ATHENAHEALTH INC
Form PREM14A
December 04, 2018
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

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 under §240.14a-12

ATHENAHEALTH, 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:

Common Stock, $0.01 par value per share, of athenahealth, Inc. (which we refer to as athenahealth common stock)

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

42,511,418 shares of athenahealth common stock, which consists of (a) 40,609,062 shares of athenahealth common stock as of November 30, 2018, (b) 694,454 shares of athenahealth common stock subject to issuance upon exercise of outstanding options with exercise prices below $135.00 as of November 30, 2018, (c) 1,116,915 shares of athenahealth common stock with respect to outstanding awards of restricted stock units as of November 30, 2018 and (d) 90,987 shares of athenahealth common stock with respect to outstanding awards of performance stock units as of November 30, 2018.

(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):

In accordance with Exchange Act Rule 0-11, the filing fee of $688,877.11 was determined by multiplying 0.0001212 by the proposed maximum aggregate value of the transaction. The proposed maximum aggregate value of the transaction was calculated as the sum of (a) 40,609,062 shares of athenahealth common stock multiplied by $135.00 per share, (b) options to purchase 694,454 shares of athenahealth common stock with exercise prices below $135.00 per share, multiplied by $55.46 per share (which is the difference between $135.00 and the weighted average exercise price per share of $79.54) (c) 1,116,915 shares of athenahealth common stock with respect to outstanding awards of restricted stock units as of November 30, 2018, multiplied by $135.00 per share and (d) 90,987 shares of athenahealth common stock with respect to outstanding awards of performance stock units as of November 30, 2018, multiplied by $135.00 per share.

(4) Proposed maximum aggregate value of transaction:

$5,683,804,558.84

(5) Total fee paid:

$688,877.11

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:

PRELIMINARY PROXY STATEMENT, SUBJECT TO COMPLETION, DATED DECEMBER 4, 2018

[ ], 2019

Dear Fellow Stockholder:

A special meeting of stockholders of athenahealth, Inc., a Delaware corporation (***athenahealth*** or the ***Company***), will be held on [ ], 2019, at [ ] Eastern Time at [ ]. You are cordially invited to attend. The purpose of the meeting is to consider and vote on proposals relating to the proposed acquisition of athenahealth by May Holding Corp., a Delaware corporation (***Parent***), for $135.00 per share in cash. Parent is an affiliate of Veritas Capital Fund Management, L.L.C. (***Veritas***) and Evergreen Coast Capital (***Evergreen***), and an affiliate of certain entities operating under the name Virence Health (***Virence***). Regardless of whether you plan to attend the meeting, we encourage you to vote your shares by mail, by telephone or through the Internet following the procedures outlined below.

On November 11, 2018, athenahealth entered into an Agreement and Plan of Merger (the ***Merger Agreement***) with Parent and May Merger Sub Inc., a Delaware corporation and a direct wholly-owned subsidiary of Parent (***Merger Sub***), providing for, subject to the satisfaction or waiver of specified conditions, the acquisition of athenahealth by Parent at a price of $135.00 per share in cash. Subject to the terms and conditions of the Merger Agreement, Merger Sub will be merged with and into athenahealth (the ***Merger***), with athenahealth surviving the merger as a wholly-owned subsidiary of Parent. At the special meeting, athenahealth will ask you to adopt the Merger Agreement.

At the effective time of the Merger (the ***Effective Time***), each share of athenahealth common stock issued and outstanding immediately prior to the Effective Time (other than (i) shares owned by Parent, any subsidiary of Parent, Merger Sub or athenahealth, in each case immediately prior to the Effective Time, and (ii) shares held by stockholders who have not voted in favor of the Merger and who have properly and validly perfected their statutory rights of appraisal in respect of such shares in accordance with Section 262 of the Delaware General Corporation Law) will be cancelled, extinguished and automatically converted into the right to receive $135.00 per share in cash, net of any applicable withholding taxes and without interest.

The proxy statement accompanying this letter provides you with more specific information concerning the special meeting, the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement. We encourage you to carefully read the accompanying proxy statement and the copy of the Merger Agreement attached as Annex A to the proxy statement.

The board of directors of athenahealth (the ***Board***) carefully reviewed and considered the terms and conditions of the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement. By a unanimous vote, the Board (i) adopted and declared advisable the Merger Agreement and the Merger and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger, (ii) authorized and approved the execution, delivery and performance of the Merger Agreement and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger, (iii) determined that the transactions contemplated by the Merger Agreement, including the Merger, are in the best interests of athenahealth and its stockholders, (iv) directed that a proposal to adopt the Merger Agreement be submitted to a vote at a meeting of athenahealth stockholders and (v) recommended that athenahealth stockholders vote for the adoption of the Merger

Agreement. **Accordingly, the Board unanimously recommends a vote FOR the proposal to adopt the Merger Agreement.**

Your vote is important. Whether or not you plan to attend the special meeting and regardless of the number of shares you own, your careful consideration of, and vote on, the proposal to adopt the Merger Agreement is important, and we encourage you to vote promptly. The Merger cannot be completed unless the Merger Agreement is adopted by stockholders holding at least a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter. **The failure to vote will have the same effect as a vote AGAINST the proposal to adopt the Merger Agreement.**

After reading the accompanying proxy statement, please make sure to vote your shares promptly by completing, signing and dating the accompanying proxy card and returning it in the enclosed prepaid envelope or by voting by telephone or through the Internet by following the instructions on the accompanying proxy card. Instructions regarding all three methods of voting are provided on the proxy card. If you hold shares through an account with a bank, broker, trust or other nominee, please follow the instructions you receive from it to vote your shares.

Thank you in advance for your continued support and your consideration of this matter.

Jeffrey Immelt
Executive Chairman, athenahealth

Neither the United States Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the Merger, passed upon the merits or fairness of the Merger or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

The accompanying proxy statement is dated [ ], 2019 and is first being mailed to athenahealth stockholders on or about [ ], 2019.

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PRELIMINARY PROXY STATEMENT, SUBJECT TO COMPLETION, DATED DECEMBER 4, 2018

ATHENAHEALTH, INC.

311 Arsenal Street

Watertown, MA 02472

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held on [ ], 2019

To the Stockholders of athenahealth, Inc.:

A special meeting of stockholders of athenahealth, Inc. (***athenahealth*** or the ***Company***) will be held on [ ], 2019, at [ ] Eastern Time, at [ ], for the following purposes:

1. To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of November 11, 2018 (the ***Merger Agreement***), by and among athenahealth, May Holding Corp., a Delaware corporation (***Parent***), and May Merger Sub Inc., a Delaware corporation and a wholly-owned subsidiary of Parent (***Merger Sub***);

2. To consider and vote on a proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to athenahealth s named executive officers that is based on or otherwise relates to the Merger contemplated by the Merger Agreement (the ***Merger***); and

3. To consider and vote on a proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the Merger Agreement if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

Stockholders of record at the close of business on [ ], 2019 are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements thereof.

For more information concerning the special meeting, the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement, please review the accompanying proxy statement and the copy of the Merger Agreement attached as Annex A to the proxy statement.

The board of directors of athenahealth (the ***Board***) carefully reviewed and considered the terms and conditions of the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement. By a unanimous vote, the Board (i) adopted and declared advisable the Merger Agreement and the Merger and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger, (ii) authorized and approved the execution, delivery and performance of the Merger Agreement and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger, (iii) determined that the transactions contemplated by the Merger Agreement, including the Merger, are in the best interests of athenahealth and its stockholders, (iv) directed that a proposal to adopt the Merger Agreement be submitted to a vote at a meeting of athenahealth stockholders and (v) recommended that athenahealth stockholders vote for the adoption of the Merger Agreement.

The Board unanimously recommends that at the special meeting you vote FOR the proposal to adopt the Merger Agreement, FOR the approval, by a non-binding advisory vote, of the compensation that may be paid or become payable to athenahealth s named executive officers that is based on or otherwise relates to the Merger and FOR the proposal to adjourn the special meeting if necessary or appropriate, including to solicit additional proxies.

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To assure that your shares are represented at the special meeting, regardless of whether you plan to attend the special meeting in person, please fill in your vote, sign and mail the enclosed proxy card as soon as possible. We have enclosed a return envelope, which requires no postage if mailed in the United States. Alternatively, you may vote by telephone or through the Internet. Instructions regarding each of the methods of voting are provided on the enclosed proxy card. If you are voting by telephone or through the Internet, then your voting instructions must be received by 11:59 p.m. Eastern Time on the day before the special meeting. Your proxy is being solicited by the Board.

If you have any questions about the Merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, Innisfree, toll-free at (877) 717-3925 for stockholders or (212) 750-5833 for bankers and brokers.

If you fail to return your proxy, vote by telephone or through the Internet or attend the special meeting in person, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting and will have the same effect as a vote AGAINST the proposal to adopt the Merger Agreement.

By Order of the Board of Directors

Jessica H. Collins, Senior Vice President, General

Counsel and Secretary

Watertown, Massachusetts

[ ], 2019

Please Vote Your Vote is Important

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SUMMARY TERM SHEET

This summary highlights certain information in this proxy statement but may not contain all of the information that may be important to you. You should carefully read the entire proxy statement and the attached Annexes and the other documents to which this proxy statement refers you for a more complete understanding of the matters being considered at the special meeting. In addition, this proxy statement incorporates by reference important business and financial information about athenahealth, Inc. You may obtain the information incorporated by reference in this proxy statement without charge by following the instructions in the section entitled Where You Can Find More Information. Unless the context otherwise indicates, we refer to athenahealth, Inc. as ***athenahealth****, the* ***Company****,* ***we****,* ***us*** *or* ***our****.*

The Parties

athenahealth partners with hospital and ambulatory clients to drive clinical and financial results, including by offering network-based medical records, revenue cycle, patient engagement, care coordination, and population health services. athenahealth s business also includes Epocrates® and other point-of-care mobile applications. athenahealth s principal executive offices are located at 311 Arsenal Street, Watertown, Massachusetts 02472, and our telephone number is (617) 402-1000.

May Holding Corp., a Delaware corporation (which we refer to as ***Parent***), is an affiliate of Veritas and Evergreen. Following consummation of the Merger, Veritas and Evergreen intend to operationally combine athenahealth and Virence. Parent was formed specifically for the purpose of serving as the holding company for athenahealth upon completion of the Merger (as defined below) and has not carried on any activities to date, except for activities incidental to its formation, activities undertaken in connection with the Merger and other transactions contemplated by the Merger Agreement (as defined below). Parent s principal executive offices are located at c/o Veritas Capital Fund Management, L.L.C., 9 West 57th Street, 29th Floor, New York, New York 10019, and its telephone number is (212) 415-6700.

May Merger Sub Inc., a Delaware corporation and a wholly-owned subsidiary of Parent (which we refer to as ***Merger Sub***), was formed by Parent solely for the purpose of engaging in the transactions contemplated by the Merger Agreement (as defined below). Upon completion of the Merger (as defined below), Merger Sub will merge with and into athenahealth, and Merger Sub will cease to exist.

The Merger (see page [ ])

On November 11, 2018, athenahealth, Parent, Merger Sub entered into an Agreement and Plan of Merger (which, as amended from time to time, we refer to as the ***Merger Agreement***). Under the terms of the Merger Agreement, subject to the satisfaction or waiver of specified conditions, Merger Sub will merge with and into athenahealth (which we refer to as the ***Merger***). athenahealth will survive the Merger as a wholly-owned subsidiary of Parent (which we refer to as the ***surviving corporation***).

Upon completion of the Merger, each share of athenahealth common stock, par value $0.01 per share (which we refer to as ***athenahealth common stock*** or ***Company Common Stock***), that is issued and outstanding immediately prior to the effective time of the Merger, (the ***Effective Time***) (other than (i) shares held by athenahealth as treasury stock or owned by Parent, Merger Sub, or any subsidiary of athenahealth, and (ii) shares held by stockholders who have not voted in favor of the Merger and who have properly and validly perfected their statutory rights of appraisal in respect of such shares in accordance with Section 262 of the Delaware General Corporation Law (which we refer to as the ***DGCL***)), will be converted into the right to receive $135.00 per share, in cash, without interest (which we refer to as the ***Merger Consideration***), subject to any applicable withholding taxes. Each share of athenahealth common stock will cease to be outstanding, will be cancelled and will cease to exist, and (a) each certificate that represents a share of athenahealth common stock and (b) each book-entry account representing any uncertificated shares of common stock of athenahealth, will represent only the right to receive Merger Consideration.

Following the completion of the Merger, athenahealth will cease to be a publicly traded company and will become a wholly-owned subsidiary of Parent.

The Special Meeting (see page [ ])

The special meeting will be held on [ ], 2019, at [ ] Eastern Time, at [ ]. At the special meeting, you will be asked to, among other things, vote for the proposal to adopt the Merger Agreement. See the section entitled The Special Meeting, beginning on page [ ], for additional information on the special meeting, including how to vote your shares of athenahealth common stock.

Stockholders Entitled to Vote; Vote Required to Adopt the Merger Agreement (see page [ ])

You may vote at the special meeting if you were a holder of record of shares of athenahealth common stock as of the close of business on [ ], 2019, which is the record date for the special meeting (which we refer to as the ***record date***). You will be entitled to one vote for each share of athenahealth common stock that you owned on the record date. As of the record date, there were [ ] shares of athenahealth common stock issued and outstanding and entitled to vote at the special meeting. The adoption of the Merger Agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter.

How to Vote (see page [ ])

Stockholders of record have a choice of voting by proxy by completing a proxy card and mailing it in the prepaid envelope provided, by calling a toll-free telephone number or through the Internet. Please refer to your proxy card or the information forwarded by your bank, broker, trust or other nominee to see which options are available to you. The telephone and Internet voting facilities for stockholders of record will close at 11:59 p.m. Eastern Time on the day before the special meeting.

If you wish to vote by proxy and your shares are held by a bank, broker, trust or other nominee, you must follow the voting instructions provided to you by your bank, broker, trust or other nominee. Unless you give your bank, broker, trust or other nominee instructions on how to vote your shares of athenahealth common stock, your bank, broker, trust or other nominee will not be able to vote your shares at the special meeting.

If you wish to vote in person at the special meeting and your shares are held in the name of a bank, broker or other holder of record, you must obtain a legal proxy, executed in your favor, from the bank, broker or other holder of record authorizing you to vote at the special meeting.

YOU SHOULD NOT SEND IN YOUR STOCK CERTIFICATE(S) WITH YOUR PROXY CARD. A letter of transmittal with instructions for the surrender of certificates representing shares of athenahealth common stock or book-entry shares will be mailed to stockholders if the Merger is completed.

For additional information regarding the procedure for delivering your proxy, see the sections entitled The Special Meeting How to Vote, beginning on page [ ], and The Special Meeting Solicitation of Proxies, beginning on page [ ]. If you have more questions about the Merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, Innisfree, toll-free at (877)

717-3925 for stockholders or (212) 750-5833 for bankers and brokers.

Recommendation of the Board; Reasons for Recommending the Adoption of the Merger Agreement (see page [ ])

After careful consideration, athenahealth s board of directors (which we refer to as the ***Board***) unanimously declared the Merger Agreement and the transactions contemplated thereby, including the Merger, to be advisable and in the best interests of athenahealth and its stockholders. **Accordingly, the Board unanimously recommends that at the special meeting you vote FOR the proposal to adopt the Merger Agreement, FOR the approval, by a non-binding advisory vote, of the compensation that may be paid or become payable to athenahealth s named executive officers that is based on or otherwise relates to the Merger and FOR the proposal to adjourn the special meeting if necessary or appropriate, including to solicit additional proxies.**

For a discussion of the material factors considered by the Board in reaching its conclusions, see the section entitled The Merger Reasons for Recommending the Adoption of the Merger Agreement, beginning on page [ ]. In addition, in considering the recommendation of the Board with respect to the Merger Agreement, you should be aware that some of our directors and executive officers have interests that may be different from, or in addition to, the interests of athenahealth stockholders generally. See the section entitled The Merger Interests of Directors and Executive Officers in the Merger, beginning on page [ ].

Opinion of Centerview Partners LLC (page [ ] and Annex B)

The Company retained Centerview Partners LLC (***Centerview***) as financial advisor to the Board in connection with the proposed Merger and the other transactions contemplated by the Merger Agreement, which are collectively referred to as the Transaction throughout this section and the summary of Centerview s opinion below under the caption The Merger Opinion of Centerview Partners LLC. In connection with this engagement, the Board requested that Centerview evaluate the fairness, from a financial point of view, to the holders of outstanding shares of Company Common Stock (other than (i) shares of Company Common Stock held by the Company as treasury stock or owned by Parent, Merger Sub, or any subsidiary of the Company and (ii) shares of Company Common Stock that are owned by stockholders of the Company who have perfected and not withdrawn a demand for appraisal rights in accordance with Section 262 of the DGCL, together with any other shares of Company Common Stock held by an affiliate of Company or Parent, which are collectively referred to as ***Excluded Shares***) of the Merger Consideration proposed to be paid to such holders pursuant to the Merger Agreement. On November 11, 2018, Centerview rendered to the Board its oral opinion, which was subsequently confirmed by delivery of a written opinion dated November 11, 2018 that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion, the Merger Consideration proposed to be paid to the holders of shares of Company Common Stock (other than Excluded Shares) pursuant to the Merger Agreement was fair, from a financial point of view, to such holders.

The full text of Centerview s written opinion, dated November 11, 2018, which describes the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion, is attached as Annex B and is incorporated herein by reference. **Centerview s financial advisory services and opinion were provided for the information and assistance of the Board (in their capacity as directors and not in any other capacity) in connection with and for purposes of its consideration of the Transaction and Centerview s opinion addressed only the fairness, from a financial point of view, as of the date thereof, to the holders of shares of Company Common Stock (other than Excluded Shares) of the Merger Consideration to be paid to such holders pursuant to the Merger Agreement. Centerview s opinion did not address any other term or aspect of the Merger Agreement or the Transaction and does not constitute a recommendation to any stockholder of the Company or any other person as to whether such stockholder should have executed a consent with respect**

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to the Merger or as to how such stockholder or other person should otherwise act with respect to the Transaction or any other matter.

The full text of Centerview s written opinion should be read carefully in its entirety for a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion.

Opinion of Lazard Frères & Co. LLC (page [ ] and Annex C)

On November 11, 2018, Lazard Frères & Co. LLC (which we refer to as ***Lazard***), financial advisor to the Company, rendered its oral opinion to the Board, subsequently confirmed in writing, that, as of such date, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth therein, the per share Merger Consideration of $135.00 in cash to be paid to holders of shares of Company Common Stock (other than Excluded Shares) in the Merger was fair, from a financial point of view, to such holders of shares of Company Common Stock.

The full text of Lazard s written opinion, dated November 11, 2018, which sets forth the assumptions made, procedures followed, factors considered and qualifications and limitations on the scope of review undertaken by Lazard in connection with its opinion, is attached as Annex C. The description of Lazard s opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Lazard s written opinion attached as Annex C. You are encouraged to read Lazard s opinion and the section entitled The Merger Opinion of Lazard Frères & Co. LLC carefully and in their entirety.

Lazard s opinion was for the benefit of the Board (in its capacity as such) in connection with the Board s evaluation of the Merger and only addressed the fairness, from a financial point of view, to holders of shares of Company Common Stock (other than Excluded Shares) of the Merger Consideration as of the date of Lazard s opinion. Lazard s opinion was not intended to and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to the Merger or any matter relating thereto.

Market Price and Dividend Data (see page [ ])

athenahealth common stock is traded on the NASDAQ Global Select Market (which we refer to as ***NASDAQ***) under the symbol *ATHN.* On November 9, 2018, the last full trading day prior to the public announcement of the Merger, the closing price for athenahealth common stock was $120.35 per share. On [ ], 2019, the last full trading day prior to the date of this proxy statement, the closing price for athenahealth common stock was $[ ] per share.

Certain Effects of the Merger (see page [ ])

Upon completion of the Merger, Merger Sub will be merged with and into athenahealth upon the terms set forth in the Merger Agreement. As the surviving corporation in the Merger, athenahealth will continue to exist following the Merger as a wholly-owned subsidiary of Parent.

Following the completion of the Merger, shares of athenahealth common stock will no longer be traded on NASDAQ or any other public market. In addition, the registration of shares of athenahealth common stock under the Securities Exchange Act of 1934, as amended (which we refer to as the ***Exchange Act***), will be terminated.

Consequences if the Merger is Not Completed (see page [ ])

If the proposal to adopt the Merger Agreement does not receive the required approval from athenahealth s stockholders, or if the Merger is not completed for any other reason, you will not receive any consideration from

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Parent or Merger Sub for your shares of athenahealth common stock. Instead, athenahealth will remain a public company, and athenahealth common stock will continue to be listed and traded on NASDAQ.

In addition, if the Merger Agreement is terminated under specified circumstances, athenahealth is required to pay Parent a termination fee of $142,105,000. The Merger Agreement also provides that Parent may be required to pay athenahealth a reverse termination fee of $312,635,000 if the Merger Agreement is terminated under specified circumstances. See the section entitled The Agreement and Plan of Merger Expenses; Termination Fees, beginning on page [ ].

Treatment of Equity Awards (see page [ ])

The Merger Agreement provides that, as of immediately prior to the Effective Time:

- Each outstanding option to purchase shares of athenahealth common stock (which we refer to as ***Company Options***), under the athenahealth, Inc. 2007 Stock Option and Incentive Plan, as amended and restated as of April 23, 2013, and the Epocrates, Inc. 2010 Equity Incentive Plan (collectively, the ***Company Stock Plans***), whether vested or unvested, (i) if the exercise price of such Company Option is equal to or greater than the Merger Consideration, such Company Option will terminate and be cancelled as of immediately prior to the Effective Time, without any consideration being payable in respect thereof, and have no further force or effect and (ii) if the exercise price of such Company Option is less than the Merger Consideration, such Company Option will terminate and be cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment in the amount equal to (i) the number of shares of athenahealth common stock underlying the Company Option immediately prior to the Effective Time, *multiplied by* (ii) the Merger Consideration minus the applicable exercise price;

- Each outstanding restricted stock unit (which we refer to as ***Company Restricted Stock Units***) that was granted under the Company Stock Plans that is outstanding or payable as of immediately prior to the Effective Time, whether vested or unvested, will terminate and be cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) the number of shares of athenahealth common stock underlying such Company Restricted Stock Unit, *multiplied* by (ii) the Merger Consideration.

- Each outstanding performance restricted stock unit (which we refer to as ***Company Performance Stock Units***) that was granted under the Company Stock Plans that is outstanding or payable as of immediately prior to the Effective Time, whether vested or unvested, will terminate and be cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has been completed, (A) the number of shares of athenahealth common stock subject to such Company Performance Stock Unit that would vest based on the actual level of achievement as of the Effective Time *multiplied by* (B) the Merger Consideration, and (ii) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has not been completed, (A) the number of shares of athenahealth common stock subject to such Company Performance Stock Unit that would vest based on the applicable target level of achievement *multiplied by* (B) the Merger Consideration.

Interests of Directors and Executive Officers in the Merger (see page [ ])

In considering the recommendation of the Board that you vote **FOR** the proposal to adopt the Merger Agreement, you should be aware that some of our directors and executive officers have interests that may be different from, or in addition to, the interests of athenahealth stockholders generally. The Board was aware of

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these interests and considered them at the time it approved the Merger Agreement and made its recommendation to athenahealth stockholders.

Conditions to the Merger (see page [   ])

athenahealth s, Parent s, and Merger Sub s respective obligations to complete the Merger are subject to the satisfaction (or mutual waiver at or prior to the closing by each of Parent and athenahealth where permitted under applicable law) of the following conditions:

- receipt of the affirmative vote of the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote thereon to adopt the Merger Agreement;

- no court or governmental entity of competent jurisdiction having enacted, issued, promulgated, enforced, adopted or entered any law or order that is in effect and prevents, makes illegal, restrains, enjoins or otherwise prohibits the Merger and the other transactions contemplated by the Merger Agreement; and

- the applicable waiting period (or any extensions thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (which we refer to as the ***HSR Act***) having expired or been terminated.

The obligations of Parent and Merger Sub to complete the Merger are also subject to the satisfaction or waiver by Parent at or prior to the closing of additional conditions, including:

- subject to materiality qualifiers in certain cases, the accuracy of each of our representations and warranties in the Merger Agreement, and the receipt by Parent of a signed certificate by a senior executive officer of athenahealth at the closing stating that such condition has been satisfied;

- athenahealth s performance and compliance in all material respects with all agreements and covenants required to be performed or complied with by us under the Merger Agreement, and the receipt by Parent of a signed certificate by a senior executive officer of athenahealth to such effect; and

- since the date of the Merger Agreement, there not having occurred any change, effect, circumstance or development that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on athenahealth.

Our obligations to complete the Merger are also subject to the satisfaction or waiver by us at or prior to the closing of additional conditions, including:

- subject to certain materiality qualifiers, the accuracy of each of the representations and warranties of Parent and Merger Sub in the Merger Agreement, and the receipt by athenahealth of a signed certificate by an officer of Parent stating that such condition has been satisfied; and

Parent s and Merger Sub s performance and compliance in all material respects with all agreements and covenants required to be performed or complied with by them under the Merger Agreement, and the receipt by athenahealth of a signed certificate by an officer of Parent to such effect.

Regulatory Approvals (see page [ ])

Under the Merger Agreement, the respective obligations of athenahealth, Parent and Merger Sub to complete the Merger are subject to, among other things, the expiration or termination of any applicable waiting period (and any extension thereof) applicable to the completion of the Merger under the HSR Act. For a description of athenahealth s and Parent s respective obligations under the Merger Agreement with respect to regulatory approvals, see the section entitled The Agreement and Plan of Merger Efforts to Complete the Merger, beginning on page [ ].

Financing (see page [ ])

We anticipate that the total funds needed to complete the Merger, including the funds needed to pay athenahealth stockholders and holders of other equity-based interests the amounts due to them under the Merger Agreement, which would be approximately $[ ] billion based upon the number of shares of athenahealth common stock (and our other equity-based interests) outstanding as of [ ], 2018, will be funded through a combination of Parent s cash on-hand, $4.475 billion of debt financing (including up to $15 million from a revolving credit facility), $600 million of preferred equity financing and $[ ] billion of [common] equity financing. Parent, Merger Sub and Virence have entered into a debt commitment letter, dated November 11, 2018, and amended and restated on November 26, 2018, with JPMorgan Chase Bank, N.A. (which we refer to as ***JPMorgan***), Deutsche Bank AG, New York Branch (which we refer to as ***Deutsche Bank***), Bank of America, N.A. (which we refer to as ***Bank of America***), Merrill Lynch, Pierce, Fenner and Smith Incorporated (which we refer to as ***MLPFS***), Barclays Bank PLC (which we refer to as ***Barclays***), Natixis, New York Branch (which we refer to as ***Natixis***), PSP Investments Credit USA LLC (which we refer to as ***PSP***), Ares Capital Management LLC (which we refer to as ***Ares***), KKR Capital Markets LLC, KKR Corporate Lending LLC and KKR Credit Advisors (US) LLC (which we collectively refer to as ***KKR*** and, together with JPMorgan, Deutsche Bank, Bank of America, MLPFS, Barclays, Natixis, PSP and Ares, the ***Debt Commitment Parties***). Pursuant to and subject to the terms of the debt commitment letter, the Debt Commitment Parties have committed to provide the senior secured credit facilities in an aggregate amount of up to $4.860 billion. Parent, Merger Sub and Virence have also entered into a preferred equity commitment letter dated as of November 11, 2018, with Ares, KKR Credit Advisors (US) LLC, and JPMorgan Chase Funding Inc. (which we collectively refer to as the ***Preferred Equity Commitment Parties***). Pursuant to and subject to the terms of the preferred equity commitment letter, the Preferred Equity Commitment Parties have committed to fund an investment in perpetual preferred stock of a parent company of Parent and Virence in an aggregate amount of up to $600 million. Although the debt financing and preferred equity financing described above are not subject to a due diligence or market out, the obligations of the Debt Commitment Parties and Preferred Equity Commitment Parties to provide financing under the debt commitment letter and preferred equity commitment letter, respectively, are subject to a number of conditions, and such financing should not be considered assured.

The completion of the Merger is not conditioned upon Parent s receipt of financing.

Restriction on Solicitation of Competing Proposals (see page [ ])

The Merger Agreement generally restricts athenahealth s and its subsidiaries, and its and their representatives (other than investment bankers, attorneys, accountants and other advisors), ability to solicit, directly or indirectly, potential competing proposals from third parties, or engage in discussions or negotiations with, or furnish non-public information regarding athenahealth or any of our subsidiaries to, or approve, endorse or recommend any alternative acquisition agreement by, third parties regarding any potential competing proposal. Under certain circumstances, however, and in compliance with certain obligations contained in the Merger Agreement, athenahealth is permitted to furnish information with respect to athenahealth and our subsidiaries and participate in discussions or negotiations with third parties making a competing proposal that the Board determines in good faith, after consultation with our outside legal counsel and financial advisors, constitutes or could reasonably be expected to result in a superior proposal and that the failure to furnish information to or participate in discussions or negotiations with respect to such competing proposal would reasonably be expected to be inconsistent with the Board s fiduciary duties under Delaware law. Under certain

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circumstances, athenahealth is permitted to terminate the Merger Agreement in order to enter into a definitive acquisition agreement with respect to a superior proposal, substantially concurrently with the payment by athenahealth to Parent of $142,105,000.

Termination of the Merger Agreement (see page [ ])

The Merger Agreement may be terminated at any time by the mutual written agreement of Parent and athenahealth. The Merger Agreement may also be terminated by either Parent or athenahealth if:

- the Merger has not been consummated on or before May 10, 2019 (which we refer to as the ***Termination Date***);
- athenahealth stockholders do not adopt the Merger Agreement at the stockholder meeting at which a vote on the adoption of the Merger Agreement is taken, or at any adjournment or postponement of such meeting; or
- any law or order restraining, enjoining or otherwise prohibiting the Merger has become final and non-appealable.

The right to terminate the Merger Agreement pursuant to the above circumstances will not be available to any party that has breached in any material respect its obligations under the Merger Agreement in any manner that has proximately caused or resulted in the failure of the Merger to be consummated.

athenahealth may also terminate the Merger Agreement if:

- at any time prior to the Effective Time if there has been a breach of any representation, warranty, covenant or agreement made by Parent or Merger Sub in the Merger Agreement, or any representation and warranty has become untrue, and such breach or failure to be true is not curable or, if curable, is not cured prior to the earlier of (i) thirty (30) days following notice to Parent from athenahealth of such breach or failure and (ii) the date that is three (3) business days prior to the Termination Date; provided that athenahealth will not have the right to terminate the Merger if we are in material breach of any of our representations, warranties, covenants or agreements under the Merger Agreement;
- at any time prior to the stockholder vote on the Merger Agreement, (i) if the Board authorizes athenahealth to enter into an alternative acquisition agreement with respect to a superior proposal that did not result from a breach (other than any breach that is both immaterial and unintentional) of the Merger Agreement, (ii) concurrently with the termination of the Merger Agreement, athenahealth enters into an alternative acquisition agreement providing for a superior proposal that did not result from a breach (other than any breach that is both immaterial and unintentional) of this Agreement and (iii) prior to or concurrently with such termination, the athenahealth pays to Parent $142,105,000; or
- at any time prior to the Effective Time (i) athenahealth s conditions to closing have been satisfied or waived, (ii) athenahealth has confirmed by irrevocable written notice to Parent that the date the closing should have occurred has occurred and athenahealth is ready, willing and able to consummate the Merger on the date of such

written notice and throughout the immediately subsequent three (3) business day period and (iii) Parent fails to consummate the Merger within three (3) business days following receipt of such written notice.

Parent may also terminate the Merger Agreement, at or prior to the Effective Time, if:

the Board makes a change in recommendation (as defined below under the section entitled The Agreement and Plan of Merger Obligation of the Board with Respect to Its Recommendation) with respect to the Merger and the Merger Agreement; or

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there has been a breach of any representation, warranty, covenant or agreement made by us in the Merger Agreement, or any such representation and warranty has become untrue, and such breach or failure to be true is not curable or, if curable, is not cured prior to the earlier of (i) thirty (30) days following written notice to athenahealth from Parent of such breach or failure and (ii) the date that is three (3) business days prior to the Termination Date; provided that Parent will not have the right to terminate the Merger Agreement if Parent is in material breach of any of its representations, warranties, covenants or agreements under the Merger Agreement.

Termination Fees (see page [ ])

Upon termination of the Merger Agreement under specified circumstances, athenahealth will be required to pay Parent a termination fee of $142,105,000. The Merger Agreement also provides that Parent may be required to pay athenahealth a reverse termination fee of $312,635,000 if the Merger Agreement is terminated under specified circumstances.

Appraisal Rights (see page [ ])

Under Delaware law, holders of shares of athenahealth common stock are entitled to appraisal rights in connection with the Merger, provided that such holders meet all of the conditions set forth in Section 262 of the Delaware General Corporation Law (which we refer to as the ***DGCL***). A holder of athenahealth common stock who properly seeks appraisal and complies with the applicable requirements under Delaware law (which we refer to as ***dissenting stockholders***) will forego the Merger Consideration and instead receive a cash payment equal to the fair value of his, her or its shares of athenahealth common stock in connection with the Merger. Fair value will be determined by the Delaware Court of Chancery following an appraisal proceeding. Dissenting stockholders will not know the appraised fair value at the time such holders must elect whether to seek appraisal. The ultimate amount dissenting stockholders receive in an appraisal proceeding may be more or less than, or the same as, the amount such holders would have received under the Merger Agreement. A detailed description of the appraisal rights available to holders of athenahealth common stock and procedures required to exercise statutory appraisal rights is included in the section entitled Appraisal Rights, beginning on page [ ].

To seek appraisal, an athenahealth stockholder of record must deliver a written demand for appraisal to athenahealth before the vote on the Merger Agreement at the athenahealth special meeting, not vote in favor of the proposal to adopt the Merger Agreement, continuously hold the shares of athenahealth common stock through the Effective Time, and otherwise comply with the procedures set forth in Section 262 of the DCGL. Failure to follow exactly the procedures specified under Delaware law may result in the loss of appraisal rights.

Material U.S. Federal Income Tax Consequences of the Merger (see page [ ])

The receipt of cash in exchange for shares of athenahealth common stock pursuant to the Merger generally will be a taxable transaction for U.S. federal income tax purposes. In general, a U.S. holder (as such term is defined below in the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger, beginning on page [ ]) who receives cash in exchange for shares of athenahealth common stock in the Merger will recognize gain or loss equal to the difference, if any, between the cash received and the U.S. holder s adjusted tax basis in the shares converted into the right to receive cash in the Merger. Gain or loss will be determined separately for each block of shares of athenahealth common stock (that is, shares acquired for the same cost in a single transaction). You should refer to the discussion in the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger, beginning on page [ ], and consult your tax advisor with respect to the U.S. federal, state, local and foreign tax consequences of the Merger.

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Additional Information (see page [ ])

You can find more information about athenahealth in the periodic reports and other information we file with the U.S. Securities and Exchange Commission (which we refer to as the ***SEC***). The information is available at the SEC s public reference facilities and at the website maintained by the SEC at *www.sec.gov*.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGER

The following questions and answers are intended to briefly address some commonly asked questions regarding the special meeting of stockholders and the Merger. These questions and answers do not address all questions that may be important to you as an athenahealth stockholder. Please refer to the more detailed information contained elsewhere in this proxy statement, the Annexes to this proxy statement and the documents referred to in this proxy statement.

Q: Why am I receiving this proxy statement?

A: On November 11, 2018, athenahealth entered into the Merger Agreement with Parent and Merger Sub. You are receiving this proxy statement in connection with the solicitation of proxies by the Board in favor of the proposal to adopt the Merger Agreement.

Q: As a stockholder, what will I receive in the Merger?

A: If the Merger is completed, you will be entitled to receive $135.00 in cash, without interest and subject to any applicable withholding taxes, for each share of athenahealth common stock you own as of immediately prior to the Effective Time. For further information, see the section entitled The Agreement and Plan of Merger Merger Consideration, beginning on page [ ].

Q: What are the material U.S. federal income tax consequences of the Merger?

A: The receipt of cash in exchange for shares of athenahealth common stock pursuant to the Merger generally will be a taxable transaction for U.S. federal income tax purposes. In general, a U.S. holder (as such term is defined below in the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger, beginning on page [ ]) who receives cash in exchange for shares of athenahealth common stock in the Merger will recognize gain or loss equal to the difference, if any, between the cash received and the U.S. holder s adjusted tax basis in the shares converted into the right to receive cash in the Merger. Gain or loss will be determined separately for each block of shares of athenahealth common stock (that is, shares acquired for the same cost in a single transaction). You should refer to the discussion in the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger, beginning on page [ ], and consult your tax advisor with respect to the U.S. federal, state, local and foreign tax consequences of the Merger.

Q: What will happen to outstanding athenahealth equity compensation awards in the Merger?

A: For information regarding the treatment of outstanding athenahealth equity awards, see the section entitled The Agreement and Plan of Merger Treatment of Company Options, RSU Awards, PSU Awards and the ESPP, beginning on page [ ].

Q: What will happen to the athenahealth ESPP?

A: For information regarding the treatment of ESPP, see the section entitled The Agreement and Plan of Merger Treatment of Company Options, RSU Awards, PSU Awards and the ESPP, beginning on page [ ].

Q: When and where will the special meeting of stockholders be held?

A: The special meeting of athenahealth stockholders will be held at [ ], on [ ], 2019, at [ ] Eastern Time.

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Q: Who is entitled to vote at the special meeting?

A: Only holders of record of athenahealth common stock as of the close of business on [ ], 2019, the record date for the special meeting, are entitled to vote at the special meeting. You will be entitled to one vote on each of the proposals presented in this proxy statement for each share of athenahealth common stock that you held on the record date.

Q: What proposals will be considered at the special meeting?

A: At the special meeting, you will be asked to consider and vote on:

- a proposal to adopt the Merger Agreement;
- a proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to athenahealth s named executive officers that is based on or otherwise relates to the Merger, as discussed in the section entitled The Merger Interests of Directors and Executive Officers in the Merger, beginning on page [ ]; and
- a proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the Merger Agreement if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

Q: What vote is required to approve each of the proposals?

A: The proposal to adopt the Merger Agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter. Abstentions, failures to vote and broker non-votes will have the same effect as a vote **AGAINST** the proposal to adopt the Merger Agreement.

The approval of the non-binding compensation advisory proposal requires the affirmative vote of shares representing a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. Although the Board intends to consider the vote resulting from this proposal, the vote is advisory only and, therefore, is not binding on athenahealth or Parent or any of their respective subsidiaries, and, if the Merger Agreement is adopted by athenahealth stockholders and the Merger is completed, the compensation that is based on or otherwise relates to the Merger will be payable to our named executive officers even if this proposal is not approved. Failures to vote and broker non-votes will have no effect on approval of the proposal; however, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

The approval of the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time. In each case, failures to vote and broker non-votes will have no effect on approval of the proposal; however, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

Q: How does the Board recommend that I vote on the proposals?

A: Upon careful consideration, the Board has unanimously determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are in the best interests of athenahealth and its

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stockholders, and unanimously recommends that you vote **FOR** the proposal to adopt the Merger Agreement, **FOR** the non-binding compensation advisory proposal and **FOR** the proposal to adjourn the special meeting if necessary or appropriate.

For a discussion of the factors that the Board considered in determining to recommend the adoption of the Merger Agreement, please see the section entitled The Merger Reasons for Recommending the Adoption of the Merger Agreement, beginning on page [ ]. In addition, in considering the recommendation of the Board with respect to the Merger Agreement, you should be aware that some of our directors and executive officers have interests that may be different from, or in addition to, the interests of athenahealth stockholders generally. See the section entitled The Merger Interests of Directors and Executive Officers in the Merger, beginning on page [ ].

Q: Do I need to attend the special meeting in person?

A: No. It is not necessary for you to attend the special meeting in order to vote your shares. You may vote by mail, by telephone or through the Internet, as described in more detail below.

Q: How many shares need to be represented at the special meeting?

A: The presence at the special meeting, in person or by proxy, of the holders of at least a majority of the shares of athenahealth common stock issued and outstanding and entitled to vote constitutes a quorum for the purpose of considering the proposals. As of the close of business on the record date, there were [ ] shares of athenahealth common stock outstanding. If you are an athenahealth stockholder as of the close of business on the record date and you vote by mail, by telephone, through the Internet or in person at the special meeting, you will be considered part of the quorum. If you are a street name holder of shares of athenahealth common stock and you provide your bank, broker, trust or other nominee with voting instructions, then your shares will be counted in determining the presence of a quorum. If you are a street name holder of shares and you do not provide your bank, broker, trust or other nominee with voting instructions, then your shares will not be counted in determining the presence of a quorum.

All shares of athenahealth common stock held by stockholders that are present in person, or represented by proxy, and entitled to vote at the special meeting, regardless of how such shares are voted or whether such stockholders have indicated on their proxy that they are abstaining from voting, will be counted in determining the presence of a quorum. In the absence of a quorum, the special meeting may be adjourned.

Q: Why am I being asked to consider and cast a non-binding advisory vote to approve the compensation that may be paid or become payable to athenahealth s named executive officers that is based on or otherwise relates to the Merger?

A: In July 2010, the SEC adopted rules that require companies to seek a non-binding advisory vote to approve certain compensation that may be paid or become payable to their named executive officers that is based on or otherwise relates to corporate transactions such as the Merger. In accordance with the rules promulgated under Section 14A of the Exchange Act, athenahealth is providing its stockholders with the opportunity to cast a non-binding advisory vote on compensation that may be paid or become payable to athenahealth s named executive officers in connection with the Merger. For additional information, see the section entitled Proposal 2: Non-Binding Compensation Advisory Proposal, beginning on page [ ].

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Q: What will happen if athenahealth stockholders do not approve the non-binding compensation advisory proposal?

A: The vote to approve the non-binding compensation advisory proposal is a vote separate and apart from the vote to adopt the Merger Agreement. Approval of the non-binding compensation advisory proposal is not a condition to completion of the Merger, and it is advisory in nature only, meaning that it will not be binding on athenahealth or Parent or any of their respective subsidiaries. Accordingly, if the Merger Agreement is adopted by athenahealth s stockholders and the Merger is completed, the compensation that is based on or otherwise relates to the Merger will be payable to our named executive officers even if this proposal is not approved.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement and the Annexes attached to this proxy statement, please vote your shares of athenahealth common stock in one of the ways described below as soon as possible. You will be entitled to one vote for each share of athenahealth common stock that you owned on the record date.

Q: How do I vote if I am a stockholder of record?

A: You may vote by:

submitting your proxy by completing, signing and dating each proxy card you receive and returning it by mail in the enclosed prepaid envelope;

submitting your proxy by using the telephone number printed on each proxy card you receive;

submitting your proxy through the Internet voting instructions printed on each proxy card you receive; or

by appearing in person at the special meeting and voting by ballot.

If you are submitting your proxy by telephone or through the Internet, your voting instructions must be received by 11:59 p.m. Eastern Time on the day before the special meeting.

Submitting your proxy by mail, by telephone or through the Internet will not prevent you from voting in person at the special meeting. You are encouraged to submit a proxy by mail, by telephone or through the Internet even if you plan to attend the special meeting in person to ensure that your shares of athenahealth common stock are represented at the special meeting.

If you return your signed proxy card, but do not mark the boxes showing how you wish to vote, your shares will be voted **FOR** the proposal to adopt the Merger Agreement, **FOR** the approval of the non-binding compensation advisory proposal and **FOR** the approval of the proposal to adjourn the special meeting if necessary or appropriate.

Q: If my shares are held for me by a bank, broker, trust or other nominee, will my bank, broker, trust or other nominee vote those shares for me with respect to the proposals?

A: Your bank, broker, trust or other nominee will **NOT** have the power to vote your shares of athenahealth common stock at the special meeting unless you provide instructions to your bank, broker, trust or other nominee on how to vote. You should instruct your bank, broker, trust or other nominee on how to vote your shares with respect to the proposals, using the instructions provided by your bank, broker, trust or other nominee. You may be able to vote by telephone or through the Internet if your bank, broker, trust or other nominee offers these options.

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Q: What if I fail to instruct my bank, broker, trust or other nominee how to vote?

A: Your bank, broker, trust or other nominee will **NOT** be able to vote your shares of athenahealth common stock unless you have properly instructed your bank, broker, trust or other nominee on how to vote. Because the proposal to adopt the Merger Agreement requires the affirmative vote of holders of at least a majority of the outstanding shares of athenahealth common stock, the failure to provide your nominee with voting instructions will have the same effect as a vote **AGAINST** the proposal to adopt the Merger Agreement. Furthermore, your shares will not be included in the calculation of the number of Shares of athenahealth common stock present at the special meeting for purposes of determining whether a quorum is present.

Q: May I change my vote after I have mailed my proxy card or after I have submitted my proxy by telephone or through the Internet?

A: Yes. You may revoke your proxy or change your vote at any time before it is voted at the special meeting. You may revoke your proxy by delivering a signed written notice of revocation stating that the proxy is revoked and bearing a date later than the date of the proxy to athenahealth s Corporate Secretary at 311 Arsenal Street, Watertown, MA 02472. You may also revoke your proxy or change your vote by submitting another proxy by telephone or through the Internet in accordance with the instructions on the enclosed proxy card. You may also submit a later-dated proxy card relating to the same shares of athenahealth common stock. If you voted by completing, signing, dating and returning the enclosed proxy card, you should retain a copy of the voter control number found on the proxy card in the event that you later decide to revoke your proxy or change your vote by telephone or through the Internet. Alternatively, your proxy may be revoked or changed by attending the special meeting and voting in person. However, simply attending the special meeting without voting will not revoke or change your proxy. Street name holders of shares of athenahealth common stock should contact their bank, broker, trust or other nominee to obtain instructions as to how to revoke or change their proxies.

If you have instructed a bank, broker, trust or other nominee to vote your shares, you must follow the instructions received from your bank, broker, trust or other nominee to change your vote.

All properly submitted proxies received by us before the special meeting that are not revoked or changed prior to being exercised at the special meeting will be voted at the special meeting in accordance with the instructions indicated on the proxies or, if no instructions were provided, **FOR** each of the proposals.

Q: What does it mean if I receive more than one proxy card?

A: If you receive more than one proxy card, it means that you hold shares of athenahealth common stock that are registered in more than one account. For example, if you own your shares in various registered forms, such as jointly with your spouse, as trustee of a trust or as custodian for a minor, you will receive, and you will need to sign and return, a separate proxy card for those shares because they are held in a different form of record ownership. Therefore, to ensure that all of your shares are voted, you will need to submit your proxies by mailing in each proxy card you receive or by telephone or through the Internet by using the different voter control number(s) on each proxy card.

Q: What is householding and how does it affect me?

A: The SEC permits companies to send a single set of certain disclosure documents to any household at which two or more stockholders reside, unless contrary instructions have been received, but only if the company provides advance notice and follows certain procedures. In such cases, each stockholder continues to receive a separate notice of the meeting and proxy card. This householding process reduces

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the volume of duplicate information and reduces printing and mailing expenses. We have not instituted householding for stockholders of record; however, certain brokerage firms may have instituted householding for beneficial owners of athenahealth common stock held through brokerage firms. If your family has multiple accounts holding athenahealth common stock, you may have already received householding notification from your broker. Please contact your broker directly if you have any questions or require additional copies of this proxy statement. The broker will arrange for delivery of a separate copy of this proxy statement promptly upon your written or oral request. You may decide at any time to revoke your decision to household, and thereby receive multiple copies.

Q: What happens if I sell my shares of athenahealth common stock before the special meeting?

A: The record date for the special meeting is earlier than the expected date of the Merger. If you own shares of athenahealth common stock as of the close of business on the record date but transfer your shares prior to the special meeting, you will retain your right to vote at the special meeting, but the right to receive the Merger Consideration will pass to the person who holds your shares as of immediately prior to the Effective Time.

Q: May I exercise dissenters rights or rights of appraisal in connection with the Merger?

A: Yes. In order to exercise your appraisal rights, you must follow the requirements set forth in Section 262 of the DGCL. Under Delaware law, holders of record of athenahealth common stock who do not vote in favor of adopting the Merger Agreement will have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery if the Merger is completed. Appraisal rights only will be available to these holders if they deliver a written demand for an appraisal to athenahealth prior to the vote on the proposal to adopt the Merger Agreement at the special meeting and they comply with the procedures and requirements set forth in Section 262 of the DGCL, which are summarized in this proxy statement. The appraisal amount could be more than, the same as or less than the amount a stockholder would be entitled to receive under the terms of the Merger Agreement. A copy of Section 262 of the DGCL is included as Annex D to this proxy statement. For additional information, see the section entitled Appraisal Rights, beginning on page [ ].

Q: If I hold my shares in certificated form, should I send in my stock certificates now?

A: No. Shortly after the Merger is completed, you will be sent a letter of transmittal that includes detailed written instructions on how to return your stock certificates. You must return your stock certificates in accordance with such instructions in order to receive the Merger Consideration. **PLEASE DO NOT SEND IN YOUR STOCK CERTIFICATE(S) NOW.**

Q: Should I send in my Company Options, RSU Awards and PSU Awards now?

A:

No. Shortly after the Merger is completed, your Company Options, RSU Awards and PSU Awards will either be automatically exchanged for the applicable consideration, or you will receive further instructions for such exchange.

Q: When is the Merger expected to be completed?

A: We and Parent are working toward completing the Merger as quickly as possible. We currently anticipate that the Merger will be completed during the first calendar quarter of 2019, but we cannot be certain when or if the conditions to the Merger will be satisfied or, to the extent permitted, waived. The Merger cannot be completed until the conditions to closing are satisfied (or, to the extent permitted, waived), including the adoption of the Merger Agreement by athenahealth stockholders and the receipt of certain regulatory approvals. For additional information, see the section entitled The Agreement and Plan of Merger Conditions to the Merger, beginning on page [ ].

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Q: What happens if the Merger is not completed?

A: If the proposal to adopt the Merger Agreement is not approved by the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote on the matter or if the Merger is not completed for any other reason, you will not receive any consideration from Parent or Merger Sub for your shares of athenahealth common stock. Instead, athenahealth will remain a public company, and athenahealth common stock will continue to be registered under the Exchange Act and listed and traded on NASDAQ. We expect that our management will operate our business in a manner similar to that in which it is being operated today and that holders of shares of athenahealth common stock will continue to be subject to the same risks and opportunities to which they are currently subject with respect to their ownership of athenahealth common stock. Under certain circumstances, if the Merger is not completed, we may be obligated to pay Parent a termination fee. For additional information, see the section entitled The Merger Consequences if the Merger is Not Completed, beginning on page [ ].

Q: Are there any requirements if I plan on attending the special meeting?

A: If you wish to attend the special meeting, you may be asked to present valid photo identification. Please note that if you hold your shares in street name, you will need to bring a copy of your voting instruction card or brokerage statement reflecting your stock ownership as of the record date and check in at the registration desk at the meeting. Cameras, sound or video recording devices or any similar equipment, or the distribution of any printed materials, will not be permitted at the meeting without the prior approval of athenahealth.

Q: Where can I find more information about athenahealth?

A: athenahealth files periodic reports, proxy statements and other information with the SEC. Our SEC filings are available to the public at the SEC s website at *www.sec.gov*. For a more detailed description of the information available, see the section entitled Where You Can Find More Information, beginning on page [ ].

Q: Who can help answer my questions?

A: For additional questions about the Merger, assistance in submitting proxies or voting shares of athenahealth common stock, or additional copies of the proxy statement or the enclosed proxy card, please contact our proxy solicitor:

Innisfree M&A Incorporated (***Innisfree***)

501 Madison Avenue, 20th floor

New York, New York 10022

Stockholders may call toll free: (877) 717-3925

Banks and Brokers may call collect: (212) 750-5833

If your shares are held for you by a bank, broker, trust or other nominee, you should also call your bank, broker, trust or other nominee for additional information.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain information in this proxy statement constitutes forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as believes, expects, anticipates, estimates, intends, plans, seeks or words of similar meaning, or future or co verbs, such as will, should, could, may, aims, intends, or projects. However, the absence of these words or expressions does not mean that a statement is not forward-looking. These statements may relate to risks or uncertainties associated with:

- the satisfaction of the conditions precedent to the consummation of the proposed transaction, including, without limitation, the receipt of stockholder and regulatory approvals;
- unanticipated difficulties or expenditures relating to the proposed transaction;
- legal proceedings, judgments or settlements, including those that may be instituted against athenahealth, its board of directors, executive officers and others following the announcement of the proposed transaction;
- disruptions of current plans and operations caused by the announcement and pendency of the proposed transaction;
- potential difficulties in employee retention due to the announcement and pendency of the proposed transaction;
- the response of customers, distributors, suppliers, business partners and regulators to the announcement of the proposed transaction; and
- other risk factors described in athenahealth s annual report on Form 10-K for the fiscal year ended December 31, 2017 and subsequent reports filed with the SEC.

athenahealth can give no assurance that the expectations expressed or implied in the forward-looking statements contained herein will be attained. The forward-looking statements are made as of the date of this proxy statement, and athenahealth undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

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PARTIES TO THE MERGER

athenahealth

athenahealth, Inc. partners with hospital and ambulatory clients to drive clinical and financial results, including by offering network-based medical records, revenue cycle, patient engagement, care coordination, and population health services. athenahealth s business also includes Epocrates® and other point-of-care mobile applications. athenahealth s principal executive offices are located at 311 Arsenal Street, Watertown, Massachusetts 02472, and our telephone number is (617) 402-1000.

athenahealth became a publicly traded company in 2007. Shares of athenahealth common stock are listed on NASDAQ and trade under the symbol *ATHN*.

Our website address is *www.athenahealth.com.* The information provided on our website is not part of this proxy statement and is not incorporated by reference in this proxy statement by this or any other reference to our website in this proxy statement.

Additional information about athenahealth is contained in our public filings, which are incorporated by reference in this proxy statement. See the section entitled Where You Can Find More Information, beginning on page [ ], for more information.

Parent

May Holding Corp., a Delaware corporation, is an affiliate of Veritas and Evergreen and an affiliate of Virence. Following consummation of the Merger, Veritas and Evergreen intend to operationally combine athenahealth and Virence. Parent was formed solely for the purpose of engaging in the transactions contemplated by the Merger Agreement and has not carried on any activities on or prior to the date of this proxy statement, except for activities incidental to its formation and activities undertaken in connection with Parent s acquisition of athenahealth. Parent has not conducted any business operations other than in connection with the transactions contemplated by the Merger Agreement and the related agreements. Parent s principal executive offices are located at c/o Veritas Capital Fund Management, L.L.C., 9 West 57th Street, 29th Floor, New York, New York 10019, and its telephone number is (212) 415-6700.

Merger Sub

May Holding Corp. formed May Merger Sub Inc., a Delaware corporation and direct wholly-owned subsidiary of Parent, on November 7, 2018, solely for the purpose of engaging in the transactions contemplated by the Merger Agreement. Merger Sub has not carried on any activities on or prior to the date of this proxy statement, except for activities incidental to its formation and activities undertaken in connection with Parent s acquisition of athenahealth. Upon completion of the Merger, Merger Sub will merge with and into athenahealth, and Merger Sub will cease to exist. Merger Sub s principal executive offices are located at c/o Veritas Capital Fund Management, L.L.C., 9 West 57th Street, 29th Floor, New York, NY 10019, and its telephone number is (212) 415-6700.

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THE SPECIAL MEETING

We are furnishing this proxy statement as part of the solicitation of proxies by the Board for use at the special meeting and at any properly convened meeting following an adjournment or postponement of the special meeting.

Date, Time and Place of the Special Meeting

The special meeting will be held on [ ], 2019, at [ ] Eastern Time, at [ ].

athenahealth stockholders who wish to attend the special meeting may be asked to present valid photo identification. Please note that if you hold your shares of athenahealth common stock in street name (*i.e.*, in the name of a bank, broker, trust or other nominee) you will need to bring a copy of your voting instruction card or brokerage statement reflecting your stock ownership as of the record date and check in at the registration desk at the meeting. Cameras, sound or video recording devices or any similar equipment, or the distribution of any printed materials, will not be permitted at the meeting without the approval of athenahealth.

Purpose of the Special Meeting

At the special meeting, athenahealth s stockholders of record will be asked to consider and vote on:

- A proposal to adopt the Merger Agreement, pursuant to which, subject to the satisfaction or waiver of certain specified conditions, Merger Sub will merge with and into athenahealth, with athenahealth continuing as the surviving corporation;

- A proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to athenahealth s named executive officers that is based on or otherwise relates to the Merger, as discussed in the section entitled The Merger Interests of Directors and Executive Officers in the Merger, beginning on page [ ]; and

- A proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the Merger Agreement if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

Recommendation of the Board

The Board carefully reviewed and considered the terms and conditions of the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement. By a unanimous vote, the Board (i) adopted and declared advisable the Merger Agreement and the Merger and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger, (ii) authorized and approved the execution, delivery and performance of the Merger Agreement and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger, (iii) determined that the transactions contemplated by the Merger Agreement, including the Merger, are in the best interests of athenahealth and its stockholders, (iv) directed that a proposal to adopt the Merger Agreement be submitted to a vote at a meeting of athenahealth stockholders and (v) recommended that athenahealth stockholders vote for the adoption of the Merger Agreement. Accordingly, the Board unanimously recommends a vote **FOR** the proposal to adopt the Merger Agreement.

The Board also unanimously recommends a vote **FOR** the non-binding compensation advisory proposal and **FOR** the approval of the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the Merger Agreement if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

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Record Date and Quorum

Each holder of record of shares of athenahealth common stock as of the close of business on [ ], 2019, which is the record date for the special meeting (the ***record date***), is entitled to receive notice of, and to vote at, the special meeting. You will be entitled to one vote for each share of athenahealth common stock that you owned on the record date. As of the record date, there were [ ] shares of athenahealth common stock issued and outstanding and entitled to vote at the special meeting. The presence at the special meeting, in person or by proxy, of the holders of [ ] shares of athenahealth common stock (a majority of the shares of athenahealth common stock issued and outstanding and entitled to vote) constitutes a quorum for the special meeting.

If you are an athenahealth stockholder of record and you vote by mail, by telephone or through the Internet or in person at the special meeting, then your shares of athenahealth common stock will be counted as part of the quorum. If you are a street name holder of shares of athenahealth common stock and you provide your bank, broker, trust or other nominee with voting instructions, then your shares will be counted in determining the presence of a quorum. If you are a street name holder of shares and you do not provide your bank, broker, trust or other nominee with voting instructions, then your shares will not be counted in determining the presence of a quorum.

All shares of athenahealth common stock held by stockholders of record that are present in person or represented by proxy and entitled to vote at the special meeting, regardless of how such shares are voted or whether such stockholders abstain from voting, will be counted in determining the presence of a quorum. In the absence of a quorum, the special meeting may be adjourned.

Vote Required for Approval

Merger Agreement Proposal. The proposal to adopt the Merger Agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter.

Non-Binding Compensation Advisory Proposal. The approval of the non-binding compensation advisory proposal requires, assuming a quorum is present, the affirmative vote of shares representing at least a majority of the votes properly cast for such matter, that is, at least a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. The vote is advisory only and, therefore, is not binding on athenahealth or Parent or any of their respective subsidiaries, and, if the Merger Agreement is adopted by athenahealth stockholders and the Merger is completed, the compensation that is based on or otherwise relates to the Merger will be payable to our named executive officers even if this proposal is not approved.

Adjournment Proposal. The approval of the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing at least a majority of the votes properly cast for such matter, that is, at least a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. Even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter or the presiding officer may adjourn the meeting to another place, date or time.

Effect of Abstentions and Broker Non-Votes

The proposal to adopt the Merger Agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter. Therefore, the failure to vote or the abstention from voting will have the same effect as a vote **AGAINST** the proposal to adopt the Merger Agreement.

The approval of the non-binding compensation advisory proposal requires the affirmative vote of shares representing a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. Consequently, failures to vote and broker non-votes will have no effect on approval of the proposal. However, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

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The proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. Consequently, failures to vote and broker non-votes will have no effect on approval of the proposal. However, the abstention from voting will have the same effect as a vote **AGAINST** the proposal. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time. In that case, failures to vote and broker non-votes will have no effect on approval of the proposal; however, the abstention from voting will have the same effect as a vote **AGAINST** the proposal.

Under applicable stock exchange rules, all of the proposals in this proxy statement are non-routine matters. Accordingly, if your shares are held in street name, a bank, broker, trust or other nominee will NOT be able to vote your shares of athenahealth common stock (referred to as a ***broker non-vote***), and your shares will not be counted in determining the presence of a quorum unless you have properly instructed your bank, broker, trust or other nominee on how to vote. Because the proposal to adopt the Merger Agreement requires the affirmative vote of a majority of the outstanding shares of athenahealth common stock, the failure to provide your bank, broker, trust or other nominee with voting instructions will have the same effect as a vote **AGAINST** the proposal to adopt the Merger Agreement. Because the approval of each of (1) the non-binding compensation advisory proposal and (2) the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy at the special meeting entitled to vote on such matter, and because your bank, broker, trust or other nominee does not have discretionary authority to vote on either proposal, the failure to provide your bank, broker, trust or other nominee with voting instructions will have no effect on approval of that proposal.

How to Vote

Stockholders have a choice of voting by proxy by completing a proxy card and mailing it in the prepaid envelope provided, by calling a toll-free telephone number or through the Internet. Please refer to your proxy card or the information forwarded by your bank, broker, trust or other nominee to see which options are available to you. The telephone and Internet voting facilities for stockholders of record will close at 11:59 p.m. Eastern Time on the day before the special meeting.

If you submit your proxy by mail, by telephone or through the Internet voting procedures, but do not include **FOR**, **AGAINST** or **ABSTAIN** on a proposal to be voted, your shares of athenahealth common stock will be voted in favor of that proposal. If you indicate **ABSTAIN** on a proposal to be voted, it will have the same effect as a vote **AGAINST** that proposal. **If you wish to vote by proxy and your shares are held by a bank, broker, trust or other nominee, you must follow the voting instructions provided to you by your bank, broker, trust or other nominee.** Unless you give your bank, broker, trust or other nominee instructions on how to vote your shares of athenahealth common stock, your bank, broker, trust or other nominee will not be able to vote your shares on the proposals.

If you wish to vote in person at the special meeting and your shares are held in the name of a bank, broker or other holder of record, you must obtain a legal proxy, executed in your favor, from the bank, broker or other holder of record authorizing you to vote at the special meeting.

If you do not submit a proxy or otherwise vote your shares of athenahealth common stock in any of the ways described above, it will have the same effect as a vote **AGAINST** the proposal to adopt the Merger Agreement, but will have no effect on the approval of the non-binding compensation advisory proposal or the approval of the proposal to adjourn the special meeting if necessary or appropriate.

If you have any questions about how to vote or direct a vote in respect of your shares of athenahealth common stock, you may contact our proxy solicitor, Innisfree, toll-free at (877) 717-3925 for stockholders or (212) 750-5833 for bankers and brokers.

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YOU SHOULD NOT SEND IN YOUR SHARE CERTIFICATE(S) WITH YOUR PROXY CARD. A letter of transmittal with instructions for the surrender of certificates representing shares of athenahealth common stock or book-entry shares will be mailed to stockholders if the Merger is completed.

Revocation of Proxies

Any proxy given by an athenahealth stockholder may be revoked at any time before it is voted at the special meeting by doing any of the following:

- by submitting another proxy by telephone or through the Internet, in accordance with the instructions on the proxy card;
- by delivering a signed written notice of revocation bearing a date later than the date of the proxy to athenahealth s Corporate Secretary at 311 Arsenal Street, Watertown, MA 02472, stating that the proxy is revoked;
- by submitting a later-dated proxy card relating to the same shares of athenahealth common stock; or
- by attending the special meeting and voting in person (your attendance at the special meeting will not, by itself, revoke your proxy; you must vote in person at the special meeting).

Street name holders of shares of athenahealth common stock should contact their bank, broker, trust or other nominee to obtain instructions as to how to revoke or change their proxies.

Adjournments and Postponements

Although it is not currently expected, the special meeting may be adjourned or postponed one or more times to a later day or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the Merger Agreement. Your shares will be voted on any adjournment proposal in accordance with the instructions indicated in your proxy or, if no instructions were provided, **FOR** the proposal.

If a quorum is present at the special meeting, the special meeting may be adjourned if there is an affirmative vote of shares representing at least a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing at least a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time. In either case, the adjourned meeting may take place without further notice other than by an announcement made at the special meeting unless the adjournment is for more than thirty (30) days thereafter or, if, after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting will be given to each stockholder of record entitled to vote at the special meeting. If a quorum is not present at the special meeting, or if a quorum is present at the special meeting but there are insufficient votes at the time of the special meeting to adopt the Merger Agreement, then athenahealth may seek to adjourn the special meeting. In addition, the Board may, after consultation with Parent, postpone the special meeting upon public announcement made prior to the date previously scheduled for the special meeting for the purpose of soliciting additional proxies or as otherwise permitted under the Merger Agreement.

Solicitation of Proxies

athenahealth is soliciting the enclosed proxy card on behalf of the Board, and athenahealth will bear the expenses in connection with the solicitation of proxies. In addition to solicitation by mail, athenahealth and its directors, officers and employees may solicit proxies in person, by telephone or by electronic means. These persons will not be specifically compensated for doing this.

athenahealth has retained Innisfree to assist in the solicitation process. athenahealth will pay Innisfree a fee of approximately $[ ] plus reimbursement of certain specified out-of-pocket expenses. athenahealth also has agreed to indemnify Innisfree against various liabilities and expenses that relate to or arise out of its solicitation of proxies (subject to certain exceptions).

athenahealth will ask banks, brokers, trusts and other nominees to forward athenahealth s proxy solicitation materials to the beneficial owners of shares of athenahealth common stock held of record by such banks, brokers, trusts or other nominees. athenahealth will reimburse these banks, brokers, trusts or other nominees for their customary clerical and mailing expenses incurred in forwarding the proxy solicitation materials to the beneficial owners.

Stockholder List

A list of athenahealth stockholders entitled to vote at the special meeting will be available for examination by any athenahealth stockholder at the special meeting. At least ten (10) days prior to the date of the special meeting, this stockholder list will be available for inspection by athenahealth stockholders, subject to compliance with applicable provisions of Delaware law, during ordinary business hours at our corporate offices located at 311 Arsenal Street, Watertown, MA 02472.

Questions and Additional Information

If you have more questions about the Merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, Innisfree, toll-free at (877) 717-3925 for stockholders or (212) 750-5833 for bankers and brokers.

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PROPOSAL 1: ADOPTION OF THE MERGER AGREEMENT

As discussed elsewhere in this proxy statement, athenahealth stockholders will consider and vote on a proposal to adopt the Merger Agreement. You should carefully read this proxy statement in its entirety for more detailed information concerning the Merger Agreement and the Merger. In particular, you should read in its entirety the Merger Agreement, which is attached as Annex A to this proxy statement. In addition, see the sections entitled The Merger, beginning on page [ ], and The Agreement and Plan of Merger, beginning on page [ ].

The Board unanimously recommends that athenahealth stockholders vote **FOR** the proposal to adopt the Merger Agreement.

If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of athenahealth common stock represented by such proxy card will be voted **FOR** the proposal to adopt the Merger Agreement.

The approval of the proposal to adopt the Merger Agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote on such proposal.

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PROPOSAL 2: NON-BINDING COMPENSATION ADVISORY PROPOSAL

Under Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, we are required to provide our stockholders the opportunity to vote to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to athenahealth s named executive officers that is based on or otherwise relates to the Merger, as disclosed in the section entitled The Merger Interests of Directors and Executive Officers in the Merger Golden Parachute Compensation, beginning on page [ ], including the table entitled Golden Parachute Payment and accompanying footnotes. Accordingly, athenahealth stockholders are being provided with the opportunity to cast an advisory vote on such payments.

As an advisory vote, this proposal is not binding upon athenahealth or the Board, and approval of this proposal is not a condition to completion of the Merger. Because the Merger-related executive compensation to be paid in connection with the Merger is based on the terms of the Merger Agreement as well as the contractual arrangements between athenahealth and the named executive officers, such compensation will be payable, regardless of the outcome of this advisory vote, if the Merger Agreement is adopted (subject only to the contractual conditions applicable thereto). However, athenahealth seeks your support and believes that your support is appropriate because athenahealth has a comprehensive executive compensation program designed to link the compensation of its executives with athenahealth s performance and the interests of athenahealth s stockholders. Accordingly, you are asked to vote on the following resolution:

RESOLVED, that the stockholders of athenahealth, Inc. approve, on an advisory, non-binding basis, the compensation that may be paid or become payable to the named executive officers of athenahealth, Inc. that is based on or otherwise relates to the Merger, as disclosed pursuant to Item 402(t) of Regulation S-K under the heading The Merger Interests of Directors and Executive Officers in the Merger Golden Parachute Compensation, beginning on page [ ] (which disclosure includes the Golden Parachute Compensation Table required pursuant to Item 402(t) of Regulation S-K).

The Board unanimously recommends that athenahealth stockholders vote **FOR** the non-binding compensation advisory proposal.

If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of athenahealth common stock represented by such proxy card will be voted **FOR** the non-binding compensation advisory proposal.

The approval of the non-binding compensation advisory proposal requires the affirmative vote of shares representing at least a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. The vote is advisory only and, therefore, not binding on athenahealth or Parent or any of their respective subsidiaries, and, if the Merger Agreement is adopted by athenahealth s stockholders and the Merger is completed, the compensation that is based on or otherwise relates to the Merger will be payable to our named executive officers even if this proposal is not approved.

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PROPOSAL 3: AUTHORITY TO ADJOURN THE SPECIAL MEETING

athenahealth stockholders may be asked to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the Merger Agreement if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

The Board unanimously recommends that stockholders vote **FOR** the proposal to adjourn the special meeting to a later date or time if necessary or appropriate, including to solicit additional proxies in favor of the proposal to adopt the Merger Agreement if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of athenahealth common stock represented by such proxy card will be voted **FOR** the proposal to adjourn the special meeting to a later date or time if necessary or appropriate.

The approval of the proposal to adjourn the special meeting if necessary or appropriate requires the affirmative vote of shares representing at least a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing at least a majority of the shares of athenahealth common stock present in person or represented by proxy at the special meeting entitled to vote on such matter may adjourn the meeting to another place, date or time.

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THE MERGER

Overview

athenahealth is seeking the adoption by athenahealth stockholders of the Merger Agreement athenahealth entered into on November 11, 2018 with Parent and Merger Sub. Under the terms of the Merger Agreement, subject to the satisfaction or waiver of specified conditions, Merger Sub will merge with and into athenahealth. athenahealth will survive the Merger as a wholly-owned subsidiary of Parent. The Board has approved the Merger Agreement and unanimously recommends that athenahealth stockholders vote **FOR** the proposal to adopt the Merger Agreement.

Upon completion of the Merger, each share of athenahealth common stock that is issued and outstanding immediately prior to the Effective Time (other than Excluded Shares) will be cancelled, extinguished and automatically converted into the right to receive $135.00 per share, in cash, net of any applicable withholding taxes and without interest.

Following the completion of the Merger, athenahealth will cease to be a publicly traded company and will become a wholly-owned subsidiary of Parent.

Background of the Merger

The Board, together with senior management, regularly reviews and assesses athenahealth s strategic direction, financial performance and business plans with a view towards strengthening the Company s business and identifying opportunities to increase stockholder value, taking into account financial, industry, competitive and other considerations. As part of this process, from time to time, the Board and senior management have reviewed potential strategic alternatives, including strategic acquisitions and divestitures, in order to complement and expand the Company s existing business and operations.

On May 18, 2017, Elliott Associates, L.P. and certain affiliated investment funds, which we refer to collectively as ***Elliott***, filed a statement on Schedule 13D announcing that it had acquired beneficial ownership of less than one percent of athenahealth s outstanding shares of common stock, as well as cash-settled swaps representing economic exposure comparable to an aggregate of 9.3% of athenahealth s outstanding shares of common stock. Elliott s Schedule 13D stated that it believed that the Company s securities represented an attractive investment opportunity.

Over the course of May 2017 to July 2017, representatives of management of athenahealth and the Board held discussions with representatives of Elliott regarding the Company s financial position and performance, and certain opportunities and strategic initiatives that Elliott believed the Company could pursue. During this period, representatives of Weil, Gotshal & Manges LLP (***Weil***), counsel to athenahealth, also held discussions with representatives of Olshan Frome Wolosky LLP (***Olshan***), counsel to Elliott, with respect to a confidentiality agreement between Elliott and athenahealth which was signed on July 14, 2017.

On August 1, 2017, the Company issued a press release (the ***August 1 Release***) announcing that the Board and athenahealth s management team were conducting a strategic review of the Company s operational and financial strategy, leadership and governance, including establishing a separate role of president and recruiting an independent chairman of the Board. The August 1 Release further noted that the Company planned to implement a series of initiatives that would generate cost savings and reinvest in its highest-value growth areas.

During September 2017 and October 2017, the Company and Elliott engaged in discussions regarding athenahealth s performance and certain opportunities and strategic initiatives that Elliott believed the Company could pursue. Also during this period, representatives of Weil and Olshan engaged in discussions with respect to a further confidentiality agreement between Elliott and the Company which was signed on October 13, 2017.

On November 22, 2017, Elliott sent a private letter to the Board (the *November 22 Letter*), setting out its view that the Company could better pursue and ultimately fulfill its strategy by becoming a private enterprise, and further noting that Elliott would be interested in acquiring athenahealth for between $150 and $155 per share in cash. The November 22 Letter further noted that Elliott believed that with additional diligence, it may also be able to substantially improve its price. On November 24, 2017, representatives of athenahealth s management contacted representatives of Lazard to discuss their engagement as a financial advisor to the Company in connection with Elliott s acquiring a stake in athenahealth s common stock and the November 22 Letter. On December 5, 2017, the Board held a meeting, attended by members of senior management and representatives of Lazard and Weil, to review and discuss the November 22 Letter and the non-binding indication of interest contained therein. Representatives of Weil reviewed with the directors their fiduciary duties. Representatives of Lazard reviewed with the Board certain materials regarding the Company s financial position and operations, as well as Elliott and other activist shareholders operating in the market generally, which had been prepared by Lazard with the assistance of members of athenahealth s management. Following discussion, the Board determined that, based on the Company s prospects and financial performance, the Company s stock price and the Board s discussions, it was in the best interests of the Company and its stockholders not to pursue Elliott s non-binding expression of interest in acquiring the Company. On December 13, 2017, the Company sent Elliott a letter responding to the November 22 Letter, noting that the Board had determined that the Company would continue to operate as a stand-alone company and execute on its strategic plan.

On January 22, 2018, Elliott sent another private letter to the Board (the *January 22 Letter*), stating its view that engaging in a sale transaction would be in the best interests of the Company and its stockholders, and further noting that Elliott continued to be interested in acquiring athenahealth for between $150 and $155 per share in cash subject to due diligence.

On February 2, 2018, the Board held a telephonic meeting attended by members of senior management and Weil, at which the Board reviewed, among other things, the January 22 Letter. Following discussion, the Board determined that, based on the Company s prospects and financial performance, the Company s stock price and the Board s discussions, it was in the best interests of the Company and its stockholders not to pursue Elliott s non-binding expression of interest in acquiring the Company outlined in the January 22 Letter.

On February 7, 2018, the Company appointed Jeffrey Immelt as Chairman of the Board.

On May 7, 2018, Elliott sent and simultaneously publicly released a letter to the Board (the *May 7 Letter*) outlining a non-binding proposal to acquire the Company for $160 per share in cash.

On May 7, 2018, the Board held a telephonic meeting attended by members of senior management and representatives of Lazard and Weil, at which it reviewed, among other things, the May 7 Letter and the non-binding indication of interest contained therein. Representatives of Weil reviewed with the directors their fiduciary duties. Following discussion, the Board determined that the Company should conduct further analyses, with the assistance of its advisers, to assist the Board in reviewing and determining a course of action in connection with Elliott s non-binding expression of interest in acquiring the Company outlined in the May 7 Letter. Also on May 7, 2018, athenahealth issued a press release confirming that it had received an unsolicited proposal from Elliott to acquire the Company for $160 per share in cash, and noting that consistent with its fiduciary duties and following consultation with its independent financial and legal advisors, the Board would carefully review the proposal to determine the course of action that it believed was in the best interest of the Company and its stockholders. Also on May 7, 2018, Elliott amended its statement on Schedule 13D to disclose the May 7 Letter.

On May 14, 2018, Elliott sent, and publicly released, a letter to the Board (the ***May 14 Letter***) reiterating its non-binding proposal to acquire the Company for $160 per share in cash. Also on May 14, 2018, Jonathan Bush, then President and Chief Executive Officer of athenahealth, sent a letter to Elliott confirming that the Company had received the May 7 Letter and that, as disclosed in the press release issued by the Company on May 7, 2018, the Board was reviewing the non-binding proposal contained therein and would respond in due course.

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On May 15, 2018, representatives of athenahealth s management contacted representatives of Centerview to discuss their engagement as an additional financial advisor to the Company, alongside Lazard, in connection with review of Elliott s non-binding indication of interest and related matters.

On May 16, 2018, the Board held a telephonic meeting attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, it reviewed the May 14 Letter and the non-binding indication of interest contained therein, and received an update from the Company s management and its advisors on the news articles and communications that had been received from athenahealth s stockholders in connection with Elliott s public announcement of its non-binding indication of interest in acquiring the Company, and the effect that Elliott s public announcements had had on athenahealth s stock price and stockholder profile. Following the discussion, the Board determined that management should update the existing financial analyses and the five-year management projections for the Company s forecasted performance to assist the Board in evaluating the Company s standalone plan and in reviewing and determining a course of action in connection with Elliott s non-binding expression of interest in acquiring the Company outlined in the May 14 Letter. It was agreed that the Board and its advisors would reconvene on May 22, 2018 for further discussion.

On May 22, 2018, the Board held a telephonic meeting attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, management of the Company presented to the Board the updated five-year management projections for the Company s forecasted performance (the ***May 2018 Model***). The Board discussed with management and its advisors the process by which the projections had been prepared, the key assumptions underlying the May 2018 Model, and various positive and negative metrics that were presented in the model. The Board, along with management and the Company s advisors, considered various sensitivities or alternative assumptions that would impact certain areas of measurement and the overall financial forecast for the Company. Following the discussion, the Board instructed Centerview and Lazard to prepare preliminary financial analyses of Elliott s non-binding indication of interest to acquire the Company for $160 per share and of the Company s standalone value, for presentation to the Board at a meeting to be scheduled for May 31, 2018.

On May 24, 2018, Elliott sent, and publicly released, a letter to the Board (the ***May 24 Letter***) reiterating its proposal to acquire the Company for $160 per share in cash and providing that Elliott was eager to engage in customary due diligence. Also on May 24, 2018, the Company issued a press release (the ***May 24 Release***) in response to the May 24 Letter, noting that the Board was undertaking a thorough and deliberate analysis of Elliott s proposal to acquire the Company for $160 per share in cash, and that it would continue to take the time necessary to complete its review. The May 24 Release also noted that the Board would communicate the results of its analysis and its recommendation promptly after taking the time necessary to complete its work, so that it would be able to recommend actions that it determines are in the best interests of all stockholders.

On May 31, 2018, a representative of Elliott, emailed a representative of management of athenahealth, requesting a call between a representative of Elliott and Mr. Immelt. The representative of athenahealth s management responded on the same date, confirming that the Company would be able to arrange a call between a representative of Elliott and Mr. Immelt, with other athenahealth directors and members of athenahealth management also present, similar to the access to the Board that had been made available to other stockholders of the Company.

On May 31, 2018, the Board held a telephonic meeting attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, representatives of Centerview and Lazard reviewed with the Board their preliminary financial analyses. The Board discussed various strategic alternatives that may be available to athenahealth, including continuing as a standalone public company while implementing alternatives reflected by the May 2018 Model, a sale of athenahealth to Elliott on the terms reflected in the May 14 Letter, and a sale of the Company to any other buyer by initiating a formal sale process. Representatives of Weil reviewed with the directors their fiduciary duties. Following discussion, the Board determined that it would review and discuss in further detail at its next meeting the May 2018 Model and the preliminary financial analyses presented by Centerview and Lazard, as well as the various strategic alternatives that may be available to athenahealth.

On June 5, 2018, the Board held a telephonic meeting attended by members of senior management and representatives of Weil at which, among other things, it reviewed the discussions that the Board had over the prior few weeks, including discussions with respect to the May 2018 Model, the preliminary financial analyses prepared by Centerview and Lazard, and the media reports concerning the Company and Mr. Bush that had been published in recent weeks. Representatives of Weil reviewed with the directors their fiduciary duties. Following discussion, the Board determined that, based on the Company s prospects and financial performance, the Company s stock price, the analyses presented by management and the advisers and the Board s discussions, it was in the best interests of the Company and its stockholders to initiate a formal process to explore strategic alternatives for the Company. On June 6, 2018, the Company issued a press release (the ***June 6 Release***) announcing that the Board had determined to initiate a formal process to explore strategic alternatives, including as part of this process that the Board would consider a sale, merger or other transaction involving the Company as well as continuing as an independent company. The June 6 Release also announced that Mr. Bush had stepped down as President, Chief Executive Officer and as a member of the athenahealth Board, effective immediately, and that in parallel to its consideration of strategic alternatives, athenahealth would initiate a search process to identify qualified CEO candidates. The June 6 Release further announced that Mr. Immelt had been appointed as Executive Chairman.

Following the Board s determination to initiate a formal process to explore strategic alternatives for the Company, representatives of Centerview and Lazard commenced a broad outreach, contacting sixty-five (65) parties, comprised of thirty-two (32) companies and thirty-three (33) financial sponsors, including Veritas. Between June 13, 2018 and July 20, 2018, representatives of Weil negotiated the terms of, and arranged for the Company to sign, confidentiality agreements with a total of thirty-one (31) of the sixty-five (65) parties contacted by Centerview and Lazard, comprising of six (6) companies and twenty-five (25) financial sponsors, including, separately, Elliott and Veritas. Each party that signed a confidentiality agreement was provided access to certain non-public materials regarding the Company s business and operations, and an opportunity to arrange a call with members of the Company s management team. Between June 25, 2018 and July 10, 2018, members of the Company s management team held a total of twenty-seven (27) due diligence teleconferences with twenty-five (25) potential buyers, including, separately, with Elliott and Veritas. In addition, one (1) party declined to enter into confidentiality agreements but held discussions with management and representatives of Centerview and Lazard based on publicly available information.

During the period outlined above, representatives of each of Elliott and Veritas separately engaged with representatives of the Company and its advisors as part of the potential sale process, including in connection with the negotiation and execution by each of Veritas and Elliott of separate confidentiality agreements with the Company.

On June 27, 2018, the Board held a telephonic meeting attended by members of senior management at which among other things, it received an update on the process to explore strategic alternatives, including a sale of the Company. During the meeting, senior management provided an overview of the expected timing of the strategic alternatives process and an initial list of potentially interested parties.

Between June 25, 2018 and July 3, 2018, representatives of Centerview and Lazard delivered a first round process letter to twenty-nine (29) parties, including Elliott and Veritas, outlining, among other things, that interested parties should each submit a non-binding written proposal no later than July 11, 2018, and the details to be included with respect to such proposals.

On July 6, 2018, the Board held a telephonic meeting attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, it received an update on the process to explore strategic alternatives, including the potential strategic and financial buyers who had been contacted to date by Centerview and Lazard, the status of management presentations and the level of interest among potential buyers who had attended diligence sessions with management.

On July 11, 2018 and July 12, 2018, ten (10) parties, including each of Elliott and Veritas on behalf of Virence (separately), presented athenahealth with written preliminary non-binding indications of interest, with prices ranging in the $145 to $165 per share range. Additionally, one party requested an extension of time to submit a written proposal and on July 16, 2018, athenahealth received one inbound expression of interest. One further written preliminary non-binding indication of interest was submitted on August 7, 2018 at $160 per share.

On July 16, 2018, the Board held a telephonic meeting (the ***July 16 Meeting***) attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, it received an update on the process to explore strategic alternatives, including a summary of the written offers that had been received from potential buyers. Following discussion, the Board determined to continue to evaluate each of these offers by continuing to engage with the interested potential buyers who had submitted written offers and authorized its advisors to proceed as such. The Board also authorized the retention of Centerview and Lazard as financial advisors to the Board in connection with athenahealth s review of strategic alternatives, including a potential sale transaction. Following the Board s authorization of their engagement, engagement letters were negotiated with each of Centerview and Lazard and, in October 2018, the Company entered into such engagement letters with Centerview and Lazard.

Following the July 16 Meeting, eleven (11) parties were provided access to a virtual data room in connection with the sale process. The virtual data room contained certain non-public information and materials, and additional non-public information and materials continued to be made available in the data room between July 2018 and November 2018 in connection with the sale process, including in response to requests for further information and diligence requests made by potential buyers.

On July 25, 2018, the Board held a meeting (the ***July 25 Meeting***) attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, the Board received an update on the process to explore strategic alternatives, including regarding the potential strategic and financial buyers that were involved in the process, the status and key themes coming out of management presentations and due diligence sessions, and the Company s advisors perspectives on the apparent relative levels of interest among potential buyers who remained involved in the process. Representatives of Centerview and Lazard also presented to the Board an overview of the level of interest of each party advancing in the process, including their preliminary views and understandings of the potential investment theses of each such party where possible. At the July 25 Meeting, the Board and its advisors also discussed the type and amount of additional diligence that the advancing parties were expected to require in order to submit a binding proposal to acquire the Company.

During the period of July 26, 2018 to August 13, 2018, the Company s management and representatives of Centerview and Lazard conducted nine (9) in-person due diligence sessions with eleven (11) parties, including certain parties that were partnering in their review, in Boston, Massachusetts. During this period, additional non-public information and materials continued to be made available in the data room.

On August 20, 2018, representatives of Centerview and Lazard delivered a second round process letter to nine (9) parties, including each of Elliott and Veritas on behalf of Virence (separately), outlining, among other things, that interested parties should each submit final written proposal no later than September 17, 2018, and the details to be included with such proposals. The date for submission of final bids was subsequently revised to September 26, 2018. Also on August 20, 2018, representatives of Weil made available in the data room a draft merger agreement in connection with the proposed transaction.

On August 29, 2018, the Board held a telephonic meeting attended by members of senior management at which, among other things, it received an update on the process to explore strategic alternatives, including an overview of the interested parties, the timing and focus of the due diligence review and expectation for next steps in the strategic alternatives process.

On September 24, 2018, the Board held a meeting (the ***September 24 Meeting***) attended telephonically by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, it received an update on the process to explore strategic alternatives, including regarding the potential strategic and financial buyers who remained involved in the process, the status and key themes coming out of management presentations and diligence sessions to date, the potential buyers who were expected to submit final offers during that week and the process and schedule going forward.

From September 26, 2018 to September 28, 2018, four (4) parties, including Veritas (on behalf of Virence), presented athenahealth with written offers to acquire the Company, with prices ranging between $120 and $135 per share. Additionally, one consortium (the ***Consortium***) comprised of three (3) parties submitted a proposal to the Company for a strategic partnership with the Company, and Elliott presented athenahealth with a proposal for it to partner with another party to acquire the Company at a purchase price equal to approximately $145 per share.

On September 30, 2018, the Board held a telephonic meeting (the ***September 30 Meeting***) attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, the Board received an update on the process to explore strategic alternatives, including a summary of the written offers that had been submitted to the Company that week by potential buyers. Representatives of Centerview and Lazard also reviewed with the Board their preliminary financial analyses of the offers and the Company as a standalone business. The Board discussed the strategic alternatives available to athenahealth, including continuing as a standalone public company while implementing alternatives reflected by the May 2018 Model, a sale of athenahealth to a strategic or financial buyer on the terms reflected in the final offers received, and a partnership between athenahealth and the Consortium on the terms reflected in the offer received from the Consortium. Following discussion, the Board instructed management and its advisors to continue to engage with four (4) parties (two of whom were partnered together) and to communicate a deadline of October 19, 2018 for such parties to submit their final proposals. The Board determined the parties to move forward with based on the specifics of their proposals, including the value such bids could provide to the Company s shareholders, as well as the strength of the bidding parties ability to complete a transaction. Additionally, the Board instructed management to conduct further analysis on the Consortium s proposal along the same timeline.

Between October 1, 2018 and October 29, 2018, members of the Company s management, together with representatives of Centerview, Lazard and Weil, continued to provide certain non-public information and materials to representatives of those parties authorized by the Board to continue to progress in the Company s sale process.

On October 10, 2018, athenahealth s management prepared and presented to representatives of Centerview and Lazard an updated draft five-year management forecast, which reflected management s revised forecast in light of the Company s business performance to date and certain information that had been learned through the diligence process with potential buyers, as well as what the Company might be able to achieve if it pursued a standalone strategy.

On October 12, 2018, the Board held a telephonic meeting (the ***October 12 Meeting***) attended by members of senior management and Weil, at which, among other things, the Board received an update on developments related to the business since the May 2018 Model. Members of the Company s management then reviewed with the Board the forecasts that were provided to Centerview and Lazard on October 10, 2018. The Board discussed with management the process by which such forecasts had been prepared, including the key assumptions underlying such forecasts, and various positive and negative metrics that were presented in such forecasts as compared to the May 2018 Model. Following discussion, the Board directed athenahealth to continue to refine such forecasts, and then to authorize

Centerview and Lazard to provide such forecasts as revised to bidders. Also at the October 12 Meeting, representatives of McKinsey & Company (***McKinsey***), consultant advisors to the Company, presented to the Board the results of the analyses that had been conducted by McKinsey with the assistance of athenahealth s management in assessing the Consortium s proposal for a strategic partnership with the Company.

On October 16, 2018, athenahealth provided to bidders the ***October 2018 Model*** described under the section captioned Certain Financial Projections below.

On October 22, 2018, two (2) bidders (being ***Party B*** and another party, ***Party C***) submitted offers to acquire the Company for between $117 and $125 per share in cash. On October 24, 2018, Veritas (on behalf of Virence) submitted a revised proposal to acquire the Company for $127.50 to $132.50 per share in cash, to be financed through a combination of equity and debt, including equity financing to come from both Veritas and Elliott.

On October 24, 2018, the Board held a meeting (the ***October 24 Meeting***) attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, the Board received an update on developments related to the business since the October 12 Meeting. Members of the Company s management then presented to the Board the October 2018 Model. The Board discussed with management and its advisors the process by which the October 2018 Model had been prepared, including the key assumptions underlying the October 2018 Model, and various positive and negative metrics that were presented in the October 2018 Model compared to the May 2018 Model. Following discussion, the Board discussed the need for refining the management forecasts and potentially reflecting various sensitivities or alternative assumptions, for the purpose of further informing the Board s view of the Company s intrinsic value and the Company s prospects on a standalone basis. The Board determined that the Company s management should carefully evaluate the assumptions and sensitivities underlying the forecasts, and assess the risk associated with, various elements of the October 2018 Model, in order to further refine a financial model (the ***Adjusted Management Model***) that should be referred to by the Board in its review of the Company s standalone plan, and by Centerview and Lazard for the purpose of preparing their financial analyses. The Board was focused on evaluating the proposals against the standalone scenario and understanding the risks and uncertainties of continuing to execute on the strategic plan. At the meeting, the Board received an update on the process to explore strategic alternatives, including a summary of the bids that had been received from three (3) parties to acquire the Company. Representatives of Centerview and Lazard presented their preliminary financial analyses. The Board discussed the strategic alternatives available to athenahealth, including continuing as a standalone public company while implementing alternatives reflected by the October 2018 Model and a sale of athenahealth to a strategic or financial buyer on the terms reflected in the offers received. Following discussion, the Board determined that, based on the Company s prospects, the analyses presented by management and the advisers and the Board s discussions, it would only pursue a sale of the Company if the price per share was at a minimum $130. The Board also determined to delay filing of its earnings release to November 9, 2018 and its earnings call to November 12, 2018.

During the period of October 25, 2018 to October 29, 2018, representatives of Centerview, Lazard and Weil continued to provide certain non-public information and materials to, and to respond to due diligence requests from, representatives of Veritas (on behalf of Virence), Elliott and Party C.

On October 29, 2018, Schulte Roth & Zabel LLP (***Schulte***), counsel to Veritas and Virence, provided Weil with their initial comments to Weil s draft of the merger agreement. On October 30, 2018, the Company and Veritas (on behalf of Virence) executed an exclusivity agreement providing that, among other things, the Company would negotiate a direct or indirect sale transaction exclusively with Veritas (on behalf of Virence) at a per share price equal to no less than $135 per share until November 12, 2018, provided that Veritas confirmed on every second day following execution of the exclusivity agreement that the terms and conditions of its final binding offer would not differ, in any material respect, from the terms proposed by Veritas on October 29, 2018, and that Veritas (on behalf of Virence) remains committed in good faith to announce a transaction on the timeframe agreed between the parties.

On October 30, 2018, the Board held a telephonic meeting attended by members of senior management and representatives of Weil, at which, among other things, the Board received an update on the process to explore strategic alternatives. During this meeting, the Board reaffirmed its position that, based on the Company s prospects, the analyses presented by management and the advisers and the Board s discussions, it would only pursue a sale of the Company if the per share price was at a minimum $130.

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During the period of October 30, 2018 to November 11, 2018, the Company and its representatives continued to provide additional due diligence information to Veritas (on behalf of Virence) and its representatives, including telephonic due diligence conferences. During this period, Veritas (on behalf of Virence) confirmed on each second calendar day that the terms and conditions of its final binding offer would not differ, in any material respect, from the terms proposed by Veritas on October 29, 2018, and that Veritas (on behalf of Virence) remained committed in good faith to announce a transaction on the timeframe agreed between the parties.

During the time period between November 3, 2018 and November 11, 2018, representatives of Weil and Schulte exchanged drafts and held a series of phone calls to negotiate and finalize the terms of the merger agreement, the Company s disclosure letter relating to the merger agreement, the equity commitment letters for Virence and Elliott and the limited guarantees for Veritas and Elliott.

On November 11, 2018, the Board held a telephonic meeting (the ***November 11 Meeting***) attended by members of senior management and representatives of Centerview, Lazard and Weil, at which, among other things, the Board received an update on the process to explore strategic alternatives. At the November 11 Meeting, representatives of Centerview reviewed with the Board Centerview s financial analysis of the Merger Consideration, and rendered to the Board an oral opinion, which was subsequently confirmed by delivery of a written opinion dated such date that, as of such date and based upon and subject to various assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken in preparing its opinion, the Merger Consideration to be paid to the holders of shares of Company Common Stock (other than as specified in such opinion) pursuant to the Merger Agreement was fair, from a financial point of view, to such holders. For a detailed discussion of Centerview s opinion, please see below under the caption Opinion of athenahealth s Financial Advisors Opinion of Centerview Partners LLC . Also at the November 11 Meeting, representatives of Lazard reviewed with the Board Lazard s financial analysis of the Merger Consideration, and rendered to the Board an oral opinion, which was subsequently confirmed by delivery of a written opinion dated such date that, as of such date and based upon and subject to various assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken in preparing its opinion, the Merger Consideration to be paid to the holders of shares of Company Common Stock (other than as specified in such opinion) pursuant to the Merger Agreement was fair, from a financial point of view, to such holders. For a detailed discussion of Lazard s opinion, please see below under the caption Opinion of athenahealth s Financial Advisors Opinion of Lazard Frères & Co. LLC . Further, at the November 11 Meeting, representatives of Weil reviewed with the directors their fiduciary duties and a summary of the key terms of a substantially final draft of the merger agreement that had been negotiated with Veritas (on behalf of Virence) in connection with the proposed transaction. After further discussing potential reasons for and against the proposed transaction (see below under the heading Recommendation of the Board of Directors and Reasons for the Merger Reasons for the Merger), the Board unanimously adopted and declared advisable the Merger Agreement, declared that the Merger Agreement was in the best interests of athenahealth and its stockholders, and recommended that athenahealth s stockholders approve the Merger Agreement. The Board directed representatives of Weil to continue to finalize the terms of the Merger Agreement in accordance with the summary of terms reviewed with the Board.

Following the November 11 Meeting, the parties finalized and executed the Merger Agreement and the disclosure letter and received executed final copies of the limited guarantee, the equity commitment letters, the debt commitment letter and the preferred equity commitment letter.

On the morning of November 12, 2018, prior to the opening of trading of athenahealth common stock on the NASDAQ, athenahealth, Veritas and Elliott issued a joint press release announcing the execution of the Merger Agreement.

Recommendation of the Board

At a meeting of the Board on November 11, 2018, after careful consideration, including detailed discussions with athenahealth s management and its legal and financial advisors, the Board unanimously:

adopted and declared advisable the Merger Agreement and the Merger and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger;

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authorized and approved the execution, delivery and performance of the Merger Agreement and the consummation by athenahealth of the transactions contemplated by the Merger Agreement, including the Merger;

determined that the transactions contemplated by the Merger Agreement, including the Merger, are in the best interests of athenahealth and its stockholders;

directed that a proposal to adopt the Merger Agreement be submitted to a vote at a meeting of athenahealth stockholders; and

recommended that athenahealth stockholders vote for the adoption of the Merger Agreement.

Reasons for Recommending the Adoption of the Merger Agreement

At a meeting held on November 11, 2018, the Board unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger. The Board recommends the athenahealth stockholders approve and adopt the Merger Agreement and the Merger.

In arriving at this determination and recommendation, the Board reviewed and discussed a significant amount of information and consulted with athenahealth s management, legal advisors and financial advisors. The following are some of the significant factors that supported its decision to approve the Merger Agreement (not necessarily in order of relative importance):

Merger Consideration. The Board considered that the Merger Consideration represented:

a 12% premium over the per share closing price of athenahealth common stock on November 9, 2018 (the last trading day prior to the Board s approval of the Merger Agreement);

a 27% premium over the per share closing price of athenahealth common stock on May 17, 2017, the day prior to Elliott Management Corporation s announcement that it had acquired an approximate 9% interest in athenahealth; and

a price per share of athenahealth common stock that was unlikely to be achieved in the near future given the current and prospective highly competitive nature of athenahealth s industry.

Course of Negotiations. The Board considered the fact that, since June 2018, representatives of Lazard and Centerview communicated with 66 potential strategic and financial sponsor parties as part of the athenahealth Board s exploration of strategic alternatives.

Prospects of athenahealth. The Board considered athenahealth s financial projections and the risks associated with athenahealth s ability to meet such projections. Among the potential risks identified by the Board were the lower than expected switching rates which have been and may continue to be reflected in declining market opportunities, the decline in win rates in selected segments, levels of attrition consistent with forecasts and higher levels of investment in product development than previously forecasted, as well as significant execution risk in athenahealth s platform initiatives.

Potential Strategic Alternatives. The (1) possible alternatives to the acquisition by Parent, including the possibility of continuing to operate athenahealth as an independent entity and the desirability and perceived risks of that alternative; (2) potential benefits to athenahealth stockholders of these alternatives and the timing and likelihood of effecting such alternatives; and (3) athenahealth s assessment that none of these alternatives was reasonably likely to present superior opportunities for athenahealth to create greater value for athenahealth stockholders, taking into account risks of execution as well as business, competitive, financial, industry, market and regulatory risks.

Cash Consideration; Certainty of Value. The Board considered the fact that the Merger Consideration is a fixed cash amount providing athenahealth s stockholders with certainty of value and liquidity immediately

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upon the closing of the Merger, in comparison to the risks and uncertainty that would be inherent in remaining a standalone company or pursuing a transaction in which all or a portion of the consideration would be payable in stock.

Opinions of athenahealth s Financial Advisors. The Board considered the financial presentation and separate opinions, dated November 11, 2018, of Centerview and Lazard to the Board as to the fairness, from a financial point of view and as of such date, of the per share Merger Consideration to be received by holders of athenahealth common stock (other than as specified in each such opinion), which opinions were based on and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as more fully described in the sections entitled Opinion of Centerview Partners LLC and Opinion of Lazard Frères & Co. LLC.

Negotiations with Veritas (on behalf of Virence) and Elliott and the Merger Agreement. The Board considered the general terms and conditions of the Merger Agreement, including:

- that the equity commitments provided in favor of Merger Sub were for an aggregate amount sufficient to cover a significant portion of the aggregate Merger Consideration, and that athenahealth is named a third party beneficiary of the equity commitment letters;
- the ability of the parties to consummate the Merger, including the fact that Merger Sub s obligation to complete the Merger is not conditioned upon the receipt of financing;
- athenahealth s ability, under certain circumstances, to furnish information to and conduct negotiations with third parties regarding unsolicited alternative acquisition proposals;
- athenahealth s ability to terminate the Merger Agreement in order to accept a superior proposal, subject to Veritas and Elliott s ability to match such superior proposal and subject to paying Merger Sub a termination payment of $142,105,000;
- the fact that the Board believed that the termination payment of $142,105,000 is reasonable and not preclusive of other offers;
- athenahealth s entitlement to a closing failure payment of $312,635,000 if Merger Sub terminates the Merger Agreement under certain circumstances;
- athenahealth s entitlement to specific performance to prevent breaches of the Merger Agreement;

athenahealth s entitlement to specific performance to cause the equity financing contemplated by the equity commitment letters to be funded, subject to certain conditions;

that the Merger is subject to the approval of a majority of the outstanding stock of athenahealth;

the fact that Veritas and Elliott provided the Limited Guarantees in favor of athenahealth that guarantees the payment of the closing failure payment payable by Merger Sub to athenahealth, plus reimbursement obligations (see the section below captioned Limited Guarantee); and

the Board s view that the Merger Agreement was the product of arms -length negotiation and contained customary terms and conditions.

Timing of Completion. The Board considered the anticipated timing of the consummation of the transactions contemplated by the Merger Agreement and the structure of the transaction as a Merger and concluded that the Merger could be completed in a reasonable timeframe and in an orderly manner. The Board also considered that the potential for closing the Merger in a reasonable timeframe could reduce the period during which athenahealth s business would be subject to the potential uncertainty of closing and related disruption.

Availability of Appraisal Rights. The Board considered the availability of appraisal rights under Delaware law to athenahealth s stockholders who do not vote in favor of the adoption of the Merger Agreement and

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who otherwise comply with all of the required procedures under Delaware law, which provides those eligible stockholders with an opportunity to have the Court of Chancery of the State of Delaware determine the fair value of their shares of athenahealth common stock, which may be more than, less than or the same as the amount such stockholders would have received under the Merger Agreement.

In the course of its deliberations, the Board also considered certain risks and other potentially negative factors concerning the transactions contemplated by the Merger Agreement, including:

- the fact that, following the Merger, athenahealth will no longer exist as an independent public company and athenahealth s existing stockholders will not participate in athenahealth s or Parent s future earnings or growth or benefit from any synergies resulting from the consummation of the transactions contemplated by the Merger Agreement;

- the fact that the Merger Agreement precludes athenahealth from actively soliciting alternative proposals;

- the fact that the Merger might not be consummated in a timely manner or at all, as a result of a failure to satisfy certain conditions, including the approval by athenahealth s stockholders and the condition requiring the expiration or termination of the waiting period (or any extensions thereof) under the HSR Act;

- the restrictions on the conduct of athenahealth s business prior to the consummation of the Merger, which may delay or prevent athenahealth from undertaking business opportunities that may arise or any other action that it might otherwise take with respect to the operations of athenahealth;

- the fact that, for U.S. federal income tax purposes, the Merger Consideration will be taxable to athenahealth s stockholders who are entitled to receive such consideration;

- the significant costs involved in connection with entering into and completing the Merger and the substantial time and effort of management required to complete the transactions contemplated by the Merger Agreement, which may disrupt athenahealth s business operations;

- the risks and contingencies related to the announcement and pendency of the transactions contemplated by the Merger Agreement, including the impact on athenahealth s employees and its relationships with existing and prospective customers, suppliers and other third parties;

- the requirement that athenahealth pay Parent a termination fee equal to $142,105,000 if the Merger Agreement is terminated under certain circumstances;

- the risk that while the Merger transactions are expected to be completed, there can be no assurance that all conditions to the parties obligations to complete the Merger transactions will be satisfied, and as a result, it is possible that the Merger transactions may not be completed even if approved by athenahealth s stockholders;

the fact that athenahealth s directors and executive officers may receive certain benefits that are different from, and in addition to, those of athenahealth s stockholders (See The Merger Interests of Directors and Executive Officers in the Merger); and

the other risks described in and incorporated by reference in this proxy statement, see Risk Factors in our annual report on Form 10-K for the fiscal year ended December 31, 2017 incorporated by reference herein and Cautionary Information Regarding Forward-Looking Statements.

The foregoing discussion of the information and factors considered by the Board is not intended to be exhaustive, but includes the material factors considered by the Board. In view of the wide variety of factors considered in connection with its evaluation of the Merger and the complexity of these matters, the Board did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given different weights to different factors. The Board did not undertake to make any specific determination as to whether, or to what extent, any factor, or any particular aspect of any factor, supported or did not support its ultimate

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determination. The Board based its recommendation on the totality of the information presented, including the factors described above.

Certain Financial Projections Utilized in Connection with the Merger

In the course of due diligence, athenahealth provided Parent with non-public financial information relating to athenahealth, including certain internal financial forecasts, estimates and other financial and operating data relating to athenahealth prepared by the management of athenahealth for fiscal years 2018 through 2023, which forecasts are referred to herein as the October 2018 Model. As described above in the section titled The Merger Background of the Merger , the Board instructed athenahealth s management to refine the October 2018 Model to reflect various sensitivities or alternative assumptions, for the purpose of further informing the Board s view of the Company s intrinsic value and the Company s prospects on a standalone basis, and such model is referred to herein as the Adjusted Management Model. The Adjusted Management Model was made available to the Board for use in its evaluation of the Merger and also was provided to Centerview and Lazard which were directed to use and rely upon the Adjusted Management Model for purposes of their financial analyses and respective opinions.

The Adjusted Management Model is based on numerous variables and assumptions made by athenahealth management at the time prepared, including with respect to industry performance, general business, economic, regulatory, market and financial conditions and other future events, as well as matters specific to athenahealth.

The following table presents a summary of the October 2018 Model:

FYE December, $mm	2018	2019	2020	2021	2022	2023
Revenue	$1,343	$1,425	$1,545	$1,693	$1,886	$2,139
Adjusted EBITDA(1)	368	450	531	608	696	823
Adjusted Operating Income(2)	236	307	382	461	558	690
Depreciation and Amortization(3)	132	144	148	147	137	133
Stock-Based Compensation	(53)	(56)	(60)	(65)	(71)	(77)
Capital Expenditures and Capitalized Software Costs	(135)	(130)	(127)	(126)	(131)	(134)
Cash Impact of Net Working Capital and Other	(2)	(32)	(33)	(34)	(36)	(37)

(1) Adjusted EBITDA is defined as net income before interest expense, income tax expense (benefit), depreciation and amortization, stock-based compensation expense and other expenses.

(2) Adjusted Operating Income is defined as net income before interest expense, income tax expense (benefit), stock-based compensation expense, amortization of purchased intangible assets, amortization of capitalized stock-based compensation related to software development, and other expenses.

(3) Excludes amortization of purchased intangibles and amortization of capitalized stock-based compensation related to software development.

The following table presents a summary of the Adjusted Management Model:

FYE December, $mm	2018	2019	2020	2021	2022	2023
Revenue	$1,343	$1,410	$1,510	$1,607	$1,736	$1,917
Adjusted EBITDA[1]	368	443	508	551	592	667
Adjusted Operating Income[2]	236	299	360	404	454	534
Depreciation and Amortization[3]	132	144	148	147	137	133
Stock-Based Compensation	(53)	(56)	(60)	(65)	(71)	(77)
Capital Expenditures and Capitalized Software Costs	(135)	(130)	(127)	(126)	(131)	(134)
Cash Impact of Net Working Capital and Other	(2)	(31)	(33)	(32)	(32)	(31)
Unlevered Free Cash Flow (Centerview and Lazard)[4][5]	**$35**	**$166**	**$215**	**$243**	**$264**	**$312**

(1) Adjusted EBITDA is defined as net income before interest expense, income tax expense (benefit), depreciation and amortization, stock-based compensation expense and other expenses.

(2) Adjusted Operating Income is defined as net income before interest expense, income tax expense (benefit), stock-based compensation expense, amortization of purchased intangible assets, amortization of capitalized stock-based compensation related to software development, and other expenses.

(3) Excludes amortization of purchased intangibles and amortization of capitalized stock-based compensation related to software development.

(4) For purposes of each of Centerview s and Lazard s separate analyses, Unlevered Free Cash Flow defined (and calculated by each of Centerview and Lazard using the Adjusted Management Model) as Adjusted EBITDA (i) less Stock-Based Compensation, Depreciation and Amortization, (ii) less taxes (applying a 20.0% cash tax rate for 2018 and a 24.7% cash tax rate thereafter, as provided by the Company) to the amount calculated thus far, (iii) plus Depreciation and Amortization, (iv) less Capital Expenditures and Capitalized Software Costs, and (v) less the Cash Impact of Net Working Capital and Other, in each case as approved for Centerview s and Lazard s use by the Company. The Unlevered Free Cash Flow for 2018 reflects the 3-month period from October to December of 2018 (all other figures presented reflect full-year values).

(5) In performing their respective discounted cash flow analyses of the Company, Centerview and Lazard each used the Unlevered Free Cash Flows of the Company over the period beginning October 1, 2018 and ending on December 31, 2022. In addition, Centerview and Lazard each used the Adjusted EBITDA of the Company in 2023 in connection with their respective calculations of the implied terminal values of the Company. For further information regarding Centerview s and Lazard s respective discounted cash flow analyses of the Company, see Opinion of Centerview Partners LLC and Opinion of Lazard Frères & Co. LLC .

The inclusion of information about the Adjusted Management Model in this proxy statement should not be regarded as an indication that any of athenahealth, Parent or any other recipient of this information considered, or now considers, it necessarily predictive of actual future results or material information given the inherent risks and uncertainties associated with such forecasts.

The Adjusted Management Model is subjective in many respects and, thus, subject to interpretation. Although presented with numeric specificity, the Adjusted Management Model reflects numerous estimates and assumptions with respect to industry performance and competition, general business, economic, market and financial conditions and matters specific to athenahealth s and Parent s businesses, including the factors listed under Risk Factors , all of which are difficult to predict and many of which are beyond athenahealth s or Parent s control. athenahealth cannot provide any assurance that the assumptions underlying the Adjusted Management Model will be realized.

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Many of the assumptions reflected in the Adjusted Management Model are subject to change and the Adjusted Management Model does not reflect revised prospects for athenahealth s or Parent s business, changes in general business or economic conditions or any other transaction or event that has occurred or that may occur and that was not anticipated at the time such financial information was prepared. athenahealth has not updated and does not intend to update or otherwise revise the Adjusted Management Model. There can be no assurance that the results reflected in the Adjusted Management Model will be realized or that actual results will not materially vary from the Adjusted Management Model. In addition, the Adjusted Management Model cover multiple years and such information by its nature becomes less predictive with each successive year. Therefore, the Adjusted Management Model included in this proxy statement should not be relied on as necessarily predictive of actual future events nor construed as financial guidance.

athenahealth stockholders are urged to review athenahealth s most recent SEC filings for a description of risk factors with respect to athenahealth s business. You should read Cautionary Statement Regarding Forward-Looking Statements for additional information regarding the risks inherent in forward-looking information such as the Adjusted Management Model and Where You Can Find More Information .

The Adjusted Management Model was not prepared with a view toward complying with U.S. General Accepted Accounting Principles (***GAAP***) (including because certain metrics are non-GAAP measures, and the forecasts contained therein do not include footnote disclosures as may be required by GAAP), the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither athenahealth s independent registered public accounting firm, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the Adjusted Management Model, nor have they expressed any opinion or any other form of assurance on the Adjusted Management Model or the achievability of the results reflected in the Adjusted Management Model, and they assume no responsibility for, and disclaim any association with, the Adjusted Management Model. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP, and non-GAAP financial measures such as those used in the Adjusted Management Model may not be comparable to similarly titled amounts used by other companies or persons.

The non-GAAP financial measures set forth above should not be considered a substitute for, or superior to, financial measures determined or calculated in accordance with U.S. GAAP. athenahealth is not providing a quantitative reconciliation of these forward-looking non-GAAP financial measures. In accordance with Item 10(e)(1)(i)(B) of Regulation S-K of the Securities Act of 1933, a quantitative reconciliation of a forward-looking non-GAAP financial measure is only required to the extent it is available without unreasonable efforts. athenahealth does not currently have sufficient data to accurately estimate the variables and individual adjustments for such reconciliation, or to quantify the probable significance of these items at this time. The adjustments required for any such reconciliation of athenahealth s forward-looking non-GAAP financial measures cannot be accurately forecast by athenahealth, and therefore the reconciliation has been omitted. For the reasons described above, readers of this proxy statement are cautioned not to place undue, if any, reliance on the Adjusted Management Model. athenahealth has not made any representation to Parent in the Merger Agreement concerning any of the Adjusted Management Model.

The information about the Adjusted Management Model set forth above does not give effect to the Merger and also does not take into account the effect of any failure of the Merger to be consummated.

ATHENAHEALTH DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE ABOVE ADJUSTED MANAGEMENT MODEL TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH FORECASTS ARE NOT

REALIZED.

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Opinion of Centerview Partners LLC

On November 11, 2018, Centerview rendered to the Board its oral opinion, subsequently confirmed by delivery of a written opinion dated November 11, 2018, that, as of such date and based upon and subject to various assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion, the Merger Consideration to be paid to the holders of shares of Company Common Stock (other than Excluded Shares) pursuant to the Merger Agreement was fair, from a financial point of view, to such holders.

The full text of Centerview s written opinion, dated November 11, 2018, which describes the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion, is attached as Annex B and is incorporated herein by reference. **The summary of the written opinion of Centerview set forth below is qualified in its entirety by the full text of Centerview s written opinion attached as Annex B. Centerview s financial advisory services and opinion were provided for the information and assistance of the Board (in their capacity as directors and not in any other capacity) in connection with and for purposes of its consideration of the Transaction and Centerview s opinion only addressed the fairness, from a financial point of view, as of the date thereof, to the holders of shares of Company Common Stock (other than Excluded Shares) of the Merger Consideration to be paid to such holders pursuant to the Merger Agreement. Centerview s opinion did not address any other term or aspect of the Merger Agreement or the Transaction and does not constitute a recommendation to any stockholder of the Company or any other person as to whether such stockholder should have executed a consent with respect to the Merger or as to how such stockholder or other person should otherwise act with respect to the Transaction or any other matter.**

The full text of Centerview s written opinion should be read carefully in its entirety for a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Centerview in preparing its opinion.

In connection with rendering the opinion described above and performing its related financial analyses, Centerview reviewed, among other things:

- a draft of the Merger Agreement dated November 11, 2018, referred to in this summary of Centerview s opinion as the Draft Merger Agreement ;
- Annual Reports on Form 10-K of the Company for the years ended December 31, 2017, December 31, 2016 and December 31, 2015;
- certain interim reports to stockholders and Quarterly Reports on Form 10-Q of the Company;
- certain publicly available research analyst reports for the Company;
- certain other communications from the Company to its stockholders; and

certain internal information relating to the business, operations, earnings, cash flow, assets, liabilities and prospects of the Company, including certain financial forecasts, analyses and projections relating to the Company prepared by management of the Company and approved for purposes of Centerview s analysis by the Board, which are set forth in the section of this Proxy Statement entitled The Merger Certain Financial Projections Utilized in Connection with the Merger and referred to in this summary of Centerview s opinion as the Forecasts and which are collectively referred to in this summary of Centerview s opinion as the Internal Data.

Centerview also participated in discussions with members of the senior management and representatives of the Company regarding their assessment of the Internal Data. In addition, Centerview reviewed publicly available financial and stock market data, including valuation multiples, for the Company and compared that data with similar data for certain other companies, the securities of which are publicly traded, in lines of business that Centerview deemed relevant. Centerview also compared certain of the proposed financial terms of the Transaction with the financial terms, to the extent publicly available, of certain other transactions that Centerview deemed relevant, and conducted such other financial studies and analyses and took into account such other information as Centerview deemed appropriate.

Centerview assumed, without independent verification or any responsibility therefor, the accuracy and completeness of the financial, legal, regulatory, tax, accounting and other information supplied to, discussed with, or reviewed by Centerview for purposes of its opinion and, with the Company s consent, Centerview relied upon such information as being complete and accurate. In that regard, Centerview assumed, at the Company s direction, that the Internal Data (including, without limitation, the Forecasts) were reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of the Company as to the matters covered thereby and Centerview relied at the Company s direction on the Internal Data for purposes of Centerview s analysis and opinion. In connection therewith, Centerview was advised by the Company that the Forecasts most recently prepared by management of the Company and presented to the Board best reflect the good faith judgments of the Board as to the Company s future financial performance and, accordingly, Centerview was instructed by the Board to only use those Forecasts for purposes of Centerview s analysis and opinion. Centerview expressed no view or opinion as to the Internal Data or the assumptions on which it was based. In addition, at the Company s direction, Centerview did not make any independent evaluation or appraisal of any of the assets or liabilities (contingent, derivative, off-balance-sheet or otherwise) of the Company, nor was Centerview furnished with any such evaluation or appraisal, and was not asked to conduct, and did not conduct, a physical inspection of the properties or assets of the Company. Centerview assumed, at the Company s direction, that the final executed Merger Agreement would not differ in any respect material to Centerview s analysis or opinion from the Draft Merger Agreement reviewed by Centerview. Centerview also assumed, at the Company s direction, that the Transaction will be consummated on the terms set forth in the Merger Agreement and in accordance with all applicable laws and other relevant documents or requirements, without delay or the waiver, modification or amendment of any term, condition or agreement, the effect of which would be material to Centerview s analysis or Centerview s opinion and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Transaction, no delay, limitation, restriction, condition or other change will be imposed, the effect of which would be material to Centerview s analysis or Centerview s opinion. Centerview did not evaluate and did not express any opinion as to the solvency or fair value of the Company, or the ability of the Company to pay its obligations when they come due, or as to the impact of the Transaction on such matters, under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. Centerview is not a legal, regulatory, tax or accounting advisor, and Centerview expressed no opinion as to any legal, regulatory, tax or accounting matters.

Centerview s opinion expressed no view as to, and did not address, the Company s underlying business decision to proceed with or effect the Transaction, or the relative merits of the Transaction as compared to any alternative business strategies or transactions that might be available to the Company or in which the Company might engage. Centerview s opinion was limited to and addressed only the fairness, from a financial point of view, as of the date of Centerview s written opinion, to the holders of the shares of Company Common Stock (other than Excluded Shares) of the Merger Consideration to be paid to such holders pursuant to the Merger Agreement. For purposes of its opinion, Centerview was not asked to, and Centerview did not, express any view on, and its opinion did not address, any other term or aspect of the Merger Agreement or the Transaction, including, without limitation, the structure or form of the Transaction, or any other agreements or arrangements contemplated by the Merger Agreement or entered into in connection with or otherwise contemplated by the Transaction, including, without limitation, the fairness of the Transaction or any other term or aspect of the Transaction to, or any consideration to be received in connection therewith by, or the impact of the Transaction on, the holders of any other class of securities, creditors or other constituencies of the Company or any other party. In addition, Centerview expressed no view or opinion as to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to be paid or payable to any of the officers, directors or employees of the Company or any party, or class of such persons in connection with the Transaction, whether relative to the Merger Consideration to be paid to the holders of the shares of Company Common Stock pursuant to the Merger Agreement or otherwise. Centerview s opinion was necessarily based on financial, economic, monetary, currency, market and other conditions and circumstances as in effect on, and the information made available to Centerview as of, the date of Centerview s written opinion, and Centerview does not have any obligation or responsibility to update, revise or reaffirm its opinion based on circumstances, developments or events occurring after the date of Centerview written opinion. Centerview s opinion does not constitute a recommendation to any stockholder of the Company or any other person as to whether such stockholder should have executed a consent with respect to the Merger or as to how such stockholder or other person should otherwise act with respect to the Transaction or any other matter. Centerview s financial advisory services and its written opinion were provided for the information and assistance of the members of the Board (in their capacity as directors and not in any other capacity) in connection with and for purposes of its consideration of the Transaction. The issuance of Centerview s opinion was approved by the Centerview Partners LLC Fairness Opinion Committee.

Summary of Centerview Financial Analysis

The following is a summary of the material financial analyses prepared and reviewed with the Board in connection with Centerview s opinion, dated November 11, 2018. **The summary set forth below does not purport to be a complete description of the financial analyses performed or factors considered by, and underlying the opinion of, Centerview, nor does the order of the financial analyses described represent the relative importance or weight given to those financial analyses by Centerview. Centerview may have deemed various assumptions more or less probable than other assumptions, so the reference ranges resulting from any particular portion of the analyses summarized below should not be taken to be Centerview s view of the actual value of the Company. Some of the summaries of the financial analyses set forth below include information presented in tabular format. In order to fully understand the financial analyses, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses performed by Centerview. Considering the data in the tables below without considering all financial analyses or factors or the full narrative description of such analyses or factors, including the methodologies and assumptions underlying such analyses or factors, could create a misleading or incomplete view of the processes underlying Centerview s financial analyses and its opinion.** In performing its analyses, Centerview made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of the Company or any other parties to the Transaction. None of the Company, Parent, Merger Sub or Centerview or any other person assumes responsibility if future results are materially different from those discussed. Any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below. In addition, analyses relating to the value of the Company do not purport to be appraisals or reflect the prices at which the Company may actually be sold. Accordingly, the assumptions and estimates used in, and the results derived from, the financial analyses are inherently subject to substantial uncertainty. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before November 9, 2018 (the last trading day before the public announcement of the Transaction) and is not necessarily indicative of current market conditions.

Selected Public Company Analysis

Centerview reviewed certain financial information of the Company and compared it to corresponding financial information of certain publicly traded electronic health record (***EHR***) vendor and healthcare information technology (***HCIT***) vendor companies that Centerview deemed comparable, based on its experience and professional judgment, to the Company (referred to as the selected companies in this summary of Centerview s opinion). Centerview viewed EHR and HCIT vendor companies as most comparable for purposes of its analysis due to, among other things, (1) the

Company s historical and projected revenue and operating margin profile (as set forth in the Adjusted Management Model) as compared to EHR and HCIT vendor companies (based on Wall Street research analyst consensus estimates) and (2) the Company s mix of

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products and services currently offered to the Company s customers and those services offered by EHR and HCIT vendor companies. Although none of the selected companies is directly comparable to the Company, the selected companies listed below were chosen by Centerview, among other reasons, because they are publicly traded companies with certain operational, business and/or financial characteristics that, for purposes of Centerview s analysis, may be considered similar to those of the Company. However, because none of the selected companies is exactly the same as the Company, Centerview believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected public company analysis. Accordingly, Centerview also made qualitative judgments, based on its experience and professional judgment, concerning differences between the business, financial and operational characteristics of the Company and the selected companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis.

Using publicly available information obtained from SEC filings and other data sources as of November 9, 2018, Centerview calculated, among other things, for each selected company set forth below, the implied enterprise value (calculated, to the extent publicly available, as the market value of common equity (determined using the treasury stock method and taking into account outstanding in the money options, other equity awards and other convertible securities, as applicable) plus the face value of debt, preferred stock and non-controlling interests less cash and cash equivalents (excluding cash held on trust and restricted cash, as applicable) and equity investments) which is referred to in this summary of Centerview s opinion as ***EV*** , as a multiple of Wall Street research analyst consensus estimated earnings before interest expense, income taxes, depreciation and amortization, stock-based compensation, and non-recurring items (which is referred to in this summary of Centerview s opinion as ***EBITDA***) for the next twelve-month period (which is referred to as ***NTM***).

The results of this analysis are summarized as follows:

Selected EHR Vendor Companies	**EV / NTM EBITDA**
Cerner Corporation	11.0x
Allscripts Healthcare Solutions, Inc.	9.2x
NextGen Healthcare, Inc.	11.9x
Computer Programs & Systems, Inc.	10.6x
75th Percentile	**11.3x**
Median	**10.8x**
25th Percentile	**10.2x**

Selected HCIT Vendor Companies	**EV / NTM EBITDA**
HMS Holdings Corp.	20.7x
Inovalon Holdings Inc.	13.2x
Evolent Health Inc.	NM
75th Percentile	**18.8x**
Median	**16.9x**
25th Percentile	**15.1x**

Overall

	EV / NTM EBITDA
75th Percentile	**12.9x**
Median	**11.5x**
25th Percentile	**10.7x**

Based on the foregoing analysis and other considerations that Centerview deemed relevant in its professional judgment and experience, Centerview selected a range of multiples of enterprise value to NTM EBITDA of

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10.5x to 12.5x. In selecting this range of multiples, Centerview made qualitative judgments based on its experience and professional judgment concerning differences between the business, financial and operating characteristics and prospects of the Company and the selected companies that could affect the public trading values in order to provide a context in which to consider the results of the quantitative analysis. Centerview applied this range to the Company s NTM EBITDA of $430 million derived from the Forecasts, which resulted in a range of implied values per share of Company Common Stock of approximately $109.00 to $129.00, rounded to the nearest $1.00. Centerview also applied this range to the Company s NTM EBITDA of $405 million derived from publicly available Wall Street research analyst consensus estimates for the next twelve-month period, which resulted in an implied per share equity value range per share of Company Common Stock of approximately $103.00 to $122.00, rounded to the nearest $1.00. Centerview compared these ranges to the Merger Consideration of $135.00 per share of Company Common Stock to be paid to the holders of shares of Company Common Stock (other than Excluded Shares) pursuant to the Merger Agreement.

Selected Transactions Analysis

Centerview reviewed and analyzed certain information relating to selected transactions involving publicly traded EHR and HCIT vendor companies that Centerview, based on its experience and professional judgment, deemed relevant to consider in relation to the Company and the Transaction. These transactions were selected, among other reasons, because their participants, size or other factors, for purposes of Centerview s analysis, may be considered similar to the Transaction. Centerview used its experience, expertise and knowledge of these industries to select transactions that involved companies with certain operations, results, business mix or product profiles that, for purposes of this analysis, may be considered similar to certain operations, results, business mix or product profiles of the Company.

Financial data for the precedent transactions was based on publicly available information at the time of the announcement of the relevant transactions that Centerview obtained from public filings and other data sources. Using publicly available information, Centerview calculated, for each selected transaction set forth below, among other things, the enterprise value (calculated as described above) implied for the applicable target company based on the consideration payable in the applicable selected transaction as a multiple of the target company s EBITDA for the latest twelve-month period (which is referred to in this summary as ***LTM***) at the time of the transaction announcement.

The results of this analysis are summarized as follows:

Announcement Date	Acquiror	Target	EV/ LTM EBITDA
June 2018	Verscend Technologies, Inc.	Cotiviti Holdings, Inc.	18.0x
April 2018	Veritas Capital	GE s HCIT Business	N/A
March 2018	Inovalon Holdings, Inc.	ABILITY Network Inc.	16.6x
February 2018	Roche Holding AG	Flatiron Health, Inc.	N/A
October 2017	Express Scripts Holding Company	eviCore healthcare	13.6x
July 2017	EQT	Certara	N/A
January 2017	McKesson Corporation	CoverMyMeds LLC	N/A
August 2016	EQT	Press Ganey Holdings, Inc.	17.5x
April 2016	Veritas Capital	Verisk s Health-Analytics Unit	10.0x(1)
March 2016	Allscripts Healthcare Solutions, Inc. / GI Partners	Netsmart Technologies, Inc.	N/A

February 2016	ResMed Inc.	Brightree LLC	18.6x[(2)]
February 2016	IBM Watson Health	Truven Health Analytics	16.9x
November 2015	Pamplona Capital Management	MedAssets, Inc.	11.5x
August 2015	International Business Machines Corporation	Merge Healthcare Incorporated	19.0x

Announcement Date	Acquiror	Target	EV/ LTM EBITDA
July 2015	Emdeon Inc.	Altegra Health, Inc.	15.5x
September 2014	Cognizant Technology Solutions Corporation	TriZetto Corporation	N/A
August 2014	Cerner Corporation	Siemens Health Services	10.5x
November 2013	Experian plc	Passport Health Communications, Inc.	20.3x
September 2013	Vista Equity Partners	Greenway Medical Technologies, Inc.	NM
75th Percentile			**18.1x**
Median			**16.8x**
25th Percentile			**13.0x**

(1) Utilized 2015 EBITDA

(2) Utilized 2016 EBITDA

No company or transaction used in this analysis is identical or directly comparable to the Company or the Transaction. The companies included in the selected transactions listed above were selected, among other reasons, based on Centerview s experience and professional judgment, because they have certain characteristics that, for the purposes of this analysis, may be considered similar to certain characteristics of the Company. The reasons for and the circumstances surrounding each of the selected transactions analyzed were diverse and there are inherent differences in the business, operations, financial conditions and prospects of the Company and the companies included in the selected transactions analysis. Accordingly, Centerview believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected transactions analysis. This analysis involves complex considerations and qualitative judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading, acquisition or other values of the selected target companies and the Company.

Based on its analysis and other considerations that Centerview deemed relevant in its professional judgment and experience, Centerview selected a range of multiples of enterprise value to LTM EBITDA of 14.0x to 17.0x derived from the target companies in the selected precedent transactions. In selecting this range of multiples, Centerview made qualitative judgments based on its experience and professional judgment concerning differences between the business, financial and operating characteristics and prospects of the Company and the target companies included in the selected transactions and other factors that could affect the public trading, acquisition or other values of such companies or the Company in order to provide a context in which to consider the results of the quantitative analysis. Centerview applied this range to the Company s LTM EBITDA of $374 million for the period ended September 30, 2018 based on the Internal Data, which resulted in an implied per share equity value range for the shares of Company Common Stock of approximately $126.00 to $152.00, rounded to the nearest $1.00. Centerview compared this range to the Merger Consideration of $135.00 per share of Company Common Stock to be paid to the holders of shares of Company Common Stock (other than Excluded Shares) pursuant to the Merger Agreement.

Discounted Cash Flow Analysis

Centerview performed a discounted cash flow analysis of the Company based on the Forecasts. A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the present value of estimated future cash flows of the asset. Present value refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors.

In performing this analysis, Centerview calculated a range of equity values for the Company by (a) discounting to present value as of September 30, 2018 using discount rates ranging from 10.5% to 12.0%

(reflecting Centerview s analysis of the Company s weighted average cost of capital) and the mid-year convention: (i) the forecasted fully taxed unlevered free cash flows of the Company over the period beginning October 1, 2018 and ending on December 31, 2022 (as calculated by Centerview as set forth in Certain Financial Projections Utilized in Connection with the Merger, and (ii) a range of implied terminal values of the Company at the end of the Forecast period, calculated by Centerview applying an illustrative range of enterprise value to EBITDA multiples of 10.5x to 12.5x, which Centerview selected utilizing its professional judgment and experience, to the Company s estimated forward EBITDA as of December 31, 2022, as set forth in the Forecasts, and (b) adding to the foregoing results the Company s net cash as of September 30, 2018, as set forth in the Internal Data. Centerview divided the result of the foregoing calculations by the number of fully-diluted outstanding shares of Company Common Stock (determined using the treasury stock method and taking into account outstanding in-the-money options, restricted stock units and performance stock units) as of November 8, 2018 based on the Internal Data to derive a range of implied values per share of Company Common Stock of approximately $121.00 to $148.00, rounded to the nearest $1.00. Centerview compared this range to the Merger Consideration of $135.00 per share of Company Common Stock to be paid to the holders of shares of Company Common Stock (other than Excluded Shares) pursuant to the Merger Agreement.

Other Factors

Centerview noted for the Board certain additional factors solely for informational purposes, including, among other things, the following:

- Historical closing trading prices of the shares of Company Common Stock during the 52-week period ended May 4, 2018 (the last full trading day prior to Elliott s public proposal to acquire the Company for $160 per share), which reflected low and high stock closing prices for the Company during such period of approximately $101.00 to $156.00 per share, rounded to the nearest $1.00.

- Stock price targets for the shares of Company Common Stock in publicly available Wall Street research analyst reports, which indicated low and high stock price targets for the Company ranging from $128.00 to $180.00 per share.

General

The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to summary description. In arriving at its opinion, Centerview did not draw, in isolation, conclusions from or with regard to any factor or analysis that it considered. Rather, Centerview made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of the analyses.

Centerview s financial analyses and opinion were only one of many factors taken into consideration by the Board in its evaluation of the Transaction. Consequently, the analyses described above should not be viewed as determinative of the views of the Board or management of the Company with respect to the Merger Consideration or as to whether the Board would have been willing to determine that a different consideration was fair. The consideration for the Transaction was determined through arm s-length negotiations between the Company and Parent and was approved by the Board. Centerview provided advice to the Company during these negotiations. Centerview did not, however, recommend any specific amount of consideration to the Company or the Board or that any specific amount of consideration constituted the only appropriate consideration for the Transaction.

Centerview is a securities firm engaged directly and through affiliates and related persons in a number of investment banking, financial advisory and merchant banking activities. In the two years prior to the date of its written opinion, Centerview was not (except for its current engagement) engaged to provide financial advisory or other services to the Company, and Centerview did not receive any compensation from the Company during such

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period. In the two years prior to the date of its written opinion, Centerview was not engaged to provide financial advisory or other services to Parent, Veritas Capital Fund Management, L.L.C. (***Veritas***), the sponsor of Parent, or Elliott Management Corporation, a stockholder of the Company and Parent (***Elliott***), and Centerview did not receive any compensation from Parent, Veritas or Elliott during such period. Centerview may provide financial advisory and other services to or with respect to the Company, Parent, Veritas, Elliott or their respective affiliates and portfolio companies of such affiliates in the future, for which Centerview may receive compensation. Certain (i) of Centerview and Centerview s affiliates directors, officers, members and employees, or family members of such persons, (ii) of Centerview s affiliates or related investment funds and (iii) investment funds or other persons in which any of the foregoing may have financial interests or with which they may co-invest, may at any time acquire, hold, sell or trade, in debt, equity and other securities or financial instruments (including derivatives, bank loans or other obligations) of, or investments in, the Company, Parent, Veritas, Elliott or any of their respective affiliates and portfolio companies of such affiliates, or any other party that may be involved in the Transaction.

The Board selected Centerview as its financial advisor in connection with the Transaction based on, among other things, Centerview s overall reputation and experience. Centerview is an internationally recognized investment banking firm that has substantial experience in transactions similar to the Transaction.

In connection with Centerview s services as the financial advisor to the Board, the Company has agreed to pay Centerview an aggregate fee of approximately $21 million, $3 million of which was payable upon the rendering of Centerview s opinion, $7.5 million of which is payable upon the earlier of July 18, 2019 and the consummation of the Merger and the remainder of which is payable contingent upon consummation of the Transaction. In addition, the Company has agreed to reimburse certain of Centerview s expenses arising, and to indemnify Centerview against certain liabilities that may arise, out of Centerview s engagement.

Opinion of Lazard Frères & Co. LLC

Summary of Opinion

The Company retained Lazard to act as a financial advisor to the Company and to render an opinion to the Board as to the fairness, from a financial point of view, to holders of shares of Company Common Stock of the consideration to be paid to such holders in the Merger. On November 11, 2018, Lazard rendered its oral opinion to the Board, subsequently confirmed in writing, that, as of such date, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth therein, the Merger Consideration to be paid to holders of shares of Company Common Stock (other than Excluded Shares) in the Merger was fair, from a financial point of view, to such holders of shares of Company Common Stock.

The full text of Lazard s written opinion, dated November 11, 2018, which sets forth the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Lazard in connection with its opinion is attached to this proxy statement as Annex C and is incorporated into this proxy statement by reference. The description of Lazard s opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of Lazard s written opinion attached as Annex C. We encourage you to read Lazard s opinion and this section carefully and in their entirety.

Lazard s opinion was for the benefit of the Board (in its capacity as such) in connection with the Board s evaluation of the Merger and only addressed the fairness, from a financial point of view, to holders of shares of Company Common Stock (other than Excluded Shares) of the Merger Consideration to be paid to such holders of shares of Company Common Stock in the Merger as of the date of Lazard s opinion. The Company did not request Lazard to consider, and Lazard s opinion did not address, the relative merits of the Merger as

compared to any other transaction or business strategy in which the Company might engage or the merits of the underlying decision by the Company to engage in the Merger. Lazard s opinion was not intended to and does not constitute a recommendation to any holder of shares of Company Common Stock as to how such holder should vote or act with respect to the Merger or

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any matter relating thereto. Lazard s opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Lazard as of, the date of Lazard s opinion. Lazard assumed no responsibility for updating or revising its opinion based on circumstances or events occurring after the date of Lazard s opinion. Lazard s opinion did not express any opinion as to the price at which shares of Company Common Stock may trade at any time subsequent to the announcement of the Merger.

In connection with its opinion, Lazard:

- Reviewed the financial terms and conditions of a draft, dated November 11, 2018, of the Merger Agreement;
- Reviewed certain publicly available historical business and financial information relating to the Company;
- Reviewed various financial forecasts and other data provided to us by the Company relating to the business of the Company prepared by management of the Company and approved for Lazard s use by the Board;
- Held discussions with members of the senior management of the Company with respect to the business and prospects of the Company;
- Reviewed public information with respect to certain other companies in lines of business we believe to be generally relevant in evaluating the business of the Company;
- Reviewed the financial terms of certain business combinations involving companies in lines of business we believe to be generally relevant in evaluating the business of the Company;
- Reviewed historical stock prices and trading volumes of shares of Company Common Stock; and
- Conducted such other financial studies, analyses and investigations as we deemed appropriate.

Lazard assumed and relied upon the accuracy and completeness of the foregoing information, without independent verification of such information. Lazard did not conduct any independent valuation or appraisal of any of the assets or liabilities (contingent or otherwise) of the Company or concerning the solvency or fair value of the Company, and Lazard was not furnished with any such valuation or appraisal. Lazard was advised by the Company that the financial forecasts most recently prepared by the Company s management, and presented to the Board best reflect the good faith judgments of the Board as to the Company s future financial performance and, accordingly, Lazard was instructed to only use those forecasts for purposes of Lazard s analysis in connection with its opinion. With respect to the projections utilized in Lazard s analysis, Lazard assumed, with the consent of the Company, that they were reasonably prepared on bases reflecting the best currently available estimates and judgments as to the future financial performance of the Company. Lazard assumed no responsibility for, and expressed no view as to, such projections or the assumptions on which they were based.

In rendering its opinion, Lazard assumed, with the consent of the Company, that the Merger would be consummated on the terms described in the Merger Agreement, without any waiver or modification of any material terms or conditions of the Merger Agreement. Representatives of the Company advised Lazard, and Lazard assumed, that the Merger Agreement, when executed, would conform to the draft reviewed by Lazard in all material respects. Lazard also assumed, with the consent of the Company, that obtaining the necessary regulatory or third-party approvals and consents for the Merger would not have an adverse effect on the Company or the Merger. Lazard s opinion did not address any legal, tax, regulatory or accounting matters, as to which Lazard understood that the Company obtained such advice as it deemed necessary from qualified professionals. Lazard expressed no view or opinion as to any terms or other aspects of the Merger (other than the Merger Consideration to the extent expressly specified in Lazard s opinion). In addition, Lazard expressed no view or opinion as to the fairness of the amount or nature of, or any other aspects relating to, the compensation to any officers, directors or employees of any parties to the Merger, or class of such persons, relative to the Merger Consideration or otherwise.

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The following is a brief summary of the material financial analyses and reviews that Lazard deemed appropriate in connection with rendering its opinion. The brief summary of Lazard s analyses and reviews provided below is not a complete description of the analyses and reviews underlying Lazard s opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of analysis and review and the application of those methods to particular circumstances, and, therefore, is not readily susceptible to summary description. Considering selected portions of the analyses and reviews or the summary set forth below, without considering the analyses and reviews as a whole, could create an incomplete or misleading view of the analyses and reviews underlying Lazard s opinion.

In arriving at its opinion, Lazard considered the results of all of its analyses and reviews and did not attribute any particular weight to any factor, analysis or review considered by it. Rather, Lazard made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses and reviews.

For purposes of its analyses and reviews, Lazard considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of the Company. No company, business or transaction used in Lazard s analyses and reviews as a comparison is identical to the Company or the Merger, and an evaluation of the results of those analyses and reviews is not entirely mathematical. Rather, the analyses and reviews involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies, businesses or transactions used in Lazard s analyses and reviews. The estimates contained in Lazard s analyses and reviews and the ranges of valuations resulting from any particular analysis or review are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by Lazard s analyses and reviews. In addition, analyses and reviews relating to the value of companies, businesses or securities do not purport to be appraisals or to reflect the prices at which companies, businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, Lazard s analyses and reviews are inherently subject to substantial uncertainty.

The summary of the analyses and reviews provided below includes information presented in tabular format. In order to fully understand Lazard s analyses and reviews, the tables must be read together with the full text of each summary. The tables alone do not constitute a complete description of Lazard s analyses and reviews. Considering the data in the tables below without considering the full description of the analyses and reviews, including the methodologies and assumptions underlying the analyses and reviews, could create a misleading or incomplete view of Lazard s analyses and reviews.

Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before November 9, 2018 (the last trading day before the public announcement of the Merger) and is not necessarily indicative of current market conditions.

Summary of Lazard Financial Analyses

Selected Public Company Analysis

For purposes of its analysis, Lazard reviewed and analyzed certain financial information, valuation multiples and market trading data related to the Company and selected comparable publicly traded companies whose operations Lazard believed, based on its experience with companies in the HCIT (including EHR) and Vertical SaaS (***Vertical SaaS***) industries and professional judgment, to be generally relevant in analyzing the Company s operations. Lazard then compared such information to the corresponding information of the Company.

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The selected group of companies used in this analysis, which are referred to as ***comparable companies***, was as follows:

EHR Companies

- Cerner
- Allscripts Healthcare Solutions
- NextGen Healthcare
- Computer Programs & Systems

Other HCIT Companies

- HMS Holdings
- Inovalon Holdings
- Evolent Health

Vertical SaaS Companies

- RealPage
- Medidata Solutions
- Blackbaud
- Ebix
- SPS Commerce
- HealthStream

Lazard selected the companies reviewed in this analysis because, among other things, they operate businesses similar to one of the businesses of the Company. As compared to the HCIT Companies, Lazard viewed the Vertical SaaS Companies as being less relevant in its analysis of the Company s operations as a result of, among other things (1) lower revenue growth that is forecasted for 2019 for the Company (as set forth in the Adjusted Management Model) as compared to the Vertical SaaS Companies (based on Wall Street research analyst consensus estimates) and (2) differences between the mix of software and processing services currently offered to the Company s customers and those services offered by the Vertical SaaS Companies, which are more software focused. However, none of the selected companies is identical to the Company. Accordingly, Lazard believes that purely quantitative analyses are not, in isolation, determinative in the context of the Merger and that qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of the Company and the comparable companies that could affect the public trading values of each also are relevant.

Lazard calculated each comparable company s enterprise value (***EV***), which Lazard calculated as the market capitalization of each company (based on each company s fully-diluted share count, and closing share price, as of November 9, 2018), plus balance sheet debt and other non-equity capitalization (if applicable) and less cash, cash equivalents and marketable securities to its estimated earnings before interest, taxes, depreciation and amortization (***EBITDA***) for the next twelve-month period (***NTM***). The NTM EBITDA estimates for each of the comparable companies used by Lazard in its analysis were based on public filings and information provided by FactSet Research Systems.

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The following tables summarize the results of this review:

EHR Companies	**EV / NTM EBITDA**
Cerner	11.0x
Allscripts Healthcare Solutions	9.2x
NextGen Healthcare	11.9x
Computer Programs & Systems	10.6x

Other HCIT Companies	**EV / NTM EBITDA**
HMS Holdings	20.7x
Inovalon Holdings	13.2x
Evolent Health	NM

Vertical SaaS Companies	**EV / NTM EBITDA**
RealPage	19.0x
Medidata Solutions	24.9x
Blackbaud	19.7x
Ebix	11.5x
SPS Commerce	26.6x
HealthStream	16.1x

	EV / NTM EBITDA		
	Low	**Median**	**High**
EHR Companies	9.2x	10.8x	11.9x
Other HCIT Companies	13.2x	16.9x	20.7x
Vertical SaaS Companies	11.5x	19.4x	26.6x
All Selected Companies	9.2x	14.6x	26.6x

Based on an analysis of the relevant metrics for each of the comparable companies (including the recent earnings and stock price performance of the EHR comparable companies), as well as its professional judgment and experience, Lazard applied an EV to NTM EBITDA multiple range of 10.5x-12.5x to the Company s NTM EBITDA of $430 million as reflected in the Adjusted Management Model. Lazard also applied this range to the Company s NTM EBITDA of $405 million derived from publicly available Wall Street research analyst consensus estimates that Lazard obtained from Wall Street research reports.

This analysis resulted in an implied price per share range for shares of Company Common Stock (rounded to the nearest $1.00), as compared to the Merger Consideration, as set forth below.

Implied Price Per Share Range (Adjusted Management Model)	**Implied Price Per Share Range (Wall Street Consensus)**	**Merger Consideration**
$109.00 $129.00	$103.00 $122.00	$135.00

Selected Precedent Transactions Multiple Analysis

Lazard reviewed and analyzed selected precedent Merger and acquisition transactions involving HCIT and Vertical SaaS companies that it viewed, based on its experience and professional judgment, as generally relevant in analyzing the Company. In performing this analysis, Lazard reviewed certain financial information and transaction multiples relating to the companies involved in such selected transactions and compared such information to the corresponding information for the Company. Specifically, Lazard reviewed 19 merger and acquisition transactions involving companies in the HCIT industry for which sufficient public information was available, and 7 merger and acquisition transactions involving companies in the Vertical SaaS industry for which sufficient public information was available.

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The selected group of transactions reviewed in this analysis was as follows:

HCIT Announcement Date	Acquiror	Target	EV / LTM EBITDA	EV / NTM EBITDA
June 2018	Verscend Technologies	Cotiviti Holdings	18.0x	15.9x
April 2018	Veritas Capital	GE s HCIT Business	N/A	10.5x
March 2018	Inovalon	ABILITY Network	16.6x	16.0x
February 2018	Roche	Flatiron Health	N/A	N/A
October 2017	Express Scripts	eviCore healthcare	13.7x	13.1x
July 2017	EQT	Certara	N/A	N/A
January 2017	McKesson	CoverMyMeds	N/A	N/A
August 2016	EQT	Press Ganey Holdings	17.5x	15.3x
April 2016	Veritas Capital	Verisk s Health-Analytics Unit	10.7x	8.3x
March 2016	Allscipts Healthcare Solutions/GI Partners	Netsmart Technologies	N/A	12.7x
February 2016	ResMed	Brightree	18.6x	18.2x
February 2016	IBM Watson Health	Truven Health Analytics	16.9x	N/A
November 2015	Pamplona Capital Management	MedAssets, Inc.	11.5x	11.0x
August 2015	IBM Watson Health	Merge Healthcare	19.0x	16.8x
July 2015	Emdeon	Altegra Health	15.4x	N/A
September 2014	Cognizant	TriZetto Corporation	14.2x	N/A
August 2014	Cerner	Siemens Health Services	10.5x	N/A
November 2013	Experian	Passport Health Communications	20.3x	N/A
September 2013	Vista Equity Partners	Greenway Medical Technologies	N/M	N/M

Vertical SaaS Announcement Date	Acquiror	Target	EV / LTM EBITDA	EV / NTM EBITDA
March 2018	GTCR / Sycamore Partners	CommerceHub	23.1x	19.9x
December 2016	Synchronoss Technologies	Intralinks Holdings	17.5x	13.0x
August 2016	Verizon Communications	Fleetmatics Group	24.0x	19.8x
September 2015	Vista Equity Partners	Solera Holdings	14.2x	12.8x
June 2015	Cox Automotive	Dealertrack Technologies	22.4x	19.1x
December 2013	NCR	Digital Insight	15.7x	15.1x
September 2013	Vista Equity Partners	ACTIVE Network	18.6x	15.7x

To the extent publicly available, Lazard also reviewed, among other things, (i) the EV to EBITDA multiple of each of the target companies implied by the selected transactions by comparing the enterprise implied by the acquisition price to the relevant target company s estimated EBITDA for the NTM after each transaction was announced and (ii) the EV to EBITDA multiple of each of the target companies implied by the selected transactions by comparing the enterprise implied by the acquisition price to the relevant target company s estimated EBITDA for the last twelve month period

(***LTM***) before each transaction was announced. The EBITDA amounts for the target companies were based on publicly available company filings and Wall Street research analyst estimates. The following table summarizes the results of this review:

	EV / LTM EBITDA			**EV / NTM EBITDA**		
	Low	**Median**	**High**	**Low**	**Median**	**High**
HCIT Companies	10.5x	16.6x	20.3x	8.3x	14.2x	18.2x
Vertical SaaS Companies	14.2x	18.6x	24.0x	12.8x	15.7x	19.9x
All Precedent Transactions	10.5x	16.9x	24.0x	8.3x	15.2x	19.9x

Based on an analysis of the relevant metrics for each of the transactions, as well as its professional judgment and experience, Lazard applied an EV to NTM EBITDA multiple range of 13.0x-16.0x to the Company s NTM EBITDA of $430 million as reflected in the Adjusted Management Model. Lazard also applied this range to the Company s NTM EBITDA of $405 million derived from publicly available Wall Street research analyst consensus estimates that Lazard obtained from Wall Street research reports. Furthermore, based on an analysis of the relevant metrics for each of the transactions, as well as its professional judgment and experience, Lazard applied an EV to LTM EBITDA multiple range of 14.0x-17.0x to the Company s LTM EBITDA of $374 million for the period ended September 30, 2018.

This analysis resulted in the following implied price per share ranges for shares of Company Common Stock (rounded to the nearest $1.00), as compared to the Merger Consideration, as set forth below.

EV/LTM EBITDA	EV/NTM EBITDA		
Implied Price Per Share Range	Implied Price Per Share Range (Adjusted Management Model)	Implied Price Per Share Range (Wall Street Consensus)	Merger Consideration
$126.00 $152.00	$134.00 $164.00	$126.00 $155.00	$135.00

Discounted Cash Flow Analysis

Lazard performed a discounted cash flow analysis of the Company, which is a valuation methodology used to derive a valuation of a company by calculating the present value of its estimated future cash flows. Future cash flows refers to projected unlevered free cash flows (calculated, beginning with unlevered net income, by adding depreciation and amortization, subtracting capital expenditures, expenditure on acquisitions, and adjusting for changes in working capital and other operating activities) of a company. Present value refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, capital structure, income taxes, expected returns and other appropriate factors. Lazard calculated the discounted cash flow value of the Company as the sum of the net present value, as of September 30, 2018, of each of:

the estimated future cash flows that the Company will generate for each of the years 2018 through 2022; and

the estimated value of the Company at the end of 2022 (the ***terminal value***).

The estimated future cash flows for the Company over the period beginning October 1, 2018 and ending on December 31, 2022 were calculated by Lazard as set forth in Certain Financial Projections Utilized in Connection with the Merger .

For its discounted cash flow calculations, Lazard applied discount rates ranging from 10.0% to 11.0%. Such discount rates were based on Lazard s estimated ranges of the Company s weighted average cost of capital, based on, among other things, the average unlevered risk profiles, weighted after-tax cost of debt and consolidated leverage ratios of the comparable companies described under Selected Public Company Analysis above.

Lazard calculated the terminal value for the Company by applying EBITDA multiples ranging from 10.5x to 12.5x to the Company s estimated terminal year EBITDA, implying a perpetuity growth rate range of 5.3% to 7.1%. The ranges of the multiples were selected by Lazard in its professional judgment by reference to the multiples of the comparable companies described under Selected Public Company Analysis above.

The results of these analyses are summarized below:

Discount Rate	EBITDA Multiple	Implied Enterprise Value (in millions)
10.0% 11.0%	10.5x 12.5x	\$5,220 \$6,300

Lazard then added consolidated net cash to calculate a consolidated equity value range for the Company. Lazard divided the resulting consolidated equity value range by the fully diluted shares of Company Common Stock outstanding to calculate an implied price per share range (rounded to the nearest $1.00) and compared it to the Merger Consideration, as set forth below.

Implied Price Per Share Range	Merger Consideration
$125.00 $151.00	$135.00

Other Analyses and Reviews

52-Week High/Low Trading Prices

Lazard reviewed the range of trading prices of shares of Company Common Stock for the 52 weeks ended on May 4, 2018 (the last full trading day prior to Elliott s public proposal to acquire the Company for $160 per share). Lazard observed that, during such period, the closing share price of shares of Company Common Stock ranged from $101.00 per share to $156.00 per share (rounded to the nearest $1.00), as compared to the Merger Consideration of $135.00 per share of Company Common Stock.

Research Analyst Price Targets

Lazard reviewed selected equity analyst price targets based on publicly available Wall Street equity research reports published prior to November 9, 2018, which ranged from $128.00 to $180.00 per share of Company Common Stock, representing forward price targets (not discounted back). It was Lazard s view, based on its professional judgment and experience, that these analyst price targets had been impacted by Elliott s public proposal as well as significant press speculation regarding a sale of the Company. Lazard observed such range of price targets as compared to the Merger Consideration of $135.00 per share of Company Common Stock.

Miscellaneous

In connection with Lazard s services as a financial advisor to the Company, the Company agreed to pay Lazard an aggregate fee of approximately $21 million, $3 million of which was payable upon the delivery of Lazard s opinion, and approximately $18 million upon the consummation of the Merger. The Company also agreed to reimburse Lazard for certain expenses incurred in connection with Lazard s engagement and to indemnify Lazard and certain related persons under certain circumstances against certain liabilities that may arise from or relate to Lazard s engagement, including certain liabilities under U.S. federal securities laws.

Lazard, as part of its investment banking business, is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, leveraged buyouts, and valuations for estate, corporate and other purposes.

Lazard in the past have provided, currently is providing and in the future may provide certain investment banking services to the Company and certain companies in which Elliott Management Corporation (a stockholder of the Company and Parent) has an investment, for which we have received and may receive compensation. During the past two years, the financial advisory business of Lazard has provided advisory services to the Company (for which Lazard has received aggregate fees of approximately $1 million) and advisory services to two (2) companies in which Elliott holds less than a majority interest). During the past two years, the financial advisory business of Lazard was not engaged to provide financial advisory or other services to Veritas Capital Fund Management, L.L.C. (the sponsor of

Parent (***Veritas***)) or any entity known to be an affiliate of Veritas, and Lazard did not receive any compensation from Veritas or any entity known to be an affiliate of Veritas. In addition, in the ordinary course, Lazard and its affiliates and employees may trade securities of the Company, Parent and certain of their respective affiliates for their own accounts and for the accounts of their customers,

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may at any time hold a long or short position in such securities, and may also trade and hold securities on behalf of the Company, Parent and certain of their respective affiliates. The issuance of Lazard s opinion was approved by the opinion committee of Lazard.

Lazard is an internationally recognized investment banking firm providing a full range of financial advisory and other services. Lazard was selected to act as a financial advisor to the Company because of its qualifications, expertise and reputation in investment banking and mergers and acquisitions generally and in the healthcare and technology industries specifically, as well as its familiarity with the business of the Company.

The Company and Parent determined the total consideration of $135.00 in cash per share of Company Common Stock to be paid to the holders of shares of Company Common Stock pursuant to the Merger Agreement through arm s-length negotiations, and the Board approved such consideration. Lazard did not recommend any specific consideration to the Board or any other person or indicate that any given consideration constituted the only appropriate consideration for the Merger. Lazard s opinion was one of many factors considered by the Board, as discussed in The Merger Reasons for Recommending the Adoption of the Merger Agreement beginning on page [ ] of this proxy statement.

Interests of Directors and Executive Officers in the Merger

Members of the Board and our executive officers have various interests in the Merger described in this section that may be in addition to, or different from, the interests of athenahealth stockholders generally. You should keep this in mind when considering the recommendation of the Board for the adoption of the Merger Agreement. The members of the Board were aware of these interests and considered them at the time they approved the Merger Agreement and in making their recommendation that athenahealth stockholders adopt the Merger Agreement. These interests are described below.

Except as otherwise specifically noted, for purposes of quantifying the potential payments and benefits described in this section, the following assumptions were used:

- The relevant price per share of athenahealth common stock is $135.00, which is the price per share to be paid in connection with the Merger;
- The assumed effective date of the Merger is November 30, 2018, which is also the assumed date of the closing of the Merger solely for purposes of the disclosure in this section, unless noted otherwise; and
- The employment of each executive officer of athenahealth will have been terminated without cause or due to the executive officer s resignation for good reason (as such terms are defined in the relevant plans and agreements), in either case immediately following the assumed effective date of the Merger on November 30, 2018.

The amounts indicated below are estimates based on multiple assumptions that may or may not actually occur or be accurate as of the date referenced, therefore, the actual amounts, if any, that may be paid or become payable may materially differ from the amounts set forth below.

Treatment of Outstanding Equity Awards

The Merger Agreement provides that, as of immediately prior to the Effective Time:

- Each outstanding Company Option, under the Company Stock Plans, whether vested or unvested, (i) if the exercise price of such Company Option is equal to or greater than the Merger Consideration, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time, without any

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consideration being payable in respect thereof, and have no further force or effect and (ii) if the exercise price of such Company Option is less than the Merger Consideration, such Company Option will terminate and be cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment in the amount equal to (i) the number of shares of Company Common Stock underlying the Company Option immediately prior to the Effective Time, *multiplied by* (ii) the Merger Consideration minus the applicable exercise price;

Each outstanding Company Restricted Stock Unit that was granted under the Company Stock Plans that is outstanding or payable as of immediately prior to the Effective Time, whether vested or unvested, will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) the number of shares of Company Common Stock underlying such Company Restricted Stock Unit, *multiplied* by (ii) the Merger Consideration; and

Each outstanding Company Performance Stock Unit that was granted under the Company Stock Plans that is outstanding or payable as of immediately prior to the Effective Time, whether vested or unvested, will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has been completed, (A) the number of shares of Company Common Stock subject to such Company Performance Stock Unit that would vest based on the actual level of achievement as of the Effective Time *multiplied by* (B) the Merger Consideration, and (ii) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has not been completed, (A) the number of shares of Company Common Stock subject to such Company Performance Stock Unit that would vest based on the applicable target level of achievement *multiplied by* (B) the Merger Consideration.

Summary Tables

The following table sets forth number of shares of athenahealth common stock underlying outstanding vested Company Options, unvested Company Restricted Stock Units and unvested Company Performance Stock Units held by our non-employee directors and the cash proceeds that each of our non-employee directors would receive at or promptly after the Effective Time in respect of outstanding equity awards, whether or not vested, held by such non-employee director as of [November 30], 2018. The table includes payments in respect of equity awards that may vest prior to the completion of the Merger based upon the completion of continued service with athenahealth and independent of the occurrence of the Merger. All share and unit numbers have been rounded to the nearest whole number. No non-employee director held any unvested Company Options as of [November 30], 2018.

Director Equity Summary Table

Director	**Vested Stock Options (#)(1)**	**Vested Stock Options ($)(1)**	**RSU Awards (#)(2)**	**RSU Awards ($)(2)**	**PSU Awards (#)(3)**	**PSU Awards ($)(3)**	**Estimated Total Cash Consideration**
Amy Abernethy, M.D., Ph. D.	-	$ -	1,931	$ 260,685	-	$ -	$ 260,685
Brandon Hull	15,565	$ 922,486	1,931	$ 260,685	-	$ -	$ 1,183,171
Jeffrey R. Immelt	-	$ -	3,110	$ 419,850	-	$ -	$ 419,850

Dev Ittycheria	-	$ -	1,931	$ 260,685	-	$ -	$ 260,685
John A. Kane (4)	10,080	$ 537,944	1,931	$ 260,685	-	$ -	$ 798,629
Jacqueline D. Kosecoff, Ph. D.	-	$ -	1,931	$ 260,685	-	$ -	$ 260,685
Brian P. McKeon	-	$ -	1,931	$ 260,685	-	$ -	$ 260,685
Ed Park	-	$ -	1,931	$ 260,685	9,267	$ 1,251,045	$ 1,511,730
Thomas J. Szkutak	-	$ -	1,931	$ 260,685	-	$ -	$ 260,685

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(1) As of immediately prior to the Effective Time, with respect to each outstanding Company Option, (i) if the exercise price of such Company Option is equal to or greater than $135.00, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time, without any consideration being payable in respect thereof, and (ii) if the exercise price of such Company Option is less than $135.00, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment in the amount equal to (i) the number of shares of athenahealth common stock underlying the Company Option immediately prior to the Effective Time, *multiplied by* (ii) $135.00 minus the applicable exercise price.

(2) As of immediately prior to the Effective Time, each outstanding Company Restricted Stock Unit will be terminated and cancelled in exchange for the right to receive a lump sum cash payment equal to (i) the number of shares of athenahealth common stock underlying such Company Restricted Stock Unit, *multiplied* by (ii) $135.00.

(3) As of immediately prior to the Effective Time, each outstanding Company Performance Stock Unit will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has been completed, (A) the number of shares subject to such Company Performance Stock Unit that would vest based on the actual level of achievement as of the Effective Time *multiplied by* (B) $135.00, and (ii) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has not been completed, (A) the number of shares of athenahealth common stock subject to such Company Performance Stock Unit that would vest based on the applicable target level of achievement *multiplied by* (B) $135.00.

(4) Of the 10,080 Company Options held by Mr. Kane, 3,268 have an exercise price equal to or greater than $135.00. The remaining 6,812 Company Options have an exercise price less than $135.00. The dollar value reported in this table represents a lump sum cash payment amount equal in value to the 6,812 shares of athenahealth common stock underlying the Company Options, *multiplied by* $135.00 minus the applicable exercise price.

The following table sets forth the number of shares of athenahealth common stock underlying outstanding vested Company Options held by our executive officers and the cash proceeds that each of our executive officers would receive at or promptly after the Effective Time in respect of vested Company Options held by such executive officer as of November 30, 2018. No executive officer held any other vested equity awards as of November 30, 2018. All share numbers have been rounded to the nearest whole number.

Executive Officer Vested Equity Awards Summary Table

Executive Officers	**Stock Options (#)(1)**	**Stock Options ($)(1)**
Bret Connor	-	$ -
Dan Haley (2)	3,482	$ -
Prakash Khot	-	$ -
Marc A. Levine	-	$ -
Paul Merrild	-	$ -

Timothy O Brien	-	$	-
Jon Porter	-	$	-
David C. Young	-	$	-

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(1) As of immediately prior to the Effective Time, with respect to each outstanding vested Company Option, (i) if the exercise price of such Company Option is equal to or greater than $135.00, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time, without any consideration being payable in respect thereof, and (ii) if the exercise price of such Company Option is less than $135.00, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment in the amount equal to (i) the number of shares of athenahealth common stock underlying the Company Option immediately prior to the Effective Time, *multiplied by* (ii) $135.00 minus the applicable exercise price.

(2) The vested Company Options held by Mr. Haley and reported in this table have an exercise price equal to or greater than $135.00.

The following table sets forth the number of shares of athenahealth common stock underlying outstanding unvested Company Options, Company Restricted Stock Units and Company Performance Stock Units held by our executive officers and the cash proceeds that each of our executive officers would receive at or promptly after the Effective Time in respect of unvested Company Options, Company Restricted Stock Units and Company Performance Stock Units held by such executive officer as of November 30, 2018. All share numbers have been rounded to the nearest whole number.

Executive Officer Unvested Equity Awards Summary Table

Executive Officers	Unvested Stock Options (#)(1)	Unvested Stock Options ($)(1)	Unvested RSU Awards (#)(2)	Unvested RSU Awards ($)(2)	Unvested PSU Awards (#)(3)	Unvested PSU Awards ($)(3)	Estimated Total Cash Consideration)
Bret Connor	3,936	$ -	6,287	$ 848,745	4,026	$ 543,510	$ 1,392,255
Dan Haley	3,690	$ -	7,189	$ 970,515	10,092	$ 1,362,420	$ 2,332,935
Prakash Khot	6,441	$ -	18,243	$ 2,462,805	11,280	$ 1,522,800	$ 3,985,605
Marc A. Levine	7,872	$ -	30,411	$ 4,105,485	8,053	$ 1,087,155	$ 5,192,640

Paul Merrild	3,690	$	-	5,833	$	787,455	10,267	$	1,386,045	$	2,173,500
Tim O Brien	3,690	$	-	8,474	$	1,143,990	9,138	$	1,233,630	$	2,377,620
Jon Porter	3,690	$	-	9,493	$	1,281,555	8,496	$	1,146,960	$	2,428,515
David C. Young	-	$	-	6,804	$	918,540	-	$	-	$	918,540

(1) As of immediately prior to the Effective Time, with respect to each outstanding Company Option, (i) if the exercise price of such Company Option is equal to or greater than $135.00, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time, without any consideration being payable in respect thereof, and (ii) if the exercise price of such Company Option is less than $135.00, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment in the amount equal to (i) the number of shares of athenahealth common stock underlying the Company Option immediately prior to the Effective Time, *multiplied by* (ii) $135.00 minus the applicable exercise price. All unvested Company Options reported in this table have an exercise price that is equal to or greater than $135.00.

(2) As of immediately prior to the Effective Time, each outstanding Company Restricted Stock Unit will terminate and be cancelled in exchange for the right to receive a lump sum cash payment equal to (i) the number of shares of athenahealth common stock underlying such Company Restricted Stock Unit, *multiplied* by (ii) $135.00.

(3) As of immediately prior to the Effective Time, each outstanding Company Performance Stock Unit will terminate and be cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has been completed, (A) the number of shares of athenahealth common stock subject to such Company Performance Stock Unit that would vest based on the actual level of achievement as of the Effective Time *multiplied by* (B) $135.00, and (ii) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has not been completed, (A) the number of shares of athenahealth common stock subject to such Company Performance Stock Unit that would vest based on the applicable target level of achievement *multiplied by* (B) $135.00.

Change in Control Severance Benefits for Executive Officers

All executive officers participate in the athenahealth, Inc. Change in Control Severance Plan for Certain U.S. Officers and Executives (which we refer to as the ***CIC Plan***). The CIC Plan provides that if an eligible employee either (1) is terminated by athenahealth without Cause (as defined in the CIC Plan), or (2) experiences a Good Reason Resignation (as defined in the CIC Plan), in either case, during the period beginning three months prior to the date of a change of control of the Company (provided that the termination by the Company without Cause or Good Reason Resignation is at the request of a third party who has taken steps calculated to effect a change in control or otherwise arose in connection with a change of control) and ending twelve months after the date of such change in control, the eligible employee will be entitled to the following payments and benefits, subject to his or her execution and non-revocation of a release of claims and agreement to comply with perpetual confidentiality and non-disparagement covenants and non-competition and non-solicitation covenants for 12 months following termination of employment:

- payment of one (1) times the sum of (i) participant s base salary in effect on the date of termination and (ii) 100% of the participant s target annual bonus, in each case payable in equal pro rata installments in accordance with athenahealth s normal payroll practices over 12 months (9 months in the case of vice presidents) following the termination date, beginning within 60 days following the termination date.

- continuation of medical and dental coverage at active employee rate for 12 months (9 months in the case of vice presidents).

- full vesting of the participant s unvested Company Options, and all of the participant s Company Options that are vested as of such termination will be exercisable for the greater of (i) the period set forth in the participant s option agreement covering such options and (ii) 12 months (but not beyond the original expiration date).

- full vesting of the participant s unvested Company Restricted Stock Units and vesting at target of all of the participant s unvested Company Performance Stock Units.

- the cost of outplacement services up to $10,000 at an outplacement agency for a period of up to 3 months following the termination date.

The CIC Plan also provides that if any payment by athenahealth or its subsidiaries to or for the benefit of a participant would be nondeductible by athenahealth for federal income tax purposes because of Section 280G of the Code, then the aggregate present value of the payments and benefits provided to the participant pursuant to the CIC Plan (the ***CIC Plan Payments***) will be reduced to an amount that maximizes the aggregate present value of the CIC Plan Payments without causing any CIC Plan Payment to be nondeductible by athenahealth due to Section 280G of the Code, provided that the amount of the after-tax CIC Plan Payments after such reduction has been applied exceeds the amount of the after-tax CIC Plan Payments if this reduction had not been applied.

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Golden Parachute Compensation

In accordance with Item 402(t) of Regulation S-K, the tables below present the estimated amounts of compensation that each named executive officer could receive that are based on or otherwise related to the Merger. This compensation is referred to as golden parachute compensation by the applicable SEC disclosure rules, and in this section we use such term to describe the merger-related compensation payable to athenahealth s named executive officers. This merger-related compensation is subject to a non-binding advisory vote of athenahealth s stockholders. See the section entitled Proposal 2: Non-Binding Compensation Advisory Proposal, on page [ ].

The amounts set forth below have been calculated assuming the Merger is consummated on February 15, 2019, and, where applicable, assuming each named executive officer experiences a qualifying termination of employment as of February 15, 2019. The amounts indicated below are estimates of amounts that would be payable to the named executive officers, and the estimates are based on multiple assumptions that may or may not actually occur, including assumptions described in this proxy statement. Some of the assumptions are based on information not currently available, and as a result, the actual amounts, if any, to be received by a named executive officer may differ in material respects from the amounts set forth below. All dollar amounts set forth below have been rounded to the nearest whole number.

Name	Cash (1)	Equity (2)	Perquisites/ Benefits (3)	Tax Reimburse- ment (4)	Other (5)	Total
Jonathan Bush (6) *Former Chief Executive Officer,* *President and Director*	$4,830,000	-	-	-	-	$4,830,000
Marc A. Levine *Executive Vice President, Chief* *Financial Officer and Treasurer*	$1,235,000	$4,274,235	$10,202	-	$10,000	$5,529,437
John A. Kane *Former Interim Chief Financial* *Officer*	-	$798,629	-	-	-	$798,629

Dan Haley *Senior Vice President, Chief Legal and Administrative Officer*	$712,500	$1,940,895	$11,871	-	$10,000	$2,675,266
Prakash Khot *Executive Vice President, Chief Technology Officer*	$890,000	$3,345,435	$11,871	-	$10,000	$4,257,306
Jonathan Porter *Senior Vice President, Chief Product Officer*	$847,500	$2,208,735	$11,871	-	$10,000	$3,078,106

(1) *Cash.* Represents the following cash payments for each named executive officer.

Name	Severance Amount	Transaction Bonus Amount
Dan Haley	$ 637,500	$ 75,000
Prakash Khot	$ 765,000	$ 125,000
Marc A. Levine	$ 935,000	$ 300,000
Jonathan Porter	$ 722,500	$ 125,000

The Severance column represents the portion of the severance payable to each named executive officer upon a qualifying termination of employment in connection with or in anticipation of the Merger or within

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one year following the Effective Time. The cash severance payable to each named executive officer is a double-trigger payment, which means the amounts will become payable only upon a qualifying termination of employment in connection with or in anticipation of the Merger or within one year following the Effective Time. The receipt by the named executive officer of severance benefits under the CIC Plan is conditioned upon the named executive officer s execution of a release of claims and compliance with certain perpetual confidentiality and non-disparagement covenants and non-competition and non-solicitation covenants for one year post-termination. For further details regarding the cash severance that may become payable to athenahealth s named executive officers, see Interests of Directors and Executive Officers in the Merger Change in Control Severance Benefits for Executive Officers.

The Transaction Bonus Amount column represents amounts payable to each named executive officer pursuant to the terms of a Transaction Bonus Agreement, the form of which was filed with the SEC on December 4, 2018, as entered into by and between the Company and certain key employees, including the named executive officers listed in this table. Under the agreement, 50% of the Transaction Bonus Amount will be paid on December 28, 2018, with the balance to be paid subject to the terms of the agreement.

(2) *Equity.* Represents the value of the Company Options, Company Restricted Stock Units and Company Performance Stock Units held by each named executive officer that will vest and be cashed out in connection with the Merger. The amounts payable to named executive officers in respect of the Company Options, Company Restricted Stock Units and Company Performance Stock Units will be paid to the named executive officers at or promptly after the Effective Time even if the named executive officer s employment is not terminated. For further details regarding the treatment of athenahealth equity awards in connection with the Merger, see Interests of Directors and Executive Officers in the Merger Treatment of Outstanding Equity Awards.

(3) *Perquisites/Benefits.* Represents the value of continued medical and dental insurance coverage payable to each named executive officer upon a qualifying termination of employment in connection with or in anticipation of the Merger or within one year following the Effective Time. The continued coverage provided to each named executive officer is a double-trigger benefit, which means that the coverage will be provided only upon a qualifying termination of employment in connection with or in anticipation of the Merger or within one year following the Effective Time. The receipt by the named executive officer of continued medical and dental coverage under the CIC Plan is conditioned upon the named executive officer s execution of a release of claims and compliance with certain restrictive covenants, as described in note (1) above. For further details regarding the perquisites and benefits that may become payable to athenahealth s named executive officers, see Interests of Directors and Executive Officers in the Merger Change in Control Severance Benefits for Executive Officers.

(4) None of the named executive officers are eligible to receive an excise tax gross up.

(5) Each named executive officer receives outplacement services for up to three months not in excess of $10,000. Represents the maximum compensation for outplacement services in the event of a termination other than for cause, disability or death.

(6) Pursuant to the separation agreement entered into by Jonathan Bush and athenahealth on September 5, 2018, Mr. Bush will be entitled to a lump sum payment equal to $4,830,000 following the consummation of a change in

control that occurs within nine months of his separation date.

Director and Officer Indemnification and Insurance

Pursuant to the Merger Agreement, from and after the Effective Time, Parent will, and will cause the surviving corporation to, indemnify and hold harmless each present and former director and officer of

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athenahealth (which we refer to as ***indemnified parties***), against any costs or expenses, including with respect to matters existing or occurring at or prior to the Effective Time (including the Merger Agreement and the transactions contemplated by the Merger Agreement), arising out of the fact that such indemnified party is or was a director, officer, employee or agent of athenahealth, or is or was serving at the request of athenahealth as a director, officer, employee or agent of another person prior to the Effective Time. Parent and the surviving corporation will also advance expenses as incurred to any such indemnified party as long as such indemnified party undertakes to repay such advances if it is ultimately determined that such indemnified party is not entitled to indemnification.

Prior to the Effective Time, athenahealth will, and if athenahealth is unable to, Parent will cause the surviving corporation as of the Effective Time to, obtain and fully pay for tail insurance policies with a claims period of at least six years from and after the Effective Time from an insurance carrier with the same or better credit rating as athenahealth s current insurance carrier with respect to directors and officers liability insurance and fiduciary liability insurance with benefits and levels of coverage at least as favorable as athenahealth s existing policies with respect to matters existing or occurring at or prior to the Effective Time (including in connection with the Merger Agreement or the transactions contemplated by the Merger Agreement). In no event will athenahealth be required to pay an annual premium for such policies in excess of 300% of the annual premium paid as of the date of the Merger Agreement by athenahealth for such insurance. If athenahealth for any reason fails to obtain such tail insurance policies as of the Effective Time, the surviving corporation shall, and Parent shall cause the surviving corporation to, continue to maintain in effect for a period of at least six years from and after the Effective Time athenahealth s existing policies, or the surviving corporation shall, and Parent shall cause the surviving corporation to, purchase a comparable policy for such six-year period with such benefits and levels of coverage at least as favorable as athenahealth s existing policies. In no event will athenahealth be required to pay, or Parent or the surviving corporation be required to pay for such policies, an annual premium in excess of 300% of the annual premium paid as of the date of the Merger Agreement by athenahealth for such insurance. If the premium for such insurance coverage exceeds such amount, the surviving corporation will obtain a policy with the greatest coverage available for a cost not exceeding such amount.

In addition, for not less than six years from and after the Effective Time, Parent will ensure that the surviving corporation maintains provisions in the organizational documents of the surviving corporation with respect to indemnification, advancement of expenses and exculpation of present and former directors, officers, employees and agents that are no less favorable than the analogous provisions contained in the organizational documents of athenahealth and our subsidiaries in effect immediately prior to the Effective Time.

For additional information, see the section entitled The Agreement and Plan of Merger Director and Officer Indemnification and Insurance, beginning on page [ ].

Certain Effects of the Merger

If the proposal to adopt the Merger Agreement is approved by the holders of at least a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter and the other conditions to the closing of the Merger are either satisfied or (to the extent permitted by applicable law) waived, Merger Sub will be merged with and into athenahealth upon the terms set forth in the Merger Agreement. As the surviving corporation in the Merger, athenahealth will continue to exist following the Merger as a wholly-owned subsidiary of Parent.

Following the Merger, all of athenahealth s equity interests will be legally and beneficially owned by Parent, and none of athenahealth s current stockholders will, by virtue of the Merger, have any ownership interest in, or be a stockholder of, athenahealth, the surviving corporation or Parent after the completion of the Merger. As a result, athenahealth s current stockholders will no longer benefit from any increase in the value, nor will they bear the risk of any decrease in the value, of athenahealth common stock. Following the Merger, Parent will

benefit from any increase in athenahealth s enterprise value and also will bear the risk of any decrease in athenahealth s enterprise value.

Upon completion of the Merger, each share of athenahealth common stock issued and outstanding immediately prior to the Effective Time (other than Excluded Shares) will be cancelled, extinguished and automatically converted into the right to receive the Merger Consideration, net of any applicable withholding taxes and without interest. See the section of entitled The Agreement and Plan of Merger Merger Consideration, beginning on page [ ].

For information regarding the effects of the Merger on athenahealth s outstanding equity awards, please see the section entitled Interests of Directors and Executive Officers in the Merger, beginning on page [ ], and the section entitled The Agreement and Plan of Merger Treatment of Company Stock Options, RSU Awards, PSU Awards and the ESPP, beginning on page [ ].

athenahealth common stock is currently registered under the Exchange Act and trades on NASDAQ under the symbol *ATHN*. Following the completion of the Merger, shares of athenahealth common stock will no longer be traded on NASDAQ or any other public market. In addition, the registration of shares of athenahealth common stock under the Exchange Act will be terminated, and athenahealth will no longer be required to file periodic and other reports with the SEC with respect to athenahealth common stock. Termination of registration of athenahealth common stock under the Exchange Act will reduce the information required to be furnished by athenahealth to athenahealth s stockholders and the SEC, and would make certain provisions of the Exchange Act, such as the requirement to file annual and quarterly reports pursuant to Section 13(a) or 15(d) of the Exchange Act, the short-swing trading provisions of Section 16(b) of the Exchange Act and the requirement to furnish a proxy statement in connection with stockholders meetings pursuant to Section 14(a) of the Exchange Act, no longer applicable to athenahealth to the extent that they apply solely as a result of the registration of athenahealth common stock under the Exchange Act.

Consequences if the Merger is Not Completed

If the proposal to adopt the Merger Agreement is not approved by the holders of shares representing a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter or if the Merger is not completed for any other reason, you will not receive any consideration from Parent or Merger Sub for your shares of athenahealth common stock. Instead, athenahealth will remain a public company, and athenahealth common stock will continue to be listed and traded on NASDAQ. We expect that our management will operate our business in a manner similar to that in which it is being operated today and that holders of shares of athenahealth common stock will continue to be subject to the same risks and opportunities as they currently are subject to with respect to their ownership of athenahealth common stock. If the Merger is not completed, there can be no assurance as to the effect of these risks and opportunities on the future value of athenahealth common stock, including the risk that the market price of athenahealth common stock may decline to the extent that the current market price of athenahealth common stock reflects a market assumption that the Merger will be completed. If the proposal to adopt the Merger Agreement is not approved by the holders of shares representing a majority of the outstanding shares of athenahealth common stock entitled to vote on such matter or if the Merger is not completed for any other reason, there can be no assurance that any other transaction acceptable to us will be offered or that our business, prospects or results of operations will not be adversely impacted.

In addition, if the Merger Agreement is terminated under specified circumstances, athenahealth is required to pay Parent a termination fee of $142,105,000. Parent may be required to pay athenahealth a reverse termination fee of $312,635,000 if the Merger Agreement is terminated under specified circumstances. See the section entitled The Agreement and Plan of Merger Expenses; Termination Fees, beginning on page [ ].

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Financing of the Merger

We anticipate that the total funds needed to complete the Merger, including the funds needed to pay athenahealth stockholders and holders of other equity-based interests the amounts due to them under the Merger Agreement, which would be approximately $[ ] billion based upon the number of shares of athenahealth common stock (and our other equity-based interests) outstanding as of [ ], 2018, will be funded through a combination of Parent s cash on-hand, $4.475 billion of debt financing (including up to $15 million from a revolving credit facility), $600 million of preferred equity financing and $[ ] billion of [common] equity financing.

Parent, Merger Sub and Virence have entered into a debt commitment letter, dated as of November 11, 2018, and amended and restated on November 26, 2018, with the Debt Commitment Parties. Pursuant to and subject to the terms of the debt commitment letter, the Debt Commitment Parties have committed to provide the senior secured credit facilities in an aggregate amount of up to $4.860 billion. Parent, Merger Sub and Virence have also entered into a preferred equity commitment letter dated as of November 11, 2018, with the Preferred Equity Commitment Parties. Pursuant to and subject to the terms of the preferred equity commitment letter, the Preferred Equity Commitment Parties have committed to fund an investment in perpetual preferred stock of a parent company of Parent and Virence in an aggregate amount of up to $600 million. The funding provided by the Debt Commitment Parties and the Preferred Equity Commitment Parties would be used to (i) pay the Merger Consideration payable under the Merger Agreement, (ii) refinance any existing indebtedness for borrowed money that may become due and payable as a result of the Merger, (iii) pay any and all fees and expenses in connection with the Merger or the financing thereof and (iv) satisfy all of Parent s and Merger Sub s respective other payment obligations under the Merger Agreement. Each of the debt commitment letter and the preferred equity commitment letter terminates automatically on the earliest to occur of (a) the date the Merger Agreement is validly terminated in accordance with its terms, (b) by written election of Parent to terminate the commitment letters, (c) upon the consummation of the Mergers and (d) 5:00 p.m., New York City time, five business days after the Termination Date.

Although the debt financing and preferred equity financing described above is not subject to a due diligence or market out, the obligations of the Debt Commitment Parties and Preferred Equity Commitment Parties to provide financing under the debt commitment letter and the preferred equity commitment letter are subject to a number of conditions, and such financing should not be considered assured. There is a risk that these conditions will not be satisfied and the debt financing may not be funded when required. To the knowledge of athenahealth, as of the date of this proxy statement, no alternative financing arrangements or alternative financing plans have been made in the event the debt financing described in this proxy statement is not available.

The completion of the Merger is not conditioned upon Parent s receipt of financing.

Material U.S. Federal Income Tax Consequences of the Merger

The following is a general summary of certain material U.S. federal income tax consequences of the Merger to U.S. holders (as defined below) of athenahealth common stock who receive cash for their shares of athenahealth common stock in the Merger. This summary is general in nature and does not discuss all aspects of U.S. federal income taxation that might be relevant to a U.S. holder in light of such holder s particular circumstances. In addition, this summary does not address the Medicare tax on net investment income or describe any tax consequences arising under the laws of any state, local or foreign jurisdiction and does not consider any aspects of U.S. federal tax law other than income taxation.

This summary only addresses shares of athenahealth common stock held as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the ***Code***), generally, property held for investment.

This summary does not address the U.S. federal income tax consequences to U.S. holders who

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demand appraisal rights under Delaware law. This summary also does not address tax considerations applicable to any U.S. holders that may be subject to special treatment under the U.S. federal income tax laws, including:

- a bank, insurance company or other financial institution;
- a tax-exempt organization;
- a retirement plan or other tax-deferred account;
- a partnership, an S corporation or other pass-through entities for U.S. federal income tax purposes (or an investor in such an entity);
- a mutual fund;
- a real estate investment trust or regulated investment company;
- a personal holding company;
- a dealer or broker in stocks and securities or currencies;
- a trader in securities that elects mark-to-market treatment;
- a tax payer subject to Section 1061 of the Code;
- a holder of shares subject to the alternative minimum tax provisions of the Code;
- a holder of shares that received the shares through the exercise of an employee stock option, through a tax qualified retirement plan or otherwise as compensation;
- a U.S. holder that has a functional currency other than the U.S. dollar;
- a holder that holds shares as part of a hedge, straddle, constructive sale, conversion or other risk reduction strategy or integrated transaction; or

a U.S. expatriate.

This summary is based on the Code, the Treasury regulations promulgated under the Code and rulings and judicial decisions, all as in effect as of the date of this proxy statement, and all of which are subject to change or differing interpretations at any time, with possible retroactive effect. We have not sought, and do not intend to seek, any ruling from the U.S. Internal Revenue Service (which we refer to as the ***IRS***) with respect to the statements made and the conclusions reached in the following summary. No assurance can be given that the IRS will agree with the views expressed in this summary, or that a court will not sustain any challenge by the IRS in the event of litigation.

For purposes of this discussion, we use the term ***U.S. holder*** to mean a beneficial owner of shares of athenahealth common stock that is, for U.S. federal income tax purposes:

an individual citizen or resident of the United States;

a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia;

a trust that (i) is subject to the supervision of a court within the United States and the control of one or more U.S. persons or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or

an estate that is subject to U.S. federal income tax on its income regardless of its source.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) beneficially owns shares of athenahealth common stock, the tax treatment of the partnership and its partners generally will depend on the status of the partners and the activities of the partnership. A partner in a partnership holding shares of athenahealth common stock should consult such partner s tax advisor.

THIS DISCUSSION IS INTENDED ONLY AS A GENERAL SUMMARY OF THE MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO U.S. HOLDERS. THIS SUMMARY DOES NOT ADDRESS THE U.S. FEDERAL INCOME TAXATION CONSEQUENCES RELEVANT TO BENEFICIAL OWNERS OF SHARES OF ATHENAHEALTH COMMON STOCK THAT ARE NOT U.S. HOLDERS. WE URGE U.S. HOLDERS AND OTHER BENEFICIAL OWNERS OF SHARES TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE SPECIFIC TAX CONSEQUENCES OF THE MERGER IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, INCLUDING FEDERAL ESTATE, GIFT AND OTHER NON-INCOME TAX CONSEQUENCES, AND TAX CONSEQUENCES UNDER STATE, LOCAL OR FOREIGN TAX LAWS, INCLUDING POSSIBLE CHANGES IN SUCH LAWS.

U.S. Holders

General. A U.S. holder s receipt of cash in exchange for shares of athenahealth common stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes, and such U.S. holder will recognize gain or loss equal to the difference, if any, between the amount of cash received and the U.S. holder s adjusted tax basis in the shares converted into the right to receive cash in the Merger. Gain or loss will be determined separately for each block of shares of athenahealth common stock (that is, shares acquired at the same cost in a single transaction). Such gain or loss will generally be capital gain or loss and will be long-term capital gain or loss if the U.S. holder s holding period for the shares is more than one year at the Effective Time. Long-term capital gain recognized by a non-corporate U.S. holder generally is subject to tax at a reduced rate of U.S. federal income tax. There are limitations on the deductibility of capital losses. *Information Reporting and Backup Withholding.* A U.S. holder may be subject to information reporting. In addition, all payments to which a U.S. holder would be entitled pursuant to the Merger will be subject to backup withholding at the statutory rate unless such holder (i) is a corporation or other exempt recipient (and, when required, demonstrates this fact), or (ii) provides a taxpayer identification number (which we refer to as a ***TIN***) and certifies, under penalty of perjury, that the U.S. holder is not subject to backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. A U.S. holder that does not otherwise establish exemption should complete and sign the IRS Form W-9, in order to provide the information and certification necessary to avoid backup withholding and possible penalties. If a U.S. holder does not provide a correct TIN, such U.S. holder may be subject to backup withholding and penalties imposed by the IRS.

Any amount paid as backup withholding does not constitute an additional tax and will be creditable against a U.S. holder s U.S. federal income tax liability, provided the required information is given to the IRS in a timely manner. If backup withholding results in an overpayment of tax, a U.S. holder may obtain a refund by filing a U.S. federal income tax return in a timely manner.

Regulatory Approvals Required for the Merger

Completion of the Merger is conditioned on the expiration or termination of any applicable waiting period (and any extension thereof) applicable to the completion of the Merger under the HSR Act. On November 26, 2018, athenahealth and Parent filed their respective notification and report forms under the HSR Act with the

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Antitrust Division of the Department of Justice (which we refer to as the ***DOJ***), which triggered the start of the HSR Act waiting period. Unless athenahealth or Parent voluntarily withdraws its notification and report form or the DOJ grants early termination of the HSR Act review period or formally requests additional information concerning the Merger, the waiting period will expire on December 26, 2018.

At any time before or after the Effective Time, the Federal Trade Commission, the DOJ, antitrust authorities outside the United States or U.S. state attorneys general could take action under applicable antitrust laws, including seeking to enjoin the completion of the Merger, conditionally approving the Merger upon the divestiture of athenahealth s or Parent s assets, subjecting the completion of the Merger to regulatory conditions or seeking other remedies. Private parties may also seek to take legal action under the antitrust laws under certain circumstances.

We currently expect to obtain all antitrust and other regulatory approvals that are required for the completion of the Merger no later than the first calendar quarter of 2019; however, we cannot guarantee when any such approvals will be obtained, or that they will be obtained at all.

THE AGREEMENT AND PLAN OF MERGER

Explanatory Note Regarding the Merger Agreement

The summary of the material provisions of the Merger Agreement set forth below and elsewhere in this proxy statement is qualified in its entirety by reference to the Merger Agreement, a copy of which is attached to this proxy statement as Annex A and which is incorporated by reference in this proxy statement. This summary does not purport to be complete and may not contain all of the information about the Merger Agreement that is important to you. We encourage you to read the Merger Agreement carefully in its entirety.

The Merger Agreement is described in this proxy statement and included as Annex A only to provide you with information regarding its terms and conditions and not to provide any other factual information regarding athenahealth, Parent or Merger Sub or their respective businesses. Such information can be found elsewhere in this proxy statement or, in the case of athenahealth, in the public filings that athenahealth makes with the SEC, which are available without charge through the SEC s website at www.sec.gov. See the section entitled Where You Can Find More Information, beginning on page [ ].

The representations, warranties and covenants made in the Merger Agreement by athenahealth, Parent and Merger Sub are qualified and subject to important limitations agreed to by athenahealth, Parent and Merger Sub in connection with negotiating the terms of the Merger Agreement. In particular, in your review of the representations and warranties contained in the Merger Agreement and described in this summary, it is important to bear in mind that the representations and warranties were negotiated with the principal purposes of establishing the circumstances in which a party to the Merger Agreement may have the right not to close the Merger if the representations and warranties of the other party prove to be untrue due to a change in circumstance or otherwise, and allocating risk between the parties to the Merger Agreement. The representations and warranties may also be subject to a contractual standard of materiality different from those generally applicable to stockholders and reports and documents filed with the SEC and in some cases were qualified by disclosures that were made by athenahealth, which disclosures are not reflected in the Merger Agreement. Moreover, information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this proxy statement, may have changed since the date of the Merger Agreement and subsequent developments or new information qualifying a representation or warranty may have been included in this proxy statement.

Date of the Merger Agreement

The Merger Agreement was executed by athenahealth, Parent and Merger Sub on November 11, 2018 (which we refer to as the ***date of the Merger Agreement***).

The Merger

Upon the terms and subject to the conditions set forth in the Merger Agreement, at the Effective Time, Merger Sub will be merged with and into athenahealth and the separate corporate existence of Merger Sub will thereupon cease. athenahealth will be the surviving corporation in the Merger, and the separate corporate existence of athenahealth with all its rights, privileges, immunities, powers and franchises will continue unaffected by the Merger, except as set forth in Organizational Documents; Directors and Officers below. The Merger will have the effects specified in the DGCL.

Closing; Effective Time

The closing of the Merger will take place as soon as reasonably practicable, and in no event later than three (3) business days, following the day on which the last to be satisfied or waived of each of the conditions set forth in the Merger Agreement (other than those conditions that, by their terms, are to be satisfied at the closing, but subject to the satisfaction and waiver of those conditions). However, if the marketing period (as defined below) has not ended at the time of the satisfaction or waiver of such conditions (other than those conditions that, by their terms, are to be satisfied at the closing, but subject to the satisfaction and waiver of those conditions), the closing of the Merger will occur instead on (a) the earlier to occur of (i) any business day during the marketing period specified by Parent on no less than two (2) business days written notice to athenahealth or (ii) the third (3rd) business day following the final day of the marketing period, but subject, in each case, to the satisfaction or waiver of all of the conditions set forth in the Merger Agreement or (b) at such other place and time and/or on such other date, time or place as athenahealth and Parent may otherwise agree in writing (we refer to the date on which the Closing occurs as the ***Closing Date***).

The ***marketing period*** is the first period of fifteen (15) consecutive business days after the date of the Merger Agreement beginning on the date on which Parent has received all of the required information from athenahealth. Notwithstanding the foregoing, (A) the marketing period may not commence prior to the mailing of this proxy statement, (B) November 23, 2018 will not be considered a business day, and (C) if the marketing period has not ended before December 19, 2018, the marketing period will not commence until January 2, 2019.

Required information means (a) audited financial statements of athenahealth for the fiscal years ended December 31, 2017, December 31, 2016, December 31, 2015 and subsequent fiscal years ended at least ninety (90) days before the date of closing and quarterly unaudited financial statements of athenahealth for each subsequent fiscal quarter other than the fourth quarter ended at least forty-five (45) days before the date of the closing, in each case, with comparative financial information for the equivalent period of the prior year (it being acknowledged that Parent has received audited financial statements of athenahealth for the fiscal years ended December 31, 2017, December 31, 2016 and December 31, 2015 and unaudited financial statements of athenahealth for the quarters ended March 31, 2018 and June 30, 2018).

Immediately following the closing of the Merger, athenahealth and Parent will cause a certificate of merger with respect to the Merger to be executed, acknowledged and filed with the Secretary of State of the State of Delaware as provided in the DGCL. The Merger shall become effective at the time when the certificate of merger has been duly filed with the Secretary of State of the State of Delaware or at such later time as may be agreed upon by the parties to the Merger Agreement in writing and set forth in the certificate of merger in accordance with the DGCL.

Organizational Documents; Directors and Officers

At the Effective Time, the certificate of incorporation of Merger Sub in effect immediately prior to the Effective Time will become the certificate of incorporation of the surviving corporation until thereafter amended, except that references to the name of Merger Sub will be replaced by the name of the surviving corporation. Additionally, at the Effective Time, the bylaws of Merger Sub in effect immediately prior to the Effective Time will become the bylaws of the surviving corporation until thereafter amended, except that references to the name of Merger Sub will be replaced by the name of the surviving corporation.

The Merger Agreement provides that, at the Effective Time, (i) the directors of Merger Sub immediately prior to the Effective Time will become the initial directors of the surviving corporation from and after the Effective Time and (ii) the officers of athenahealth immediately prior to the Effective Time will become the initial officers of the surviving corporation from and after the Effective Time.

Merger Consideration

athenahealth Common Stock

At the Effective Time, each share of athenahealth common stock issued and outstanding immediately prior to the Effective Time (other than Excluded Shares). At the Effective Time, all shares (other than Excluded

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Shares) will cease to be outstanding, will be cancelled and will cease to exist, and each certificate formerly representing any athenahealth shares (other than Excluded Shares) and each book-entry account formerly representing any uncertificated shares (other than Excluded Shares) will thereafter represent only the right to receive the Merger Consideration. Each certificate and uncertificated share formerly representing shares of athenahealth common stock owned by dissenting shareholders will thereafter represent only the right to receive the payment described in the section titled Dissenting Shares .

Merger Sub Common Stock

Each share of common stock, par value $0.01, of Merger Sub that is issued and outstanding immediately prior to the Effective Time will be converted into one share of common stock, par value $0.01, of the surviving corporation.

Dissenting Shares

All athenahealth common stock that is issued and outstanding immediately prior to the Effective Time and held by athenahealth stockholders who do not vote in favor of the Merger and who properly and validly perfect their statutory rights of appraisal in respect of such athenahealth common stock in accordance with Section 262 of the DGCL (***dissenting shares***) will not be converted into, or represent the right to receive, the Merger Consideration. Instead, at the Effective Time, the dissenting shares will no longer be outstanding and will automatically be cancelled and cease to exist, and the athenahealth stockholders will cease to have any rights with respect to such dissenting shares, other than the right to receive the fair value of the dissenting shares in accordance with Section 262 of the DGCL. Any dissenting shares held by athenahealth stockholders who fail to perfect or who effective withdraw or lose their rights to appraisal under Section 262 of the DGCL will no longer be considered dissenting shares and will thereupon be deemed to have been converted into, and to have become exchangeable for, as of the Effective Time, the right to receive the Merger Consideration, without interest, subject to any applicable withholding taxes, upon surrender of the certificate or certificates that formerly evidenced such athenahealth common stock pursuant to the applicable exchange procedures under the Merger Agreement.

athenahealth is required to provide Parent with (a) prompt written notice of any written demands for appraisal received by athenahealth, any attempted withdrawals of such demands, and any other instruments served pursuant to Delaware law and received by athenahealth in respect of dissenting shares, and (b) the opportunity to direct all negotiations and proceedings with respect to demands for appraisal under Delaware law. Absent the prior written consent of Parent, athenahealth is prohibited from voluntarily making any payment with respect to any demand for appraisal, from settling or offering to settle any such demands for payment in respect of dissenting shares or approving any withdrawal of any such demand.

Treatment of Company Options, RSU Awards, PSU Awards and the ESPP

Company Options

At the Effective Time, with respect to each outstanding option to purchase shares of athenahealth common stock (a ***Company Option***) under the athenahealth, Inc. 2007 Stock Option and Incentive Plan as amended and restated as of April 23, 2013 and the Epocrates, Inc. 2010 Equity Incentive Plan (collectively, the ***Company Stock Plans***), whether vested or unvested, (i) if the exercise price of such Company Option is equal to or greater than the Merger Consideration of $135.00 per share, such Company Option will terminate and be cancelled as of immediately prior to the Effective Time, without any consideration being payable for such Company Option, and have no further force or effect and (ii) if the exercise price of such Company Option is less than the Merger Consideration of $135.00 per share, such Company Option will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment in the amount equal to (i) the number of shares underlying the Company Option immediately prior to the Effective Time, multiplied by

(ii) the Merger Consideration of $135.00 minus the applicable exercise price (the product of (i) and (ii), the ***Option Payment***). The Option Payment (if any) payable to each former holder of a Company Option that was outstanding immediately prior to the Effective Time will be paid through the surviving corporation s payroll to such former holder as soon as practicable following the Effective Time (but in any event not later than ten (10) business days after the Effective Time), net of any tax withheld.

Company Restricted Stock Units

Each Company Restricted Stock Unit that was granted under the Company Stock Plans that is outstanding or payable as of immediately prior to the Effective Time, whether vested or unvested, will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) the number of shares underlying such Company Restricted Stock Unit, multiplied by (ii) the Merger Consideration of $135.00. Following the Effective Time, no such Company Restricted Stock Unit that was outstanding immediately prior to the Effective Time will remain outstanding and each former holder of any such Company Restricted Stock Unit will cease to have any rights with respect thereto, except the right to receive the consideration described in this section in exchange for such Company Restricted Stock Unit. The consideration payable under this section to each former holder of a Company Restricted Stock Unit that was outstanding immediately prior to the Effective Time will be paid through the surviving corporation s payroll to such former holder as soon as practicable following the Effective Time (but in any event not later than ten (10) business days after the Effective Time), net of any taxes withheld.

Company Performance Stock Units

Each outstanding Company Performance Stock Unit that was granted under the Company Stock Plans that is outstanding or payable as of immediately prior to the Effective Time, whether vested or unvested, will be terminated and cancelled as of immediately prior to the Effective Time in exchange for the right to receive a lump sum cash payment equal to (i) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has been completed, (A) the number of shares subject to such Company Performance Stock Unit that would vest based on the actual level of achievement as of the Effective Time multiplied by (B) the Merger Consideration of $135.00, and (ii) with respect to Company Performance Stock Units for which the period during which the performance vesting requirement is measured has not been completed, (A) the number of shares subject to such Company Performance Stock Unit that would vest based on the applicable target level of achievement multiplied by (B) the Merger Consideration of $135.00. Following the Effective Time, no such Company Performance Stock Unit that was outstanding immediately prior to the Effective Time will remain outstanding and each former holder of any such Company Performance Stock Unit will cease to have any rights with respect to such Company Performance Stock Unit, except the right to receive the consideration set forth in this section in exchange for such Company Performance Stock Unit. The consideration payable under this section to each former holder of a Company Performance Stock Unit that was outstanding immediately prior to the Effective Time will be paid through the surviving corporation s payroll to such former holder as soon as practicable following the Effective Time (but in any event not later than ten (10) business days after the Effective Time), net of any taxes withheld.

ESPP

Promptly following the date of the Merger Agreement, the board of directors of athenahealth (or, if applicable, any committee thereof administering the athenahealth, Inc. 2007 Employee Stock Purchase Plan as Amended and Restated (the ***ESPP***)) will adopt such resolutions or take such other necessary actions to provide that (i) with respect to the current offering period under the ESPP, no participant in the ESPP may increase the percentage amount of his or her payroll deduction elections from that in effect on the date of the Merger Agreement and no new participants may participate in the ESPP, (ii) no new offering periods will be commenced under the ESPP, (iii) all purchases under the

ESPP, utilizing the purchase fund balance available in ESPP participants accounts on the date of purchase, will occur as of the earlier of (A) the payroll period ending immediately prior to the Effective Time and (B) ten business days prior to the Effective Time, and (iv) immediately prior to, and subject to the occurrence of, the Effective Time, the ESPP will terminate.

Exchange of Certificates

Exchange Procedures

At the Effective Time, Parent will deposit, or cause to be deposited, with a paying agent selected by Parent with athenahealth s prior approval, which must not be unreasonably withheld, conditioned or delayed (the ***paying agent***), for the benefit of the holders of shares of Company Common Stock (other than Excluded Shares), an aggregate amount of cash comprising the aggregate Merger Consideration to which holders of athenahealth common stock will become entitled in connection with the Merger.

Promptly after the Effective Time (and in any event within four (4) business days after the Effective Time), Parent will cause the paying agent to mail to each holder of record of certificates formerly representing any of the shares (other than Excluded Shares) a letter of transmittal in customary form advising such holder of the effectiveness of the Merger and the conversion of its shares into the right to receive the Merger Consideration of $135.00 per share, and specifying that delivery will be effected, and risk of loss and title to the certificates will pass, only upon delivery of the certificates (or affidavits of loss in lieu of the certificates) and instructions for use in effecting the surrender of the Certificates (or affidavits of loss in lieu of the Certificates). Upon the surrender of a certificate (or affidavit of loss) to the paying agent in accordance with the terms of such transmittal materials, the holder of such certificate will be entitled to receive in exchange for such certificate an amount in immediately available funds (or, if no wire transfer instructions are provided, a check, and in each case, after giving effect to any required tax withholding) equal to the cash amount that such holder is entitled to receive the Merger Consideration, and the certificate so surrendered will be cancelled. No interest will be paid or accrued on any amount payable upon due surrender of the certificates. In the event of a transfer of ownership of shares that is not registered in the transfer records of athenahealth, a check for any cash to be paid upon due surrender of the certificate may be issued and/or paid to such a transferee if the certificate formerly representing such shares is presented to the paying agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been paid or are not applicable, in each case, reasonably acceptable to the paying agent.

You should not send in your share certificate(s) with your proxy card. A letter of transmittal with instructions for the surrender of certificates representing shares of athenahealth common stock will be mailed to stockholders if the Merger is completed.

Lost, Stolen and Destroyed Certificates

In the event that any certificate is lost, stolen or destroyed, upon the signing of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed and, if required by Parent, the posting by such person of a bond in customary amount and upon such terms as may be required by Parent as indemnity against any claim that may be made against it, the paying agent or the surviving corporation with respect to such certificate, the paying agent will issue in exchange for such lost, stolen or destroyed certificate the Merger Consideration that would have been issuable or payable (after giving effect to any required tax withholdings) had such lost, stolen or destroyed certificate been surrendered.

Uncertificated Shares

Promptly after the Effective Time (and in any event within four (4) business days after the Effective Time), Parent will cause the paying agent to (i) mail to each holder of uncertificated shares of Company Common Stock (other than Excluded Shares) materials advising such holder of the effectiveness of the Merger and the conversion of its shares into the right to receive the Merger Consideration and (ii) deliver the cash that such holder is entitled to receive in respect of its shares (after giving effect to any required tax withholdings), without interest thereon.

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Representations and Warranties

athenahealth, on the one hand, and Parent and Merger Sub, on the other hand, have each made representations and warranties to each other in the Merger Agreement. The representations and warranties referenced below and included in the Merger Agreement were made only for purposes of the Merger Agreement and as of specific dates, were solely for the benefit of the parties to the Merger Agreement, may be subject to a contractual standard of materiality different from what might be viewed as material to stockholders, and may be subject to limitations agreed upon by the parties, including being qualified by disclosures filed with or furnished to the SEC and confidential disclosures made by the parties to each other (including in the disclosure letter delivered by athenahealth in connection with the Merger Agreement (the ***athenahealth disclosure letter***)). The representations and warranties contained in the Merger Agreement should not be relied upon as characterizations of the actual state of facts or condition of athenahealth, Parent, Merger Sub, or any of their respective subsidiaries, affiliates or businesses. The representations and warranties of each of the parties to the Merger Agreement will expire at the Effective Time.

Representations and Warranties of athenahealth

athenahealth has made customary representations and warranties to Parent and Merger Sub in the Merger Agreement regarding aspects of athenahealth s business and various other matters pertinent to the Merger. The topics covered by its representations and warranties include the following:

- the organization, good standing and qualification to do business of athenahealth;

- the capital structure of, and the absence of restrictions with respect to the capital stock of, athenahealth and its subsidiaries;

- athenahealth s authority to enter into, and, subject to athenahealth stockholder approval, consummate the transactions contemplated by the Merger Agreement, the recommendation of the Board to approve the Merger Agreement and the opinions of athenahealth s financial advisors;

- the governmental and regulatory approvals required to complete the Merger, and the absence of conflicts with, or violations of, laws, organizational documents or certain material contracts (as defined below) and instruments to which athenahealth is a party, in each case as a result of athenahealth s execution or delivery of the Merger Agreement or the performance by athenahealth of its covenants under, or the consummation by athenahealth of the transactions contemplated by, the Merger Agreement;

- athenahealth s SEC filings since June 30, 2015 and the financial statements contained in those filings;

- the absence of certain changes or events since June 30, 2015 and athenahealth conducted its business in the ordinary course from June 30, 2018 to November 11, 2018;

the absence of pending or threatened material litigation, material liabilities or outstanding orders and judgments;

employee benefits matters;

labor matters;

athenahealth s compliance with laws, possession of licenses;

the existence of and compliance with contracts that are described in the material contracts representation and warranty in the Merger Agreement (***material contracts***);

- the inapplicability of takeover laws to the Merger and the absence of a stockholder rights plan;
- environmental matters;
- tax matters;
- athenahealth s intellectual property, information technology and data security;
- athenahealth s compliance with HIPAA since June 30, 2015;
- insurance coverage;
- the absence of broker s or finder s fees in connection with the transactions contemplated by the Merger Agreement;
- the absence of related-party transactions;
- related to the twenty (20) largest customers of athenahealth;
- related to the twenty (20) largest vendors of athenahealth;
- athenahealth s real property;
- athenahealth s compliance with applicable healthcare laws; and
- cybersecurity and data privacy.

Some of athenahealth s representations and warranties are qualified by the concept of a material adverse effect. Under the terms of the Merger Agreement, a material adverse effect on athenahealth means, with respect to athenahealth and its subsidiaries, any change, effect, event, occurrence, development, circumstance, condition or effect that, individually or in the aggregate, (a) has or would reasonably be expected to prevent or materially impair or delay the ability of athenahealth and its subsidiaries, taken as a whole, to consummate the Merger and the transactions contemplated by the Merger Agreement, or (b) has had or would reasonably be expected to have a material adverse effect on the financial condition, properties, assets, business or results of operations of athenahealth and its subsidiaries, taken as a whole; excluding, however, for the purposes of clause (b) of this sentence, any such effect resulting from or arising in connection with:

changes in, or events generally affecting, the financial, securities or capital markets;

general economic or political conditions in the United States or any foreign jurisdiction in which athenahealth or any of its subsidiaries operate, including any changes in currency exchange rates, interest rates, monetary policy or inflation;

changes in, or events generally affecting, the industries in which athenahealth or any of its subsidiaries operate;

any acts of war, sabotage, civil disobedience or terrorism or natural disasters (including hurricanes, tornadoes, floods or earthquakes);

any failure by athenahealth or any of its subsidiaries to meet any internal or published budgets, projections, forecasts or predictions in respect of financial performance for any period;

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- a decline in the price of the shares, or a change in the trading volume of the shares, on NASDAQ;
- changes in applicable law;
- changes in U.S. GAAP;
- the taking of any specific action expressly required by the Merger Agreement or taken with Parent s written consent to the extent the effects thereof are reasonably explained in writing by athenahealth prior to the time of such consent or the failure to take any specific action expressly prohibited by the Merger Agreement and as for which Parent declined to consent;
- the announcement or pendency (but not the consummation) of the Merger Agreement and the Merger, including the impact thereof on the relationships with customers, suppliers, distributors, partners, other third parties with whom athenahealth has a relationship or employees and which resulted directly and solely from the announcement or pendency of the Merger Agreement; or
- the departure or threatened departure of, or adverse change or threatened adverse change in, the relationship of athenahealth or any of its subsidiaries with its employees, resulting directly and solely from the entry into or announcement of the Merger Agreement.

However, the exceptions in the fifth and sixth bullet points above shall not prevent or otherwise affect a determination that any change, effect, circumstance or development underlying such failure or decline or change (if not otherwise falling within any of the exclusions pursuant to the other clauses of this definition) has resulted in, or contributed to, a material adverse effect. Additionally, solely with respect to the exceptions described in the first, second, third, fourth, seventh and eighth bullets above, any changes, effects, circumstances or developments will be taken into account to the extent such changes, effects, circumstances or developments have a disproportionate adverse effect on athenahealth and its subsidiaries, taken as a whole, relative to other participants in the industries in which athenahealth and its subsidiaries operate, but, in such event, only the incremental disproportionate impact of such changes, effects, circumstances or developments will be taken into account in determining whether a material adverse effect has occurred.

Representations and Warranties of Parent and Merger Sub

Parent and Merger Sub made customary representations and warranties to athenahealth in the Merger Agreement, including representations and warranties relating to the following:

- the organization, good standing and qualification to do business of Parent and Merger Sub;
- the authorized capital stock of Merger Sub, Parent s ownership of Merger Sub s capital stock prior to and at the Effective Time, and Merger Sub s lack of operating activities and assets and liabilities other than those incident to its formation and pursuant to the Merger Agreement and the Merger and other transactions contemplated by the

Merger Agreement;

each of Parent s and Merger Sub s authority to enter into, and consummate the transactions contemplated by, the Merger Agreement;

the governmental and regulatory approvals required to complete the Merger, and the absence of conflicts with, or violations of, laws, organizational documents or certain material contracts and instruments to which Parent or Merger Sub is a party, in each case as a result of Parent s and Merger Sub s execution or delivery of the Merger Agreement or the performance by Parent and Merger Sub of their respective covenants under, or the consummation by Parent and Merger Sub of the transactions contemplated by, the Merger Agreement;

the absence of pending or threatened litigation and outstanding judgments which would prevent the Merger;

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the absence of broker s or finder s fees, other than those payable to J.P. Morgan in connection with the transactions contemplated by the Merger Agreement;

the financial ability of Parent to consummate the Merger and specifically related to:

the debt commitment letters, dated as of November 11, 2018, with the Debt Commitment Parties made available by Parent to athenahealth (the ***debt commitment letters***);

the preferred equity commitment letters, dated as of November 11, 2018, with the preferred equity investors made available by Parent to athenahealth (the ***preferred equity commitment letters***);

the equity commitment letters, dated as of November 11, 2018, with the equity investors made available by Parent to athenahealth (the ***equity commitment letters***);

the validity and enforceability of the equity commitment letters, the preferred equity commitment letters, and the debt commitment letters, subject only to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors rights and to general equity principles;

the absence of side letters or other contracts, agreements or understandings to which Parent or any of its affiliates is a party relating to the financing other than as expressly set forth in the commitment letters and customary engagement letters or non-disclosure or non-reliance agreements which do not impact the conditionality or aggregate amount of the financing;

the ability for athenahealth to enforce each equity commitment letter as a third party beneficiary and the waiving of any defenses to the enforceability of such third party beneficiary rights;

the lack of conditions precedent to the obligations to fund the equity financing, the preferred equity financing, and the debt financing or contingencies that would allow for the reduction in the total amount of financing or imposition of any additional condition precedent to the availability of the financing;

that the commitment letters have not been amended, restated, or otherwise modified;

limited guarantees, guaranteeing the payment of the Parent termination fee (as defined below) and the costs and expenses in connection with the enforcement thereof and any indemnification obligations of Parent; and the parties access to information.

Covenants Regarding Conduct of Business by athenahealth Prior to the Merger

Under the Merger Agreement, athenahealth agreed as to itself and its subsidiaries that, from and after the execution of the Merger Agreement and prior to the Effective Time, except as Parent otherwise approves in writing (which approval shall not be unreasonably withheld, conditioned or delayed) and except as required by applicable law, expressly required by the Merger Agreement or otherwise expressly set forth in the athenahealth disclosure letter, athenahealth will use commercially reasonable efforts to conduct its business and the business of its subsidiaries in the ordinary course of business consistent with past practice. In addition, athenahealth agrees as to itself and its subsidiaries that, from and after the date of the Merger Agreement and prior to the Effective Time, except as required by applicable law, Parent may approve in writing (such approval not to be unreasonably withheld, conditioned or delayed), expressly disclosed in the athenahealth disclosure letter or expressly provided for in the Merger Agreement, athenahealth will not and will not permit any of its subsidiaries to:

(i) subject to certain exceptions, amend, supplement or otherwise modify its certificate of incorporation or bylaws (or comparable governing documents), (ii) split, combine, subdivide or reclassify its outstanding shares of capital stock, (iii) declare, set aside or pay any dividend or distribution payable in cash, stock or property (or any combination thereof) in respect of any shares of its capital stock, (iv) enter into any agreement with respect to the voting of its capital stock or (v) purchase, repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible or exchangeable into or exercisable for any shares of its capital stock;

merge or consolidate with any other person, or restructure, reorganize or completely or partially liquidate;

(i) materially increase the compensation or benefits payable to any current or former employee, director or other service provider of athenahealth or any of its subsidiaries, (ii) grant any extraordinary bonus to any employee or other service provider except to any individual who is not a director or executive officer of athenahealth or any of its subsidiaries, (iii) become a party to, establish, adopt, amend, commence participation in or terminate any Company Stock Plan or any arrangement that would have been a Company Stock Plan had it been entered into prior to November 11, 2018, except in the ordinary course of business consistent with past practice; (iv) hire any person to be an employee of athenahealth or any of its subsidiaries, other than employees below the level of Vice President in the ordinary course of business consistent with past practice whose employment may be terminated without the obligation to pay severance (other than any obligation to pay severance under any Company Stock Plan in effect prior to the Merger Agreement) or other liability; or (v) materially alter the terms of employment or terminate the employment of any employee at the level of Vice President or above, other than a termination for cause without the payment of severance benefits;

incur any indebtedness or issue any warrants or other rights to acquire any indebtedness, except (i) in the ordinary course of business consistent with past practice, borrowings under athenahealth s revolving credit facility as in effect as of November 11, 2018, (ii) inter-company indebtedness solely among athenahealth and its wholly owned subsidiaries, (iii) to the extent not drawn upon and payments are not triggered thereby, letters of credit, bank guarantees, security or performance bonds or similar credit support instruments and overdraft facilities or cash management programs, in each case issued, made or entered into in the ordinary course of business or (iv) hedging in compliance with the hedging strategy of athenahealth as of the date of the Merger Agreement in the ordinary course of business consistent with past practice and not for speculative purposes; provided that athenahealth and its subsidiaries will use commercially reasonable efforts to mitigate any material increase in their respective aggregate exposure to currency risk;

make or commit to any capital expenditures other than in the ordinary course of business consistent with past practice and which do not exceed one-hundred and twenty percent (120%) of the amounts reflected in athenahealth s capital expenditure projections for 2018 and 2019, which have previously been made available to Parent or amend, modify or supplement such capital expenditure projections;

other than in the ordinary course of business consistent with past practice, transfer, lease, license, sell, assign, mortgage, pledge, place a lien (other than a permitted lien) upon or otherwise dispose of any properties or assets (including capital stock of any of its subsidiaries but not including any Intellectual Property), (i) with a fair market value in excess of $5,000,000 individually or $10,000,000 in the aggregate (other than transactions among athenahealth and its wholly owned subsidiaries), (ii) in connection with any transaction between or among athenahealth and its wholly owned subsidiaries or a subsidiary and its wholly owned subsidiaries, or (iii) for the purpose of disposing of obsolete or worthless assets;

issue, deliver, sell, grant, transfer, encumber, or authorize the issuance, delivery, sale, grant, transfer or encumbrance of, any shares of its capital stock or any securities convertible or exchangeable into or exercisable for, or any options, warrants or other rights to acquire, any such shares, except (i) for any shares issued pursuant to Company Options, Company Restricted Stock Units and Company Performance Restricted Stock Units outstanding on the date of the Merger Agreement in accordance with the existing terms of such awards and the Company Stock Plans and (ii) by wholly owned subsidiaries to athenahealth or to any other wholly owned subsidiary of athenahealth;

extend the Current Offering Period under the ESPP as of the date of the Merger Agreement or commence any new Offering under the ESPP;

other than in the ordinary course of business consistent with past practice, spend or commit to spend in excess of $25,000,000 individually or $30,000,000 in the aggregate to acquire any business or to acquire assets or other property, whether by Merger, consolidation, purchase of property or assets or otherwise (valuing any non-cash consideration at its fair market value as of the date of the agreement for such acquisition); provided that neither athenahealth nor any of its subsidiaries will make any acquisition that would, or would reasonably be likely to prevent, delay or impair athenahealth s ability to consummate the transactions contemplated by the Merger Agreement;

make any material change with respect to its financial accounting policies or procedures, except as required by changes in GAAP (or any interpretation thereof) or by applicable law;

other than in the ordinary course of business consistent with past practice, make or change any material tax election, file any material amendment to a material tax return, settle or compromise any material tax liability, enter into any closing agreement with respect to any material amount of tax or surrender any right to claim a material tax refund;

enter into any new line of business, or start to conduct a line of business of athenahealth or any of its subsidiaries in any geographic area where it is not conducted as of the date of the Merger Agreement;

make any loans, advances or capital contributions to, or investments in, any person (other than loans, advances or capital contributions to athenahealth or any direct or indirect wholly owned subsidiary of athenahealth or any loans, advances or capital contributions less than $1,000,000 in the aggregate);

other than in the ordinary course of business consistent with past practice or as otherwise required or permitted under the Merger Agreement, (i) amend or modify in any material respect or terminate (excluding terminations upon expiration of the term thereof in accordance with the terms thereof) any material contract, waive, release or assign any material rights, claims or benefits under any material contract or take (or fail to take) any action that would reasonably be expected to cause or result in a material breach of, or material default under, any material contract or (ii) enter into any contract that would have been a material contract had it been entered into prior to the date of the Merger Agreement;

settle any action, suit, case, litigation, claim, hearing, arbitration, investigation or other proceedings before or threatened to be brought before a governmental entity, other than settlements (i) if the amount of any such settlement is not in excess of $1,000,000 individually or $5,000,000 in the aggregate; provided that such settlements do not involve any non-de minimis injunctive or equitable relief or impose non-de minimis restrictions on the business activities of athenahealth and its subsidiaries or Parent and its subsidiaries or (ii) waive any material right with respect to any material claim held by athenahealth or any of its subsidiaries;

enter into any collective bargaining agreement or recognize or certify any labor union, labor organization or other employee-representative body as the bargaining representative for any employees of athenahealth or any of its subsidiaries;

fail to maintain, cancel, terminate or allow to lapse without a commercially reasonable substitute therefor, any material license;

terminate, cancel or make any material changes to the structure, limits or terms and conditions of any of the insurance policies, including allowing the policies to expire without renewing such policies or obtaining comparable replacement coverage, or prejudicing rights to insurance payments or coverage; or

sell, assign, transfer or exclusively license any material Intellectual Property owned by athenahealth or any of its subsidiaries, or permit the lapse of any right, title or interest to any such material Intellectual Property, including any material Registered IP, in each case, other than in the ordinary course of business; or agree, resolve or commit to do any of the foregoing.

Restriction on Solicitation of Competing Proposals

Subject to certain exceptions described below, athenahealth has agreed that it will not and will cause each of its subsidiaries and its and its subsidiaries representatives (other than investment bankers, attorneys, accountants and other advisors), and use its reasonable best efforts to cause its and its subsidiaries investment bankers, attorneys, accountants and other advisors, not to, directly or indirectly:

solicit, initiate, knowingly encourage or knowingly facilitate (including by way of furnishing any non-public information) any inquiries or the making of any proposal or offer that constitutes, or could reasonably be expected to lead to, an acquisition proposal (as defined below);

enter into, engage in, continue or participate in any discussions or negotiations with any person regarding any acquisition proposal or that could reasonably be expected to lead to any acquisition proposal;

provide any non-public information or data concerning athenahealth or any of its subsidiaries to any person, or afford access to the properties, books or records or employees of athenahealth or any of its subsidiaries in connection with or that could reasonably be expected to lead to any acquisition proposal;

approve, endorse, recommend or enter into, or publicly propose to approve, endorse, recommend or enter into, any an alternative acquisition agreement relating to any acquisition proposal;

agree, propose or resolve to take, or take, any of the actions prohibited by the foregoing clauses.

Additionally, athenahealth will cause its subsidiaries and representatives to, immediately (i) cease and cause to be terminated any discussions and negotiations with any person conducted before November 11, 2018 with respect to any acquisition proposal, or proposal that could reasonably be expected to lead to an acquisition proposal and cease providing any information to any such person or its representatives and (ii) terminate all access granted to any such person and its representatives to any physical or electronic data room, in each case with respect to an acquisition proposal.

An ***acquisition proposal*** is defined in the Merger Agreement to mean:

(i) any proposal, offer, inquiry or indication of interest from any person or group (as defined in or under Section 13 of the Exchange Act) relating to a merger, consolidation, dissolution, liquidation, tender offer, recapitalization, reorganization, share exchange, business combination, joint venture, partnership, dissolution, liquidation, spin-off, extraordinary dividend or similar transaction (or series of transactions) involving athenahealth or any of its subsidiaries which is structured to permit such person or group to, directly or indirectly, acquire beneficial ownership of twenty percent (20%) or more of the outstanding shares, or twenty percent (20%) or more of the consolidated net revenues, net income or total assets of athenahealth; and

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(ii) any acquisition (whether by purchase, lease, exchange, transfer or other disposition) by any person or group (as defined in or under Section 13 of the Exchange Act) resulting in, or proposal, offer, inquiry or indication of interest, which if consummated would result in, any person becoming the beneficial owner of, directly or indirectly, in one or a series of related transactions, twenty percent (20%) or more of the outstanding shares, or twenty percent (20%) or more of the consolidated net revenues, net income or total assets (measured by market value thereof) of athenahealth, or any tender offer (including a self-tender offer) or exchange offer that, if consummated, would result in any person beneficially owning more than twenty percent (20%) of the shares, in each case, other than the transactions contemplated by the Merger Agreement.

An ***alternative acquisition agreement*** is means any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, Merger Agreement, option agreement, joint venture agreement, partnership agreement, lease agreement or other agreement.

Notwithstanding anything to the contrary in the non-solicitation provisions described above, prior to the time, but not after, the adoption of the Merger Agreement by the holders of at least a majority of the outstanding stock of athenahealth entitled to vote thereon (***athenahealth Requisite Vote***) is obtained, athenahealth may, in response to an unsolicited, bona fide written acquisition proposal that did not result from a breach (other than any breach that is both immaterial and unintentional) of this obligation, (i) provide access to non-public information regarding athenahealth or any of its subsidiaries to the person who made such acquisition proposal (provided that such information has previously been made available to Parent or is provided to Parent promptly (and in any event within twenty-four (24) hours) following the time such information is made available to such person and that, prior to furnishing any such material non-public information, athenahealth receives from the person making such acquisition proposal an executed confidentiality agreement with terms at least as restrictive in all material respects on such person as the terms of the confidentiality agreement, dated June 19, 2018, by and between athenahealth and Veritas are on Parent (it being understood that such confidentiality agreement need not prohibit the making or amending of an acquisition proposal)) and (ii) engage or participate in any discussions or negotiations with any such person regarding such acquisition proposal if, and only if, prior to taking any action described in clause (i) or (ii) above, the Board determines in good faith after consultation with outside legal counsel that based on the information then available and after consultation with an independent financial advisor of nationally recognized reputation that such acquisition proposal either constitutes a superior proposal (as such term is defined below) or could reasonably be expected to lead to a superior proposal and the failure to take such action would be inconsistent with the directors fiduciary duties under applicable law.

The Merger Agreement provides that athenahealth will promptly (and, in any event, within twenty-four (24) hours) notify Parent if (i) any written or other bona fide inquiries, proposals or offers with respect to an acquisition proposal or that would be reasonably likely to lead to an acquisition proposal are received by athenahealth, (ii) any non-public information is requested from athenahealth in connection with any acquisition proposal or that would be reasonably likely to lead to an acquisition proposal or (iii) any discussions or negotiation with respect to an acquisition proposal or that would be reasonably likely to lead to an acquisition proposal are sought to be initiated or continued with athenahealth, indicating, in connection with such notice, the name of such person and the material terms and conditions of any proposals or offers and thereafter will keep Parent informed, on a current basis, of the status and terms of any such proposals or offers and the status of any such discussions or negotiations.

A ***superior proposal*** means any bona fide written offer made by a third party (not made as a result of a breach of the Merger Agreement (other than any breach that is both immaterial and unintentional)) after the date of the Merger Agreement that, if consummated, would result in such third party (or its stockholders) owning, directly or indirectly, a majority of the outstanding shares (or of the stock of the surviving entity in a Merger or the direct or indirect parent of the surviving entity in a Merger) or a majority of the assets of athenahealth and its subsidiaries, taken as a whole, which the Board determines in good faith (after consultation with its outside legal counsel and financial advisors) to be (i) more favorable to the holders of shares from a financial point of view than the Merger (taking into account all of the terms and conditions of, and the likelihood of completion of, such proposal and the Merger Agreement (including, if applicable at the time of such determination, any changes to the financial terms of the Merger Agreement then proposed by Parent in response to such offer or otherwise)) and (ii) reasonably likely to be completed, taking into account all financial, legal, regulatory and other aspects of such proposal.

Obligation of the Board with Respect to Its Recommendation

The Merger Agreement provides that, except as described below, the Board will not (i) withhold, withdraw, qualify or modify (or publicly propose or resolve to withhold, withdraw, qualify, change, amend or modify), in a manner adverse to Parent, the athenahealth recommendation to approve the Merger, or approve, recommend or otherwise declare advisable any acquisition proposal, (ii) approve or recommend, or publicly propose to enter into an alternative acquisition agreement, (iii) fail to reaffirm the athenahealth recommendation to approve the Merger within five (5) business days receipt of a written request from the Parent to do so, (iv) after receipt of any acquisition proposal, fail to recommend against any acquisition proposal within five (5) business days of receipt of a written request from Parent to do so, (v) fail to recommend against any acquisition proposal that is a tender or exchange offer by a third party pursuant to Rule 14d-9 or Rule 14e-2 promulgated under the Exchange Act, (vi) approve, adopt, declare advisable or recommend, or publicly propose to approve, adopt, declare advisable or recommend, any acquisition proposal (any of the actions described in clause (i) through clause (vi) of this section, a ***change in recommendation***) or (vii) cause or permit athenahealth or any of its subsidiaries to enter into any alternative acquisition agreement relating to any acquisition proposal.

Notwithstanding the foregoing, following athenahealth s receipt of a written acquisition proposal after the date of the Merger Agreement that did not result from a breach of the Merger Agreement (other than any breach that is both immaterial and unintentional) and that the Board determines in good faith, after consultation with its outside legal counsel and financial advisors, constitutes a superior proposal, the Board may, at any time prior to the time the athenahealth Requisite Vote is obtained, make a change in recommendation or terminate the Merger Agreement to enter into an alternative acquisition agreement with respect to such superior proposal or authorize, resolve, agree or propose publicly to take any such action, if all of the following conditions are met:

athenahealth has (A) provided to Parent three (3) business days prior written notice, which states expressly (1) that it has received a written acquisition proposal that constitutes a superior proposal, (2) the material terms and conditions of the acquisition proposal (including the consideration offered therein and the identity of the person or group making the acquisition proposal) and has contemporaneously provided an unredacted copy of the alternative acquisition agreement and all other documents (other than immaterial documents) related to the superior proposal (it being understood and agreed that any amendment to the financial terms or any other material term or condition of such superior proposal will require a new notice and an additional two (2) business day period) and (3) that, subject to the bullet point directly below, the Board has determined to make a change in recommendation or to terminate the Merger Agreement in order to enter into the alternative acquisition agreement, as applicable and (B) prior to making such a change in recommendation or terminating the Merger Agreement, (x) used commercially reasonable efforts to engage in good faith with Parent (to the extent Parent wishes to engage) during such notice period, which may be on a non-exclusive basis, to consider any adjustments proposed by Parent to the terms and conditions of the Merger Agreement such that the alternative acquisition agreement ceases to constitute a superior proposal and (y) in determining whether to make a change in recommendation or to effect a termination, the Board takes into account any changes to the terms of the Merger Agreement proposed by Parent and any other information provided by Parent in response to such notice; and the Board has determined, in good faith, after consultation with its financial advisors and outside legal counsel, that, in light of such superior proposal and taking into account any revised terms proposed by Parent, such superior proposal continues to constitute a superior proposal and that the failure to make such change in recommendation or to so terminate the Merger Agreement would be inconsistent with the directors fiduciary duties under applicable law.

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Notwithstanding the first paragraph of this section, upon the occurrence of an intervening event, the Board may, at any time prior to the time the athenahealth Requisite Vote is obtained, make a change in recommendation if all of the following conditions are met:

- athenahealth has (A) provided to Parent three (3) business days prior written notice, which (1) sets forth in reasonable detail information describing the intervening event and the rationale for the change in recommendation and (2) states expressly that, subject to bullet point directly below, the Board has determined to make a change in recommendation and (B) prior to making such a change in recommendation, used commercially reasonable efforts to engage in good faith with Parent (to the extent Parent wishes to engage) during such three-business day period to consider any adjustments proposed by Parent to the terms and conditions of the Merger Agreement such that the failure of the Board to make a change in recommendation in response to the intervening event in accordance with the bullet point directly below would no longer be inconsistent with the directors fiduciary duties under applicable law; and

- the Board has determined in good faith, after consultation with its outside legal counsel, that in light of such intervening event and taking into account any revised terms proposed by Parent, the failure to make a change in recommendation would be inconsistent with the directors fiduciary duties under applicable law.

Obligations with Respect to this Proxy Statement and the Special Meeting

As promptly as reasonably practicable following the date of the Merger Agreement, athenahealth was required to establish a record date for, duly call and give notice of, a meeting of athenahealth s stockholders to consider and vote upon the adoption of the Merger Agreement (the ***special meeting***) and, as soon as practicable following the dissemination of the definitive proxy statement with respect to the stockholders meeting, athenahealth is required to convene and hold the special meeting. athenahealth s obligations to call, give notice of, convene and hold the special meeting will apply notwithstanding any Board recommendation change or commencement, disclosure, announcement or submission of any acquisition proposal, and athenahealth is prohibited from submitting to the vote of the athenahealth stockholders any acquisition proposal other than the Merger.

Efforts to Complete the Merger

athenahealth and Parent shall, subject to the receipt of any acquisition proposals described above, cooperate with each other and use, and will cause their respective subsidiaries and affiliates to use, their respective reasonable best efforts to take (or cause to be taken) all actions, and do (or cause to be done) all things necessary, proper or advisable under the Merger Agreement and applicable laws and orders to consummate and make effective the Merger and the other transactions contemplated by the Merger Agreement as expeditiously as possible, and in no event later than the Termination Date including (i) preparing and filing within ten (10) business days after the date of the Merger Agreement, the notifications, filings and other information required to be filed under the HSR Act, and as promptly as practicable and advisable in the case of all other filings required under any foreign competition laws with respect to the transactions contemplated hereby and to obtain as expeditiously as possible all consents, registrations, approvals, permits, expirations of waiting periods and authorizations necessary or advisable to be obtained from any third party or any governmental entity in order to consummate the Merger Agreement or any of the other transactions contemplated by the Merger Agreement, (ii) satisfying the conditions to consummating the Merger, (iii) defending any lawsuits or other legal proceedings, whether judicial or administrative, challenging the Merger Agreement or the consummation of the Merger, (iv) obtaining (and cooperating with each other in obtaining) any material consent, approval of, waiver or any exemption by, any nongovernmental third party, in each case, to the extent necessary, proper or advisable in connection with the Merger and (v) executing and delivering any reasonable additional instruments necessary to consummate the transactions contemplated hereby and to fully carry out the purposes of the Merger Agreement.

Subject to the following paragraph, in the event that the parties receive a request for information or documentary material pursuant to the HSR Act or any other antitrust laws including a request for additional

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information (a *second request*), unless otherwise agreed to by athenahealth, the parties will use their reasonable best efforts to submit an appropriate response to, and to certify compliance with, such second request as promptly as practicable and advisable, and counsel for both parties will closely cooperate during the entirety of any such second request review process. None of the parties, including their respective subsidiaries and affiliates, will knowingly take, cause or permit to be taken, or omit to take, any action which such party reasonably expects is likely to materially delay or prevent consummation of the contemplated transactions, unless otherwise agreed to by the parties. None of the parties, without the other parties prior written consent, will (i) enter into any timing, settlement or similar agreement, or otherwise agree or commit to any arrangement, that would have the effect of extending, suspending, lengthening or otherwise tolling the expiration or termination of the waiting period applicable to the contemplated transactions under the HSR Act or any antitrust laws, or (ii) enter into any timing or similar agreement, or otherwise agree or commit to any arrangement, that would bind or commit the parties not to consummate the Merger or the transactions contemplated by the Merger Agreement (or that would otherwise prevent or prohibit the parties from consummating the Merger or the transactions contemplated by the Merger Agreement). As used in the Merger Agreement, the term *antitrust laws* means the Sherman Antitrust Act, the Clayton Antitrust Act of 1914, the HSR Act and all other federal, state and foreign statutes, rules, regulations, orders, decrees and other Laws and Orders that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or competition, including but not limited to foreign competition laws.

Parent and athenahealth will cooperate with respect to the antitrust laws and the appropriate course of action with respect to obtaining the consents, approvals, permits, waiting period expirations or authorizations of any governmental entity required to consummate the Merger prior to the Termination Date. To the extent permitted by applicable law, each party to the Merger Agreement must:

- notify the other, as far in advance as practicable, of any filing or material or substantive communication or inquiry it or any of its subsidiaries intends to make with any governmental entity;

- prior to submitting any such filing or making any such communication or inquiry, provide the other party and its counsel a reasonable opportunity to review, and must consider in good faith the comments of the other party in connection with, any such filing, communication or inquiry;

- promptly following the submission of such filing or making such communication or inquiry, provide the other party with a copy of any such filing or, if in written form, communication or inquiry; and

- consult with the other party in connection with any inquiry, hearing, investigation or litigation by, or negotiations with, any governmental entity relating to the Merger, including the scheduling of, and strategic planning for, any meetings with any governmental entity relating thereto.

In addition to the foregoing, each of athenahealth and Parent have agreed to use reasonable best efforts to contest and resist any action or proceeding prohibiting the Merger, and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the Merger.

Access to Information

Upon reasonable notice, and except as may otherwise be required by applicable law, athenahealth has agreed to afford Parent and its representatives, and the parties identified in the debt commitment letters as Commitment Parties (the ***Lenders***) and their representatives, reasonable access, during normal business hours during the period prior to the Effective Time, to the books, records and contracts of athenahealth and its subsidiaries. However, any inspection that requires invasive environmental sampling or any inspection would be prohibited. Moreover, athenahealth is not required to disclose any information (i) for which access is prohibited by law, (ii) that is subject to confidentiality obligations to a third party or (iii) that would result in the loss of attorney-client privilege; in each case, subject to certain limited exceptions.

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Director and Officer Indemnification and Insurance

The Merger Agreement provides that from and after the Effective Time, Parent will, and will cause the surviving corporation to, indemnify and hold harmless each present and former director and officer of athenahealth determined as of the Effective Time (collectively the ***indemnified parties***) to the fullest extent permitted by Delaware law. Furthermore, for at least six years from and after the Effective Time, Parent must ensure that the organizational documents of the surviving corporation contains provisions no less favorable than the current charter and bylaws provide with respect to indemnification, advancement of expenses and exculpation of present and former directors, officers, employees and agents of athenahealth and its subsidiaries than are presently set forth in athenahealth s Certificate of Incorporation and Bylaws. Parent also must cause the surviving corporation to indemnify each indemnified party against (i) losses arising out of actions or omissions occurring at or prior to the Effective Time to the extent such losses are based on or arise from an indemnified party s current or former capacity as a director, officer or fiduciary under the benefit plans of athenahealth or any of its subsidiaries and (ii) losses to the extent that they are based on, arise out of or pertain to the transactions contemplated by the Merger Agreement.

Prior to the Effective Time, athenahealth will and, if athenahealth is unable to, Parent will cause the surviving corporation as of the Effective Time to, obtain and fully pay for tail insurance policies with a claims period of at least six (6) years from and after the Effective Time from an insurance carrier with the same or better credit rating as athenahealth s current insurance carrier with respect to directors and officers liability insurance and fiduciary liability insurance (collectively, ***D&O Insurance***) with benefits and levels of coverage at least as favorable as athenahealth s existing policies with respect to matters existing or occurring at or prior to the Effective Time (including in connection with the Merger Agreement or the transactions contemplated by the Merger Agreement). If athenahealth for any reason fails to obtain such tail insurance policies as of the Effective Time, the surviving corporation will, and Parent will cause the surviving corporation to, continue to maintain in effect for a period of at least six (6) years from and after the Effective Time the D&O Insurance in place as of the date of the Merger Agreement with benefits and levels of coverage at least as favorable as provided in athenahealth s existing policies as of the date of the Merger Agreement, or the surviving corporation will, and Parent will cause the surviving corporation to, purchase comparable D&O Insurance for such six-year period with benefits and levels of coverage at least as favorable as provided in athenahealth s existing policies as of the date of the Merger Agreement. However, in no event will athenahealth, Parent or the surviving corporation be required to expend for such policies an annual premium amount in excess of three-hundred percent (300%) of the annual premiums currently paid by athenahealth for such insurance.

Employee Benefits

With respect to each employee of athenahealth or its subsidiaries who continues to remain employed with athenahealth or its subsidiaries (a ***continuing employee***) will, during the period commencing at the Effective Time and ending on December 31, 2019 or, if earlier, such employee s termination of employment, the employee will be provided with (i) a base salary or base wage and target annual cash incentive opportunity that is no less favorable than the base salary or base wage and target annual cash incentive opportunity in each case provided to such continuing employee by athenahealth and its subsidiaries immediately prior to the Effective Time and (ii) employee benefits (other than incentive compensation (other than as described above) and equity-compensation) that are substantially comparable in the aggregate to those provided to similarly situated employees of the Parent. Additionally, during the period commencing at the Effective Time and ending on December 31, 2019, each employee will be provided with severance benefits that are no less favorable than the severance benefits provided by athenahealth and its subsidiaries to such continuing employee immediately prior to the Effective Time. Parent shall or shall cause the surviving corporation to honor and assume all obligations under certain agreements and severance plans in effect immediately prior to the Effective Time.

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Surviving Corporation Financing

athenahealth and its subsidiaries will use reasonable best efforts to cooperate with Parent as reasonably requested by Parent and as is customary for financings of the type contemplated by the preferred equity commitment letter and the debt commitment letter, and at Parent s sole expense (other than with respect to the preparation or obtaining and delivery of the required information), in connection with Parent s arranging and obtaining the preferred equity financing and the debt financing. During the pre-closing period, except as otherwise expressly permitted in the Merger Agreement, Parent will not permit any assignment of the debt or preferred equity commitment letter, or any amendment or modification to be made to, or any waiver of any provision or remedy under, either such commitment letter, and will cause Merger Sub and Virence not to permit any such assignment, or any such amendment or modification to be made to, or any such waiver of any provision or remedy, in each case without obtaining athenahealth s prior written consent.

Parent will take all actions and do all things necessary, proper or advisable to obtain the Equity Financing, and will cause VVC-WFM Holdings LLC to take all actions and do all things necessary, proper or advisable to obtain the Equity Financing. Parent and Merger Sub will use their respective reasonable best efforts to obtain the preferred equity financing contemplated by the preferred equity commitment letter and the debt financing contemplated by the debt commitment letter, and will cause Virence to use its reasonable best efforts to obtain, the preferred equity financing contemplated by the preferred equity commitment letter and the debt financing contemplated by the debt commitment letter, on or prior to the Closing Date on the terms and conditions described in each commitment letter.

If any portion of the preferred equity financing or the debt financing becomes unavailable on the terms contemplated in the commitment letters, Parent and Merger Sub will use their reasonable best efforts to obtain, and will cause Virence to obtain, alternative financing for any such portion of the financing.

Other Covenants and Agreements

athenahealth and Parent have made certain other covenants to and agreements with each other regarding various other matters including:

- preparation of this proxy statement;
- public statements and disclosure concerning the Merger Agreement and the transactions contemplated by the Merger Agreement;
- state anti-takeover or other similar laws;
- athenahealth s ability to take all actions reasonably necessary or advisable to cause the transactions contemplated by the Merger Agreement and any other dispositions of equity securities of athenahealth (including derivative securities) in connection with the transactions contemplated by the Merger Agreement by each individual who is a director or executive officer of athenahealth to be exempt under Rule 16b-3 promulgated under the Exchange Act; and

cooperating to delist athenahealth common stock from NASDAQ and deregister such common stock under the Exchange Act as soon as practicable following the Effective Time.

Conditions to the Merger

Conditions to Each Party s Obligations

Each party s obligations to effect the Merger are subject to the satisfaction (or mutual waiver if permitted by law) at or prior to the closing of the following conditions:

receipt of the requisite stockholder approval;

- any applicable waiting period (or any extensions thereof) under the HSR Act relating to the consummation of the Merger having expired or been terminated; and

- no court or governmental entity of competent jurisdiction having enacted, issued, promulgated, enforced or entered any law or order that prevents, makes illegal, restrains, enjoins or otherwise prohibits consummation of the Merger or the other transactions contemplated by the Merger Agreement.

Conditions to Parent s and Merger Sub s Obligations

The obligations of Parent and Merger Sub to effect the Merger are also subject to the satisfaction or waiver by Parent at or prior to the closing of the following additional conditions:

- each of athenahealth s representations and warranties contained in the Merger Agreement related to (i) athenahealth s capital structure and (ii) athenahealth having all corporate power and having taken all corporate action necessary in order to execute, deliver and perform its obligations under the Merger Agreement and to consummate the Merger, subject only to athenahealth obtaining the required stockholder approval, must be true and correct as of the date of the Merger Agreement and as of the Closing Date, subject only to *de minimis* inaccuracies at the closing (in each case except to the extent that any such representation and warranty speaks as of a particular date, in which case such representation and warranty shall be true and correct as of such earlier date);

- each of athenahealth s representations and warranties contained in the Merger Agreement related to (i) athenahealth s due execution of the Merger Agreement, (ii) certain determinations of the Board in connection with the Merger and the Merger Agreement, (iii) brokers and finders and (iv) opinions of athenahealth s financial advisors, must be true and correct in all material respects as of the date of the Merger Agreement and as of the Closing Date (in each case except to the extent that any such representation and warranty speaks as of a particular date, in which case such representation and warranty shall be true and correct as of such earlier date);

- each of athenahealth s other representations and warranties contained in the Merger Agreement must be true and correct in all respects as of the date of the Merger Agreement and as of the Closing Date (in each case except to the extent that any such representation and warranty speaks as of a particular date, in which case such representation and warranty shall be true and correct as of such earlier date) (without regard to materiality or material adverse effect qualifiers contained within such representations and warranties), except where the failure of such representations and warranties to be accurate would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on athenahealth;

- Parent must have received a signed certificate by a senior executive officer of athenahealth at the closing stating that the conditions set forth in the bullets above have been satisfied;

- athenahealth must have performed in all material respects all obligations required to be performed by it under the Merger Agreement at or prior to the closing, and Parent must have received a signed certificate by a senior executive officer of athenahealth to such effect; and there shall not have occurred any change, effect, circumstance or development that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on athenahealth.

Conditions to athenahealth s Obligations

athenahealth s obligations to effect the Merger are also subject to the satisfaction or waiver by athenahealth at or prior to the closing of the following additional conditions:

each of the representations and warranties of Parent and Sub contained in the Merger Agreement must be true and correct in all respects as of the date of the Merger Agreement and as of the Closing Date (in each

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case except to the extent that any such representation and warranty speaks as of a particular date, in which case such representation and warranty shall be true and correct as of such earlier date), except where the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, reasonably be expected to prevent or have a material adverse effect on the ability of Parent or Merger Sub to consummate the transactions contemplated by the Merger Agreement;

athenahealth must have received a signed certificate by an officer of Parent at the closing stating that the condition set forth in the bullet above has been satisfied; and

Parent and Merger Sub must have performed in all material respects all obligations required to be performed by it under the Merger Agreement at or prior to the closing, and athenahealth must have received a signed certificate by an officer of Parent to such effect.

Each of Parent and Merger Sub, on the one hand, and athenahealth, on the other hand, may waive the conditions to the performance of its respective obligations under the Merger Agreement and effect the Merger even though one or more of these conditions has not been met. athenahealth cannot give any assurance that all of the conditions of the Merger will be either satisfied or waived or that the Merger will occur.

Termination of the Merger Agreement

Termination Rights Exercisable by Either Parent or athenahealth

The Merger Agreement may be terminated prior to the Effective Time by the mutual written consent of Parent and athenahealth. In addition, the Merger Agreement may be terminated prior to the Effective Time by either Parent or athenahealth if:

the Merger has not been consummated by the Termination Date whether such date is before or after the date of athenahealth Requisite Vote;

the adoption of the Merger Agreement by the stockholders of athenahealth pursuant to the athenahealth Requisite Vote has not occurred at a meeting duly convened or at any adjournment or postponement thereof at which a vote upon the adoption of the Merger Agreement was taken; or

any law or order restraining, enjoining or otherwise prohibiting consummation of the Merger has become final and non-appealable, whether before or after the adoption of the Merger Agreement by the stockholders of athenahealth pursuant to the athenahealth Requisite Vote.

The right to terminate the Merger Agreement pursuant to the above circumstances will not be available to any party that has breached in any material respect its obligations under the Merger Agreement in any manner that has proximately caused or resulted in the failure of the Merger to be consummated.

athenahealth Termination Rights

athenahealth may also terminate the Merger Agreement and abandon the Merger if:

at any time prior to the Effective Time, whether before or after the adoption of the Merger Agreement by the stockholders of athenahealth pursuant to the athenahealth Requisite Vote, if there has been a breach of any representation, warranty, covenant or agreement made by Parent or Merger Sub in the Merger Agreement, or any representation and warranty becomes untrue after the date of the Merger Agreement, such that the obligations of Parent and Merger Sub described in Conditions to athenahealth s Obligations above would not be satisfied and such breach or failure to be true is not curable or, if curable, is not cured prior to the earlier of (i) thirty (30) days following notice to Parent from athenahealth of such breach or failure and (ii) the date that is three (3) business days prior to the Termination Date; provided that athenahealth shall not have the right to terminate the Merger Agreement if athenahealth is then in material breach of any of its representations, warranties, covenants or agreements under the Merger Agreement;

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at any time prior to the athenahealth requisite stockholder vote being obtained, (i) if the Board authorizes athenahealth, to the extent permitted by and subject to complying with the terms of Restriction on Solicitation of Competing Proposals above, to enter into an alternative acquisition agreement with respect to a superior proposal that did not result from a breach (other than any breach that is both immaterial and unintentional) of the Merger Agreement, (ii) concurrently with the termination of the Merger Agreement, athenahealth, subject to complying with the terms of Restriction on Solicitation of Competing Proposals above enters into an alternative acquisition agreement providing for a superior proposal that did not result from a breach (other than any breach that is both immaterial and unintentional) of the Merger Agreement and (iii) prior to or concurrently with such termination, athenahealth pays to Parent in immediately available funds any fees required to be paid pursuant to the athenahealth termination fee (as defined below); or

at any time prior to the Effective Time, whether before or after the athenahealth Requisite Vote, if (i) the conditions to closing set forth in Conditions to Each Party s Obligations have been satisfied or waived (other than those conditions that, by their terms, are to be satisfied at closing; provided that those conditions would have been satisfied if the closing were to occur on such date), (ii) athenahealth has confirmed by irrevocable written notice to Parent that the date the closing should have occurred pursuant to Closing; Effective Time has occurred and that athenahealth is ready, willing and able to consummate the Merger on the date of such written notice and throughout the immediately subsequent three (3) business day period and (iii) Parent fails to consummate the Merger within three (3) business days following receipt of such written notice.

Parent Termination Rights

Parent may also terminate the Merger Agreement and abandon the Merger at any time prior to the Effective Time if:

the Board has made a change of recommendation; or

there has been a breach of any representation, warranty, covenant or agreement made by athenahealth in the Merger Agreement, or any such representation and warranty becomes untrue after the date of the Merger Agreement, such that the terms of Conditions to Each Party s Obligations above would not be satisfied and such breach or failure to be true is not curable or, if curable, is not cured prior to the earlier of (i) thirty (30) days following written notice to athenahealth from Parent of such breach or failure and (ii) the date that is three (3) business days prior to the Termination Date; provided that Parent shall not have the right to terminate the Merger Agreement pursuant to this section if Parent is then in material breach of any of its representations, warranties, covenants or agreements under the Merger Agreement.

Effect of Termination

If the Merger Agreement is terminated and the Merger is abandoned, the Merger Agreement will become void and of no effect with no liability of any party to the Merger Agreement (or any representative of such party); provided, however, that no termination will relieve:

the parties respective obligations in respect of the termination fees, as described below under Expenses; Termination Fees ;

the parties respective obligations in respect of financing, as described above under Surviving Corporation Financing ;

athenahealth for any liability resulting from a willful breach of the Merger Agreement prior to any termination; and

certain miscellaneous provisions.

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Expenses; Termination Fees

Other than in connection with the financing (which expenses will be solely at the Parent s expense), all fees and expenses incurred in connection with the Merger Agreement and the transactions contemplated thereby will generally be borne by the party that incurs such fees and expenses, regardless of whether the Merger is consummated. However, athenahealth has agreed to pay Parent a termination fee of $142,105,000 if:

- Parent terminates the Merger Agreement in connection with the Board s authorizing athenahealth to enter into an alternative acquisition agreement with respect to a superior proposal;

- the Board has made a change of recommendation; and

- if (i) the Merger Agreement is terminated because (A) the Merger has not been consummated by the Termination Date or the requisite athenahealth stockholder vote has not occurred at a meeting duly convened or at any adjournment or postponement thereof at which a vote upon the adoption of the Merger Agreement was taken or (B) there has been a breach of the Merger Agreement by athenahealth as described under the first bullet point of athenahealth Termination Rights above, (ii) prior to termination under (i) a bona fide acquisition proposal has been publicly made to athenahealth or made directly to athenahealth s shareholders generally, and (iii) within twelve (12) months after the date of a termination in either of the cases referred to in clauses (i)(A) and (i)(B), athenahealth enters into a definitive agreement with respect to an acquisition proposal.

Parent has agreed to pay athenahealth a termination fee of $312,635,000 (the ***Parent termination fee***) if athenahealth terminates the Merger Agreement pursuant to the terms described above under Termination of the Merger Agreement athenahealth Termination Rights .

Miscellaneous

Specific Performance

The parties are entitled to an injunction or injunctions, specific performance or other equitable relief to prevent breaches of the Merger Agreement and to enforce specifically the terms and provisions of the Merger Agreement (in the courts described therein), without proof of damages or otherwise, and in addition to any other remedy to which they are entitled under the Merger Agreement. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that (i) the other party has an adequate remedy at law or (ii) an award of specific performance is not an appropriate remedy for any reason at law or equity.

athenahealth is only entitled to specific performance of Parent s obligation to fund the equity financing if (i) all of the conditions to the Merger Agreement have been satisfied or waived (other than those that by their terms are to be satisfied or waived at closing), (ii) the preferred equity financing and debt financing have been funded, or will be funded at the closing if the equity financing is funded at the closing and (iii) athenahealth has confirmed in writing that it is ready, willing and able to consummate the closing if specific performance is granted.

Amendment of the Merger Agreement

Subject to the provisions of applicable law, at any time prior to the Effective Time, the Merger Agreement (including any schedule thereto) may be amended, modified or supplemented in writing by action of the boards of directors of the respective parties. No amendments or modifications to the provisions which the lenders, preferred equity investors or equity investors are expressly made third-party beneficiaries will be permitted in a manner adverse to any debt financing related parties without the prior written consent of the relevant debt financing source or to any preferred equity financing related parties without the prior written consent of the relevant preferred equity financing source.

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Governing Law; Submission to Jurisdiction; No Jury Trial

Except as described in the following paragraph, the Merger Agreement is governed by Delaware law, without giving effect to principles of conflicts of law thereof. Each of the parties to the Merger Agreement has irrevocably consented and submitted itself and its properties and assets in any action or proceeding to the exclusive jurisdiction of the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware does not have jurisdiction over a particular matter, any federal or other state court within the State of Delaware) in the event any dispute or controversy arises out of the Merger Agreement or the transactions contemplated thereby. In addition, each of the parties to the Merger Agreement has irrevocably waived all right to trial by jury in any action, proceeding or counterclaim arising out of or relating to the Merger Agreement or the transactions related to the Merger Agreement.

All claims or causes of action against the preferred equity related parties or the debt financing related parties in any way relating to the Merger, the transactions contemplated thereby, the debt commitment letter, the debt financing, the preferred equity commitment letter and the preferred equity financing will be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to principles of conflicts of law thereof. Each of the parties to the Merger Agreement has agreed that any legal action or proceeding, whether in law or in equity, whether in contract or in tort or otherwise, involving any preferred equity financing related party or debt financing related party arising out of or relating to the Merger Agreement, the debt commitment letters or the debt financing or any of the agreements entered into in connection with the debt financing, the preferred equity commitment letters or the preferred equity financing or any of the agreements entered into in connection with the preferred equity financing or any of the transactions contemplated by the Merger Agreement or the preferred equity financing or the performance of any services under the preferred equity financing will be brought exclusively in and determined in the Supreme Court of the State of New York, County of New York.

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APPRAISAL RIGHTS

Under Delaware law, holders of shares of athenahealth common stock are entitled to appraisal rights in connection with the Merger, provided that such holders meet all of the conditions set forth in Section 262 of the DGCL. If the Merger is completed, holders of record of shares of athenahealth common stock who continuously hold shares through the Effective Time who did not vote in favor of the Merger and who otherwise complied with the applicable statutory procedures under Section 262 of the DGCL will be entitled to appraisal rights in connection with the Merger under Section 262 of the DGCL.

The following discussion is not a complete statement of the law pertaining to appraisal rights under the DGCL and is qualified in its entirety by the full text of Section 262 of the DGCL, which is attached to this proxy statement as Annex D. All references in Section 262 of the DGCL and in this summary to a stockholder are to the record holder of shares of athenahealth common stock as to which appraisal rights are asserted. A person having a beneficial interest in shares held of record in the name of another person, such as a broker or nominee, must act promptly to cause the record holder to follow the steps summarized below properly and in a timely manner to demand and perfect appraisal rights. Stockholders should carefully review the full text of Section 262 of the DGCL as well as the information discussed below.

Under the DGCL, if the Merger is effected, holders of shares of athenahealth common stock who (i) did not cast their vote in favor of the Merger, (ii) follow the procedures set forth in Section 262 of the DGCL and (iii) do not thereafter withdraw their demand for appraisal of such shares or otherwise lose their appraisal rights, in each case, in accordance with the DGCL, will be entitled to have such shares appraised by the Delaware Court of Chancery and to receive payment of the fair value of such shares, exclusive of any element of value arising from the accomplishment or expectation of the Merger, as determined by such court, together with interest, if any, to be paid upon the amount determined to be the fair value. The fair value could be greater than, less than or the same as the Merger Consideration.

Under Section 262 of the DGCL, athenahealth is required not less than 20 days before the special meeting to vote on the Merger to notify each of the holders of any class or series of its stock who are entitled to appraisal rights that appraisal rights are available for any or all of such shares and is required to include in such notice a copy of Section 262. **This proxy statement constitutes a formal notice of appraisal rights under Section 262 of the DGCL.** Any holder of shares of athenahealth common stock who wishes to exercise such appraisal rights, or who wishes to preserve such holder s right to do so, should review the following discussion and Annex D carefully because failure to timely and properly comply with the procedures specified may result in the loss of appraisal rights under the DGCL.

Any stockholder wishing to exercise appraisal rights should consider consulting legal counsel before attempting to exercise such rights.

If you wish to exercise your appraisal rights, you should carefully review the text of Section 262 set forth in Annex D to this proxy statement and consider consulting your legal advisor. If you fail to timely and properly comply with the requirements of Section 262, your appraisal rights may be lost. To exercise appraisal rights with respect to your shares of athenahealth common stock, you must:

NOT vote your shares of athenahealth common stock in favor of the Merger;

deliver to athenahealth a written demand for appraisal of your shares before the taking of the vote on the proposal to adopt the Merger Agreement at the special meeting, as described further below under Written Demand by the Record Holder, beginning on page [ ];

continuously hold your shares of athenahealth common stock through the Effective Time; and

otherwise comply with the procedures set forth in Section 262 of the DGCL.

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Written Demand by the Record Holder

All written demands for appraisal should be addressed to athenahealth, Inc., 311 Arsenal Street, Watertown, MA 02472, Attention: Corporate Secretary. Such demand will be sufficient if it reasonably informs athenahealth of the identity of the stockholder and that the stockholder intends thereby to demand appraisal of such stockholder s shares. Under Section 262 of the DGCL, a proxy or vote against the Merger does not constitute such a demand.

The written demand for appraisal must be executed by or for the record holder of shares, fully and correctly, as such holder s name appears on the stock records of athenahealth. If the shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of the demand must be made in that capacity, and if the shares are owned of record by more than one person, such as in a joint tenancy or a tenancy in common, the demand must be executed by or for all joint owners. An authorized agent, including one of two or more joint owners, may execute the demand for appraisal for a stockholder of record. However, the agent must identify the record owner(s) and expressly disclose the fact that, in executing the demand, the agent is acting as agent for the record owner(s).

A beneficial owner of shares of athenahealth common stock held in street name who wishes to exercise appraisal rights should take such actions as may be necessary to ensure that a timely and proper demand for appraisal is made by the record holder of the shares. If the shares are held through a brokerage firm, bank or other nominee who in turn holds the shares through a central securities depository nominee, a demand for appraisal of such shares must be made by or on behalf of the depository nominee and must identify the depository nominee as the record stockholder. Any beneficial owner who wishes to exercise appraisal rights and holds shares through a nominee holder is responsible for ensuring that the demand for appraisal is timely made by the record stockholder. The beneficial holder of the shares should instruct the nominee holder that the demand for appraisal should be made by the record holder of the shares, which may be a central securities depository nominee if the shares have been so deposited.

Filing a Petition for Appraisal

Within 120 days after the Effective Time, but not thereafter, the surviving corporation (which, in this case, will be athenahealth), or any holder of shares of athenahealth common stock who has complied with Section 262 of the DGCL and is entitled to appraisal rights under Section 262, may commence an appraisal proceeding by filing a petition in the Delaware Court of Chancery, with a copy served on athenahealth in the case of a petition filed by a stockholder, demanding a determination of the fair value of the shares held by all holders who did not adopt the Merger and properly demanded appraisal of such shares. If no such petition is filed within that 120-day period, appraisal rights will be lost for all dissenting stockholders. athenahealth is under no obligation to, and has no present intention to, file a petition, and holders should not assume that athenahealth will file a petition or that it will initiate any negotiations with respect to the fair value of shares of athenahealth common stock. Accordingly, it is the obligation of the holders of shares of athenahealth common stock to initiate all necessary action to perfect their appraisal rights in respect of the shares within the period prescribed in Section 262 of the DGCL.

Within 120 days after the Effective Time, any holder of shares of athenahealth common stock who has complied with the requirements for exercise of appraisal rights will be entitled, upon written request, to receive from the surviving corporation a statement setting forth the aggregate number of shares not voted in favor of the Merger and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. Such statement must be mailed within 10 days after a written request therefor has been received by the surviving corporation or within 10 days after the expiration of the period for delivery of demands for appraisal, whichever is later. Notwithstanding the requirement that a demand for appraisal must be made by or on behalf of the record owner of shares, a person who is the beneficial owner of shares held either in a voting trust

or by a nominee on behalf of such person, and as to which demand has been properly made and not effectively withdrawn, may, in such person s own name, file a petition for appraisal or request from the surviving corporation the statement described in this paragraph.

Upon the filing of such petition by any such holder of shares, service of a copy thereof must be made upon the surviving corporation, which will then obligate the surviving corporation to, within twenty (20) days after such service, file with the Register in Chancery of the Court of Chancery of the State of Delaware (which we refer to as the ***Delaware Register in Chancery***) a duly verified list (which we refer to as the ***verified list***) containing the names and addresses of all such stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached. Upon the filing of any such petition, the Delaware Court of Chancery may order the Delaware Register in Chancery to provide notice of the time and place fixed for the hearing on the petition be mailed to the surviving corporation and all of the stockholders shown on the verified list. Such notice will also be published at least one week before the day of the hearing in a newspaper of general circulation published in the City of Wilmington, Delaware or in another publication determined by the Delaware Court of Chancery. The costs of these notices are borne by the surviving corporation.

After notice to the stockholders as required by the Delaware Court of Chancery, the Court of Chancery is empowered to conduct a hearing on the petition to determine those stockholders who have complied with Section 262 of the DGCL and who have become entitled to appraisal rights thereunder. The Court of Chancery may require the stockholders who demanded appraisal for their shares of athenahealth common stock and who hold shares represented by certificates to submit their stock certificates to the Delaware Register in Chancery for notation thereon of the pendency of the appraisal proceeding, and, if any such stockholder fails to comply with the direction, the Court of Chancery may dismiss the proceedings as to that stockholder.

Determination of Fair Value

After the Delaware Court of Chancery determines which stockholders are entitled to appraisal, the appraisal proceeding will be conducted in accordance with the rules of the Court of Chancery, including any rules specifically governing appraisal proceedings. Through the appraisal proceeding, the Court of Chancery will determine the fair value of the shares, exclusive of any element of value arising from the accomplishment or expectation of the Merger, together with interest, if any, to be paid upon the amount determined to be the fair value. Unless the Court of Chancery in its discretion determines otherwise for good cause shown, interest from the Effective Time through the date of payment of the judgment will be compounded quarterly and will accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the Effective Time and the date of payment of the judgment.

In determining fair value, the Delaware Court of Chancery will take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Supreme Court of Delaware discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court should be considered and that [f]air price obviously requires consideration of all relevant factors involving the value of a company. The Delaware Supreme Court stated that, in making this determination of fair value, the Court of Chancery must consider market value, asset value, dividends, earnings prospects, the nature of the enterprise and any other facts that could be ascertained as of the date of the Merger that throw any light on future prospects of the merged corporation. Section 262 of the DGCL provides that fair value is to be exclusive of any element of value arising from the accomplishment or expectation of the Merger. In *Cede & Co. v. Technicolor, Inc.,* the Delaware Supreme Court stated that such exclusion is a narrow exclusion [that] does not encompass known elements of value, but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Supreme Court of Delaware also stated that elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the Merger and not the product of speculation, may be considered.

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Stockholders considering appraisal should be aware that the fair value of their shares of athenahealth common stock as so determined could be more than, the same as or less than the Merger Consideration and that an investment banking opinion as to the fairness, from a financial point of view, of the consideration payable in a sale transaction, such as the Merger, is not an opinion as to, and does not otherwise address, fair value under Section 262 of the DGCL. Although athenahealth believes that the Merger Consideration is fair, no representation is made as to the outcome of the appraisal of fair value as determined by the Delaware Court of Chancery. Neither Parent nor athenahealth anticipates offering more than the Merger Consideration to any stockholder exercising appraisal rights, and Parent and athenahealth reserve the right to assert, in any appraisal proceeding, that for purposes of Section 262 of the DGCL, the fair value of a share of athenahealth common stock is less than the Merger Consideration.

Upon application by the surviving corporation or by any holder of shares of athenahealth common stock entitled to participate in the appraisal proceeding, the Delaware Court of Chancery may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the stockholders entitled to an appraisal. Any holder of shares of athenahealth common stock whose name appears on the verified list and, if such shares are represented by certificates and if so required, who has submitted such stockholder s certificates of stock to the Delaware Register in Chancery, may participate fully in all proceedings until it is finally determined that such stockholder is not entitled to appraisal rights. The Court of Chancery will direct the payment of the fair value of the shares of athenahealth common stock, together with interest, if any, by the surviving corporation to the stockholders entitled thereto. Payment will be so made to each such stockholder, in the case of holders of uncertificated stock, forthwith, and, in the case of holders of shares represented by certificates, upon the surrender to the surviving corporation of such stockholder s certificates. The Court of Chancery s decree may be enforced as other decrees in such Court may be enforced.

The costs of the action (which do not include attorneys fees or the fees and expenses of experts) may be determined by the Delaware Court of Chancery and imposed upon the parties as the Court of Chancery deems equitable. Upon application of a stockholder, the Court of Chancery may order all or a portion of the expenses incurred by a stockholder in connection with an appraisal proceeding, including, without limitation, reasonable attorneys fees and the fees and expenses of experts utilized in the appraisal proceeding, to be charged *pro rata* against the value of all the shares of athenahealth common stock entitled to appraisal. In the absence of an order, each party bears its own expenses.

Any stockholder who has duly demanded appraisal rights for shares of athenahealth common stock in compliance with Section 262 of the DGCL will not, after the Effective Time, be entitled to vote such shares for any purpose or be entitled to the payment of dividends or other distributions thereon, except dividends or other distributions payable to holders of record of shares of athenahealth common stock as of a date or time prior to the Effective Time.

At any time within 60 days after the Effective Time, any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party will have the right to withdraw such stockholder s demand for appraisal and to accept the terms offered in the Merger. After this period, the stockholder may withdraw such stockholder s demand for appraisal only with the consent of athenahealth. If no petition for appraisal is filed with the Delaware Court of Chancery within 120 days after the Effective Time, stockholders rights to appraisal shall cease, and all holders of shares of athenahealth common stock will be entitled to receive the Merger Consideration. Inasmuch as athenahealth has no obligation to file such a petition and has no present intention to do so, any holder of shares of athenahealth common stock who desires such a petition to be filed is advised to file it on a timely basis. Any stockholder may withdraw such stockholder s demand for appraisal by delivering to athenahealth a written withdrawal of its demand for appraisal and acceptance of the Merger Consideration, except that (i) any such attempt to withdraw made more than 60 days after the Effective Time will require written approval of athenahealth and (ii) no appraisal proceeding in the Delaware Court of Chancery shall be dismissed as to any stockholder without the approval of the Delaware Court of Chancery, and such approval may be conditioned upon such terms as the Delaware Court of Chancery deems just.

Notwithstanding the foregoing, any

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stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party may withdraw such stockholder s demand for appraisal and accept the terms offered upon the Merger within 60 days after the Effective Time.

If you wish to exercise your appraisal rights, you must not vote your shares of athenahealth common stock in favor of the Merger, and you must comply with the procedures set forth in Section 262 of the DGCL. If you fail to take any required step in connection with the exercise of appraisal rights, it will result in the termination or waiver of your appraisal rights.

The foregoing summary of the rights of athenahealth stockholders to seek appraisal rights under Delaware law does not purport to be a complete statement of the procedures to be followed by athenahealth stockholders desiring to exercise any appraisal rights available thereunder and is qualified in its entirety by reference to Section 262 of the DGCL. The proper exercise of appraisal rights requires adherence to the applicable provisions of the DGCL. A copy of Section 262 of the DGCL is included as Annex D to this proxy statement.

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MARKET PRICE AND DIVIDEND DATA

athenahealth common stock is traded on NASDAQ under the symbol *ATHN*. As of the close of business on [ ], 2018, the latest practicable trading day before the filing of this proxy statement, there were [ ] shares of athenahealth common stock outstanding and entitled to vote, held by approximately [ ] holders of record of athenahealth common stock.

The following table presents the closing per share sales price of athenahealth common stock, as reported on NASDAQ on November 9, 2018, the last full trading day before the public announcement of the Merger, and on [November 30], 2018, the last full trading day before the filing of this proxy statement:

Date	**Closing per Share Price**
November 9, 2018	$ 120.35
November 30, 2018	$ 133.10

You are encouraged to obtain current market prices of athenahealth common stock in connection with voting your shares. Following the Merger, there will be no further market for athenahealth common stock, and athenahealth common stock will be delisted from NASDAQ and deregistered under the Exchange Act.

We have never declared or paid any dividends on our capital stock. The Merger Agreement prohibits us from declaring or paying any dividend or other distribution with respect to athenahealth common stock.

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STOCK OWNERSHIP

We have listed below, as of November 30, 2018 (except as otherwise indicated), the beneficial ownership of athenahealth common stock by (a) each of our directors, (b) each of our named executive officers , (c) all of our directors and executive officers as a group and (d) each person known by us to be the beneficial owner of more than five percent of the number of outstanding shares of athenahealth common stock. The table is based on information we received from the directors, executive officers and filings made with the SEC. We are not aware of any other beneficial owner of more than five percent of the number of outstanding shares of athenahealth common stock as of November 30, 2018. Unless otherwise indicated, each of our directors and named executive officers has (a) the same business address as athenahealth and (b) sole investment and voting power over all of the shares that he or she beneficially owns. All share numbers have been rounded to the nearest whole number.

Name	Amount and Nature of Beneficial Ownership of Common Stock (1)	Percent of Class (2)
Janus Henderson Group plc (3) 151 Detroit Street Denver, CO 80206	4,784,975	11.8%
Morgan Stanley (4) 1585 Broadway New York, NY 10036	4,244,868	10.5%
Wellington Management Group LLP (5) 280 Congress Street Boston, MA 02210	3,659,557	9.0%
T. Rowe Price Associates, Inc. (6) 100 E. Pratt Street Baltimore, MD 21202	3,454,259	8.5%
The Vanguard Group (7) 100 Vanguard Blvd. Malvern, PA 19355	3,219,814	7.9%
FMR, LLC (8) 245 Summer Street Boston, MA 02210	2,505,935	6.2%

Vanguard Specialized Finds Vanguard Health Care Fund (9) 100 Vanguard Blvd. Malvern, PA 19355	2,234,165	5.5%
Nomura Securities International, Inc. (10) Worldwide Plaza 309 West 49th Street New York, NY 10019	2,026,506	5.0%
Named Executive Officers		
Jonathan Bush (11)	898,792	2.2%
Marc A. Levine	6,803	*
John A. Kane (12)	22,089	*
Dan Haley	4,644	*
Prakash Khot	6,906	*
Jonathan Porter	6,427	*

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Name	Amount and Nature of Beneficial Ownership of Common Stock (1)	Percent of Class (2)
Directors		*
Amy Abernethy, M.D., Ph. D.	4,045	*
Brandon Hull	20,795	*
Jeffrey R. Immelt	13,442	*
Dev Ittycheria	13,438	*
John A. Kane	*See above*	*
Jacqueline D. Kosecoff, Ph. D.	10,875	*
Brian P. McKeon	790	*
Ed Park	22,510	*
Thomas J. Szkutak	3,056	*
All directors and executive officers as a group (17 persons) (13)	141,240	*

* Less than 1%

(1) Includes the following shares of common stock that are issuable to named executive officers and directors upon the exercise of Company Options and the vesting of RSUs that are vested as of, or will vest within 60 days of, November 30, 2018:

Name	Shares Underlying Stock Options	Shares Underlying RSUs
Named Executive Officers		

Jonathan Bush	573,880	-
Marc A. Levine	-	6,803
John A. Kane	10,080	-
Dan Haley	3,482	-
Prakash Khot	-	-
Directors		
Brandon Hull	15,565	-
Jeffrey R. Immelt	-	1,179
John A. Kane	*See above*	
All directors and executive officers as a group (17 persons)	29,127	7,982

(2) The percentage calculations set forth in the table are based on 40,609,062 shares of common stock outstanding on November 30, 2018. Shares of athenahealth common stock issuable upon the exercise of Company Options and the vesting of RSUs that are vested as of, or will vest within 60 days of, November 30, 2018, are deemed outstanding for the purpose of computing the percentage ownership of the person holding such Stock Options and RSUs, but are not deemed outstanding for computing the percentage ownership of any other persons.

(3) Based solely upon a review of the Schedule 13G/A filed with the SEC on June 15, 2018 by Janus Henderson Group plc (Janus Henderson) reporting that Janus Henderson had no sole voting or dispositive powers and had shared voting and dispositive powers over 4,784,975 shares. Janus Henderson has an indirect 97.11% ownership stake in Intech Investment Management LLC and a 100% ownership stake in Janus Capital Management LLC (Janus Capital), Janus Capital International Limited (JCIL), Perkins Investment

Management LLC, Geneva Capital Management LLC, Henderson Global Investors Limited, Janus Henderson Investors Australia Institutional Funds Management Limited and Henderson Global Investors North America Inc (each an Asset Manager and collectively as the Asset Managers). Due to the above ownership structure, holdings for the Asset Managers are aggregated for purposes of the Schedule 13G/A. Each Asset Manager is an investment adviser registered or authorized in its relevant jurisdiction and each furnishing investment advice to various fund, individual and/or institutional clients (collectively referred to herein as Managed Portfolios). As a result of its role as investment adviser or sub-adviser to the Managed Portfolios, Janus Capital may be deemed to be the beneficial owner of 4,545,162 shares or 11.2% of the outstanding shares of athenahealth common stock held by such Managed Portfolios. As a result of its role as investment adviser or sub-adviser to the Managed Portfolios, JCIL may be deemed to be the beneficial owner of 239,813 shares or 0.6% of the outstanding shares of athenahealth common stock held by such Managed Portfolios. However, neither Janus Capital nor JCIL have the right to receive any dividends from, or the proceeds from the sale of, the securities held in the Managed Portfolios and disclaim any ownership associated with such rights.

(4) Based solely upon a review of the Schedule 13G/A filed with the SEC on February 13, 2018 by Morgan Stanley and Morgan Stanley Investment Management, Inc. reporting the following beneficial ownership: (i) 4,244,868 shares beneficially owned by Morgan Stanley, with no sole voting or dispositive powers and shared voting power over 4,194,958 shares and shared dispositive power over 4,195,569 shares, and (ii) 4,244,868 shares beneficially owned by Morgan Stanley Investment Management, Inc., with no sole voting or dispositive powers and shared voting power over 4,194,958 shares and shared dispositive power over 4,195,569 shares.

(5) Based solely upon a review of the Schedule 13G/A filed with the SEC on February 8, 2018 by Wellington Management Group LLP, Wellington Group Holdings LLP, Wellington Investment Advisors Holdings LLP (together, the Wellington Funds), and Wellington Management Company LLP reporting the following beneficial ownership: (i) 3,659,557 shares beneficially owned by the Wellington Funds, with shared voting power over 832,674 shares and shared dispositive power over all of the beneficially owned shares, and (ii) 3,463,643 shares beneficially owned by Wellington Management Company LLP, with shared voting power over 783,870 shares and shared dispositive power over all of the beneficially-owned shares.

(6) Based solely upon review of the Schedule 13G/A filed with the SEC on February 14, 2018 by T. Rowe Price Associates Inc. reporting beneficial ownership of 3,454,259 shares