxyholders will vote the shares represented by the proxy: (i) for the election of the five (5) director nominees named in this Proxy Statement; (ii) for the advisory approval of the appointment of Friedman LLP as the Milestone Scientific's independent auditors for the fiscal year ending December 31, 2017; and (iii) in the proxyholders' discretion, on any other business that may come before the meeting and any adjournments thereof.

All votes will be tabulated by the Inspector of Elections appointed for the Annual Meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes. Under the Milestone Scientific's bylaws and Delaware law: (1) shares represented by proxies that reflect abstentions or "broker non-votes" (i.e., shares held by a broker or nominee that are represented at the Annual Meeting, but with respect to which such broker or nominee is not empowered to vote on a particular proposal) will be counted as shares that are present and entitled to vote for purposes of determining the presence of a quorum; (2) there is no cumulative voting, and the director nominees receiving the highest number of votes, up to the number of directors to be elected, are elected and, accordingly, abstentions, broker non-votes and withholding of authority to vote will not affect the election of directors; and (3) proxies that reflect abstentions and broker non-votes will be treated as unvoted for purposes of determining approval of that proposal and will not be counted as votes for or against that proposal.

Voting Requirements

Election of Directors. The election of the director nominees will require a plurality of the votes cast on the matter at the Annual Meeting. With respect to the election of directors, votes may be cast in favor of or withheld with respect to each nominee. Votes that are withheld will be excluded entirely from the vote and will have no effect on the outcome of the vote.

Advisory approval of the appointment of independent auditors. The affirmative vote of a majority of the votes cast on the matter by stockholders entitled to vote at the Annual Meeting is required to approve this matter. An abstention will be treated as "present" for quorum purposes. However, since an abstention is not treated as a "vote" for or against the matter, it will have no effect on the outcome of the vote on the matter.

Revocability of Proxy

A proxy may be revoked by the stockholder giving the proxy at any time before it is voted by delivering oral or written notice to the Corporate Secretary of Milestone Scientific at or prior to the Annual Meeting, and a prior proxy is automatically revoked by a stockholder giving a subsequent proxy or attending and voting at the Annual Meeting. Attendance at the Annual Meeting in and of itself does not revoke a prior proxy.

Expenses of Solicitation

Milestone Scientific will pay the expenses of the preparation of proxy materials and the solicitation of proxies for the Annual Meeting. In addition to the solicitation of proxies by mail, solicitation may be made by certain directors, officers or employees of Milestone Scientific telephonically, electronically or by other means of communication. Milestone Scientific will reimburse brokers and other nominees for costs incurred by them in mailing proxy materials to beneficial owners in accordance with applicable rules.

PROPOSAL 1

ELECTION OF DIRECTORS

(Item 1 on the Proxy Card)

The Board currently consists of five directors: Leslie Bernhard, Leonard A. Osser, Leonard M. Schiller, Gian Domenico Trombetta and Edward J. Zelnick, M.D. Directors are elected for a term of one year and until the next Annual Meeting of Stockholders and until their successors are duly elected and qualified. The Nominating Committee (described below), with the concurrence of the Board, has nominated the present directors for re-election to the Board at the Annual Meeting.

It is intended that votes pursuant to the enclosed proxy will be cast for the election of the nominees named below. In the event that any such nominee should become unable or unwilling to serve as a director, the proxy will be voted for the election of such person, if any, as shall be designated by the Board. Management has no reason to believe that any of these nominees will not be available to serve as a director if re-elected.

The following table sets forth the names and ages of each nominee, the positions and the period during which each has served as a director of Milestone Scientific. Information as to the stock ownership of each nominee is set forth under

“Security Ownership of Certain Beneficial Owners and Management.” All of the director nominees have been approved and nominated by the Nominating Committee (described below), with the concurrence of the Board, for re-election to the Board.

The names, ages and titles of our directors and nominees, as of the Record Date, are as follows:

NAME	AGE	POSITION	DIRECTOR SINCE
Leslie Bernhard (1) (2) (3) (4)	72	Chairman of the Board and Director	2003
Leonard Osser	69	Chief Executive Officer and Director	1991
Leonard M. Schiller (1) (2) (3)	76	Director	1997
Gian Domenico Trombetta	56	Director	2014
Edward J. Zelnick, M.D. (1) (3) (5)	71	Director	2015

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Nominating Committee.
- (4) Chairman of the Audit Committee and Compensation Committee.
- (5) Chairman of the Nominating Committee.

Recommendation of the Board

The Board recommends that the stockholders vote “FOR” the election of all the nominees as directors.

The principal occupations and brief summaries of the backgrounds, as of the Record Date, of the directors and nominees are as follows:

Leslie Bernhard, Chairman of the Board

Leslie Bernhard has been serving as Milestone Scientific's non-executive Chairman of the Board since October 2009. In addition, Ms. Bernhard has also been serving as an Independent Director (as defined below) of Milestone Scientific since May 2003. Since 2007, Ms. Bernhard has also been serving as an independent director of Universal Power Group, Inc. (OTC Markets: UPGI), a global supplier of power solutions. In 1986 she co-founded AdStar, Inc., an electronic ad intake service to the newspaper industry, and served as its president, chief executive officer and executive director until 2012. Ms. Bernhard holds a BS Degree in Education from St. John's University. Ms. Bernhard's professional experience and background with AdStar and with us, as one of our directors since 2003, have given her the expertise needed to serve as Chairman of the Board.

Leonard Osser, Chief Executive Officer

Leonard Osser has been Milestone Scientific's Chief Executive Officer and a director since September 2009. Prior to that, he served as Milestone Scientific's Chairman from 1991 until September of 2009, and during that time, from 1991 until 2007, was also Chief Executive Officer of Milestone Scientific. In September 2009, he resigned as Chairman of Milestone Scientific, but remained a director, and assumed the position of Chief Executive Officer. From 1980 until the consummation of Milestone Scientific's public offering in November 1995, Mr. Osser was primarily engaged as the principal owner and Chief Executive Officer of U.S. Asian Consulting Group, Inc., a New Jersey-based provider of consulting services specializing in distressed or turnaround situations in both the public and private markets. Mr. Osser's knowledge of our business and background with us since 1980 provides the Board with valuable leadership skills and insight into our business and accordingly, the expertise needed to serve as one of our directors.

Leonard M. Schiller, Director

Leonard M. Schiller has been a director of Milestone Scientific since April 1997. Mr. Schiller has been a partner in the Chicago law firm of Schiller Strauss & Lavin PC since 1977 and since 2002, its President. Mr. Schiller also serves as a director on the boards of Jerrick Media Holdings, Inc. (OTCQB: JMDSA), a public media company, since February 2016 and Point Capital, Inc. (OTCQB: PTCL), a business development company, since July 2014. Mr. Schiller's professional experience and background have given him the expertise needed to serve as one of our directors.

Gian Domenico Trombetta, Director

Gian Domenico Trombetta has been a director of Milestone Scientific since May 2014 and the President and Chief Executive Officer of Milestone Scientific's Dental Division (Wand Dental Inc.) since October 2014. He founded Innovest S.p.A in 1993, a special situation firm acting in development and distressed capital investments and has served as its president and chief executive officer since its inception. Mr. Trombetta has served as the chief executive officer or a board member of several private commercial companies in different industries including both industrial (e.g. IT, media, web, and fashion) and holding companies. Before founding Innovest, Mr. Trombetta was Project Manager for Booz Allen & Hamilton Inc., a management consulting firm from 1988 to 1992. Mr. Trombetta holds a degree in business administration from the Luiss University in Rome, Italy and a MBA degree from INSEAD-Fontainebleau-France. Mr. Trombetta's business background and experience has given him the expertise needed to serve as one of our directors.

Edward J. Zelnick, M.D., Director

Edward J. Zelnick, M.D. has been a director of Milestone Scientific since February 2015. Dr. Zelnick has been a medical doctor for over 45 years and has a background in clinical research. Since June 2002 he has been the chief executive officer of Horizon Institute for Clinical Research, a company that recruits test subjects and clinicians for clinical research trials. Dr. Zelnick received a Bachelor of Science degree in chemistry from the University of Pittsburgh in 1966 and his M.D. degree from New York Medical College in 1970. Dr. Zelnick's professional experience and background as a medical doctor and in clinical research, have given him the expertise needed to serve as one of our directors.

Board Leadership Structure

The Board believes that the segregation of the roles of Board Chairman and the Chief Executive Officer ensures better overall governance of the Company and provides meaningful checks and balances regarding its overall performance. This structure allows our Chief Executive Officer to focus on developing and implementing the Company's business plans and supervising the Company's day-to-day business operations, and allows our Chairman to lead the Board in its oversight and advisory roles. Because of the many responsibilities of the Board and the significant time and effort required by each of the Chairman and the Chief Executive Officer to perform their respective duties, the Company believes and having separate persons in these roles enhances the ability of each to discharge those duties effectively and enhances the Company's prospects for success. The Board also believes that having separate positions provides a clear delineation of responsibilities for each position and fosters greater accountability of management. For the foregoing reasons, the Board had determined that its leadership structure is appropriate and in the best interest of stockholders.

The Board's Oversight of Risk Management

The Board recognizes that companies face a variety of risks, including credit risk, liquidity risk, strategic risk, and operational risk. The Board believes an effective risk management system will (1) timely identify the material risks that we face; (2) communicate necessary information with respect to material risks to senior executives and, as appropriate, to the Board or relevant Board committee; (3) implement appropriate and responsive risk management strategies consistent with the Company's risk profile; and (4) integrate risk management into Company decision-making. The Board encourages and management promotes a corporate culture that incorporates risk management into the Company's corporate strategy and day-to-day business operations. The Board also continually works, with the input of management and executive officers, to assess and analyze the most likely areas of future risk for the Company.

Committees of the Board

The Board has standing audit, compensation and nominating committees (respectively, the "Audit Committee," the "Compensation Committee," and the "Nominating Committee.")

Attendance at Committee and Board Meetings

In 2016, the Board held a total of 17 meetings; the Audit Committee held a total of four meetings, the Compensation Committee held a total of four meetings; and the Nominating Committee held one meeting. Each of our directors attended at least 75% of the Board meetings and all of the meetings of the committees of the Board on which he or she served. It is our policy to invite and encourage all of the directors to attend the Annual Meeting. All of our directors attended our annual meeting of stockholders in 2016.

Compensation Committee

The Compensation Committee reviews and recommends to the Board the compensation and benefits of all officers of the Company, reviews general policy matters relating to compensation and benefits of employees of the Company, and administers the issuance of stock options to the Company's officers, employees, directors and consultants. The Compensation Committee is comprised of two members, Leonard M. Schiller and Leslie Bernhard. A copy of the Compensation Committee Charter has been posted on our website at www.milestonescientific.com.

Audit Committee

The Audit Committee meets with management and the Company's independent accountants to determine the adequacy of internal controls and other financial reporting matters. The Audit Committee's purpose is to: (A) assist the Board in its oversight of: (i) the integrity of our financial statements; (ii) our compliance with legal and regulatory requirements; (iii) our independent auditors' qualifications and independence; (iv) the performance of our internal audit function and independent auditors to decide whether to appoint, retain or terminate our independent auditors; and (v) the preparation of our Annual Report on Form 10-K for the fiscal year ended December 31, 2016 (the "Annual Report"); and (B) to pre-approve all audit, audit-related and other services, if any, to be provided by the independent auditors. The members of the Audit Committee is comprised of Leslie Bernhard, Leonard M. Schiller and Edward J. Zelnick, M.D., all of whom are independent as defined in the listing standards of the NYSE MKT and Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). A copy of the Audit Committee Charter has been posted on our website at www.milestonescientific.com.

Audit Committee Financial Expert

The Board has determined that Leslie Bernhard is an “audit committee financial expert,” as that term is defined in Item 407(d)(5) of Regulation S-K, and “independent” for purposes of the listing standards of the NYSE MKT and Section 10A(m)(3) of the Exchange Act.

Nominating Committee

The Nominating Committee identifies potential director nominees and evaluates their suitability to serve on the Board. Based on its evaluation, it recommends to the Board the director nominees for Board membership. In addition, the Nominating Committee also regularly evaluates each existing Board member’s suitability for continued service as a director. The members of the Nominating Committee are Leonard M. Schiller, Leslie Bernhard and Edward J. Zelnick, M.D. A copy of the Nominating Committee Charter has been posted on our website at www.milestonescientific.com.

The Nominating Committee believes that the minimum qualifications for service as a director of the Company are that a nominee possess an ability, as demonstrated by recognized success in his or her field, to make meaningful contributions to the Board’s oversight of the business and affairs of the Company and an impeccable reputation of integrity and competence in his or her personal or professional activities. The Nominating Committee’s criteria for evaluating potential candidates include the following: an understanding of the Company’s business environment; and the possession of such knowledge, skills, expertise and diversity of experience so as to enhance the Board’s ability to manage and direct the affairs and business of the Company including, when applicable, to enhance the ability of committees of the Board to fulfill their duties and/or satisfy any independence requirements imposed by law, regulation or listing requirements.

The Nominating Committee considers director candidates recommended by stockholders. In considering candidates submitted by stockholders, the committee will take into consideration the needs of the Board and the qualifications of the candidate. The Nominating Committee may also take into consideration the number of shares held by the recommending stockholder and the length of time that such shares have been held. To have a candidate considered by the Nominating Committee, a stockholder must submit the recommendation in writing and must include the following information: the name of the stockholder and evidence of the person’s ownership of Company stock, including the number of shares owned and the length of time of ownership; the name of the candidate, the candidate’s resume or a listing of his or her qualifications to be a director of the Company; and, the person’s consent to be named as a director if selected by the Nominating Committee and nominated by the Board.

The Nominating Committee may also receive suggestions from current Board members, the Company's executive officers or other sources, which may be either unsolicited or in response to requests from the Nominating Committee for such candidates. The Nominating Committee also, from time to time, may engage firms that specialize in identifying director candidates.

Once a person has been identified by the Nominating Committee as a potential candidate, it may collect and review publicly available information regarding the person to assess whether the person should be considered further. If the Nominating Committee determines that the candidate warrants further consideration, the chairman or another member of the Nominating Committee may contact the person. Generally, if the person expresses a willingness to be considered and to serve on the Board, the Nominating Committee may request information from the candidate, review the person's accomplishments and qualifications and may conduct one or more interviews with the candidate. The Nominating Committee may consider all such information in light of information regarding any other candidates that it might be evaluating for membership on the Board. In certain instances, Nominating Committee members may contact one or more references provided by the candidate or may contact other members of the business community or other persons that may have greater first-hand knowledge of the candidate's accomplishments. The Nominating Committee's evaluation process does not vary based on whether or not a candidate is recommended by a stockholder, although, as stated above, the Board may take into consideration the number of shares held by the recommending stockholder and the length of time that such shares have been held.

Director Independence

The Board has determined that Leonard M. Schiller, Leslie Bernhard and Edward J. Zelnick, M.D. (the "Independent Directors"), are independent as that term is defined in the listing standards of the NYSE MKT. In determining director independence, the Board also considered any and all equity awards, if any, to the Independent Directors for the year ended December 31, 2016, disclosed in "Director Compensation" below, and determined that such awards were compensation for services rendered to the Board and therefore did not impact their ability to continue to serve as Independent Directors.

Stockholder Communication with the Board

The Board has established a process to receive communications from stockholders. Stockholders and other interested parties may contact any member (or all members) of the Board, or the non-management directors as a group, any Board committee or any chair of any such committee by mail or electronically. To communicate with the Board, any individual director or any group or committee of directors, correspondence should be addressed to the Board or any such individual directors or group or committee of directors by either name or title. All such correspondence should be sent “c/o Corporate Secretary” at 220 South Orange Avenue, Livingston, NJ 07039. All communications received as set forth in the preceding paragraph will be opened by the Corporate Secretary of the Company for the sole purpose of determining whether the contents represent a message to our directors. Any contents that are not in the nature of advertising, promotions of a product or service, patently offensive material or matters deemed inappropriate for the Board will be forwarded promptly to the addressee. In the case of communications to the Board or any group or committee of directors, the Company’s Corporate Secretary will make sufficient copies of the contents to send to each director who is a member of the group or committee to which the envelope or e-mail is addressed.

Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table, together with the accompanying footnotes, sets forth information, as of March 31, 2017, regarding stock ownership of all persons known by Milestone Scientific to own beneficially more than 5% of outstanding Common Stock, the Named Executives Officers, all directors, and all directors and officers of Milestone Scientific as a group:

Names of Beneficial Owner (1)	Shares of Common Stock Beneficially Owned (2)	Percentage of Ownership	
Executive Officers and Directors			
Leonard Osser	3,777,118	(3) 11.77	%
Joseph D'Agostino	1,625,465	(4) 5.21	%
Leslie Bernhard	0	-	
Leonard Schiller	185,158	(5)*	
Edward J. Zelnick, M.D.	8,750	(6)*	
Gian Domenico Trombetta	6,176,558	(7) 18.29	%
All directors & executive officers as group (6 persons)	11,773,049	(8) 32.84	%
Beneficial Owners of More Than 5%			
K. Tucker Andersen	3,241,050	10.59	%
Tom Cheng	1,562,599	5.11	%

Debra Ginsberg	1,605,000	(9)	5.25	%
----------------	-----------	-----	------	---

* Less than 1%

The addresses of the persons named in this table are as follows: Leonard Osser, Joseph D'Agostino and Gian Domenico Trombetta, Leslie Bernhard and Edward J. Zelnick, M.D., are at 220 South Orange Avenue, Livingston, New Jersey 07039; Leonard M. Schiller, c/o Schiller, Klein & McElroy, P.C., 33 North Dearborn Street, Suite 1030,¹ Chicago, Illinois 60602; K. Tucker Andersen, c/o Above All Advisors, 61 Above All Road, Warren, CT 06754; Tom Cheng, c/o United Systems 18725 E. Gale Ave., Suite 221, City of Industry, CA 91748 and Debra Ginsberg, 5 Bay Ridge Road Key Largo FL 33037.

A person is deemed to be a beneficial owner of securities that can be acquired by such person within 60 days from March 31, 2017, as applicable, upon the exercise of options and warrants or conversion of convertible securities. Each beneficial owner's percentage ownership is determined by assuming that options, warrants and convertible securities that are held by such person (but not held by any other person) and that are exercisable or convertible within 60 days from March 31, 2017 have been exercised or converted. Except as otherwise indicated, and subject² to applicable community property and similar laws, each of the persons named has sole voting and investment power with respect to the shares shown as beneficially owned. The percentages for each beneficial owner are determined based on dividing the number of shares of Common Stock beneficially owned by the sum of the outstanding shares of Common Stock on March 31, 2017 and the number of shares underlying options exercisable and convertible securities convertible within 60 days from March 31, 2017 held by the beneficial owner.

Includes 2,293,706 shares held by Mr. Osser or his family, 886,865 shares to be issued at the termination of his employment agreement, and 596,547 shares subject to Common Stock options with the following per share exercise³ prices: 73,333 at \$1.49, 230,044 at \$1.65 and 130,315 at \$2.38, 31,837 at \$3.49, 51,533 at \$1.89, 57,143 at \$1.93 and 22,342 at \$1.77.

- Includes 1,044,117 shares held by Mr. D'Agostino, 191,046 shares to be issued at the termination of his employment, and 390,302 shares subject to Common Stock options with the following per share exercise prices:
4. 78,126 shares at \$1.28, 66,666 shares at \$1.50 116,666 shares at \$2.09 38,314 at \$2.03, 73,967 at \$1.72 and 16,563 shares at \$1.61.
 5. Includes 179,533 shares held by Mr. Schiller and 5,625 shares subject to Common Stock warrants exercisable at \$2.55 per share.
 6. Includes 5,000 shares held by Dr. Zelnick and 3,750 shares subject to Common Stock warrants exercisable at \$2.55 per share.
 7. Includes 116,079 shares to be issued at the termination of his employment, 106,893 shares subject to Common Stock options with the following per share exercise prices: 73,767 at \$ 1.89 and 33,126 at \$1.61, and 5,953,586 shares held directly by BP4 S.r.l. ("BP4") of which 2,953,586 shares are issuable upon the conversion of \$7 million of preferred stock at \$2.37 per share, as adjusted to date. Innovest S.p.A. ("Innovest") is the controlling shareholder of BP4 and Mr. Trombetta is a controlling shareholder and director of Innovest, and, as such, is deemed to have voting and investment power over the securities held by BP4. Mr. Trombetta disclaims beneficial ownership of all securities held by BP4.
 8. Includes an aggregate of 1,103,117 shares of Common Stock underlying outstanding options, 1,193,990 shares of Common Stock issuable upon termination of employment and 2,953,586 shares of Common Stock issuable upon the conversion of \$7 million of preferred stock at \$2.37 per share, as adjusted.
 9. The information with respect to this 5% shareholder was derived from the Schedule 13G filed with the Securities and Exchange Commission ("SEC") on February 1, 2017, reporting beneficial ownership as of December 31, 2016.

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

The following table summarizes, as of December 31, 2016, the (i) options granted under the Milestone Scientific 2004 Stock Option Plan (the "2004 Plan") and (ii) options granted under the Milestone Scientific 2011 Equity Compensation Plan (f/k/a "Milestone Scientific 2011 Stock Option Plan") (the "2011 Plan"). The shares covered by outstanding options and warrants are subject to adjustment for changes in capitalization, stock splits, stock dividends and similar events. No other equity compensation has been issued.

Number of Securities to be issued upon exercise of outstanding options and warrants	Weighted-average exercise price of outstanding options and warrants	Number of securities remaining available for future issuance under equity compensation plan
--	--	---

Equity compensation plan approved by
stockholders

Grants under our 2004 Plan (1)	73,333	\$ 1.49	0
Grants under our 2011 Plan (2)	1,663,661	\$ 1.94	1,485,229
Total			