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RESEARCH

Healthcare & Technology

SUSPENSION OF COVERAGE

July 14, 2016

Suspension of Rating

Analyst(s) Departure/Pending Change of Analyst

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Summary

Effective immediately, Dawson James Securities, Inc. has suspended research coverage of the following companies due to the termination or loss of the primary and/or secondary analysts responsible for coverage. These companies are now pending review during a change of analyst period. The rating and date of the last report are shown adjacent to the closing price of 7/13/2016 in the format (Date of last report/Last rating).

- Pulmatrix (PULM)- \$2.20 (Morning Note 4/20/2016; Buy)
- Neurometrix (NURO)-\$1.74 (Morning Note 5/13/2016; Buy)
- Enzo Biochem (ENZ) - \$6.19 (Initiation of Coverage, 2/9/2016; Buy)

Effective upon this suspension of coverage, investors should no longer rely on any of our prior research, financial estimates, or ratings for these companies.

Please find Important Disclosures beginning on Page 2.

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The Firm does not make a market in the securities of the subject (or sector) company(s). With the exception of ENZ, The Firm has engaged in an investment banking relationships of the subject company(s) of this report in the prior 12 months, as either a manager or co-manager of a public offering of the company's(ies') securities, or received investment banking compensation from companies included in this report (sector) and/or profiled in this report within the prior 12 months, and may seek compensation for investment banking services in the future from the subject (sector) company(s). The Firm may have received other compensation for services such as non-investment banking services, non-investment banking securities-related services or non-securities services from the subject (or sector) company(s) in the last 12 months.

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Information about valuation methods and risks can be found in the "STOCK VALUATION" and "RISK FACTORS" sections of the Initiation Reports or most recent Company Updates of each profiled company.

Ratings Definitions:

- 1) **Market Outperform (Buy):** the analyst believes the price of the stock will appreciate and produce a total return of at least 20% over the next 12-18 months;
- 2) **Market Perform (Neutral):** the analyst believes the price of the stock is fairly valued for the next 12-18 months;
- 3) **Market Underperform (Sell):** the analyst believes the price of the stock will decline by at least 20% over the next 12-18 months and should be sold.

The following chart reflects the range of current research report ratings for all companies followed by the analysts of the Firm. The chart also reflects the research report ratings relating to those companies for which the Firm has performed investment banking services.

| Ratings Distribution | Company Coverage | | Investment Banking | |
|----------------------------|------------------|------------|--------------------|-------------|
| | # of Companies | % of Total | # of Companies | % of Totals |
| Market Outperform (Buy) | 5 | 56% | 3 | 60% |
| Market Perform (Neutral) | 1 | 11% | 1 | 100% |
| Market Underperform (Sell) | 0 | 0% | 0 | 0% |
| Rating Suspensions* | 3 | 33% | 2 | 33% |
| Total | 9 | 100% | 6 | 44% |

*Suspensions are ratings under review for possible change due to unusual market-moving news, and/or analyst departure/change

Analyst Certification:

The analyst(s) whose name appears on this research report certifies that 1) all of the views expressed in this report accurately reflect his (their) personal views about any and all of the subject securities or issuers discussed; and 2) no part of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst in this research report; and 3) all Dawson James employees, including the analyst(s) responsible for preparing this research report, may be eligible to receive non-product or service specific monetary bonus compensation that is based upon various factors, including total revenues of Dawson James and its affiliates as well as a portion of the proceeds from a broad pool of investment vehicles consisting of components of the compensation generated by investment banking activities, including but not limited to shares of stock and/or warrants, which may or may not include the securities referenced in this report.