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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 12, 2014

MRI INTERVENTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-54575

(Commission File Number)

58-2394628

(I.R.S. Employer Identification No.)

**One Commerce Square, Suite 2550
Memphis, Tennessee**

(Address of principal executive offices)

38103

(Zip Code)

-
(901) 522-9300

(Registrant's telephone number, including area code)

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(Former name or former address, if changed since last report)

Check the appropriate box if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 12, 2014, MRI Interventions, Inc. (the “Company”) entered into an Employment Agreement (the “Employment Agreement”) with David W. Carlson, the Company’s Chief Financial Officer. The Employment Agreement replaces and supersedes Mr. Carlson’s prior employment agreement, which was previously disclosed in a Current Report on Form 8-K filed by Company on June 21, 2012.

The principal terms of the Employment Agreement are summarized below:

Term. Under the Employment Agreement, Mr. Carlson’s employment may be terminated by the Company or Mr. Carlson upon written notice to the other party.

Compensation. Mr. Carlson’s base salary is \$260,000, which is subject to adjustment at the discretion of the Compensation Committee of the Company’s Board of Directors (the “Compensation Committee”), subject to certain limitations. Mr. Carlson is entitled to receive a one-time retention bonus of \$250,000 (the “Retention Bonus”), of which \$83,333 will be payable on December 31, 2014, and \$166,667 will be payable on July 31, 2015 (the “Eligibility Date”), subject to Mr. Carlson remaining continuously employed by the Company as of those dates, and subject to certain repayment obligations as described in the Employment Agreement. As of the Eligibility Date, Mr. Carlson will also become fully vested in his outstanding stock options.

In addition, under the Employment Agreement, Mr. Carlson is: (i) eligible to participate in equity and other incentive compensation plans from time to time in effect for the Company’s executives and/or employees generally, upon terms and conditions determined by the Compensation Committee; and (ii) entitled to participate in any insurance and welfare benefit plan from time to time in effect for the Company’s executives and/or employees generally, subject to the eligibility provisions of that plan.

If, on or prior to the Eligibility Date, the Company terminates the employment of Mr. Carlson without cause or if Mr. Carlson terminates his employment for good reason, as those terms are defined in the Employment Agreement, then Mr. Carlson will receive: (i) any portion of base salary and bonus compensation earned but unpaid as of the termination date; (ii) an amount equal to his base salary in effect on the termination date, less any Retention Bonus paid to Mr. Carlson; and (iii) reimbursement of business expenses he incurred as of the termination date. In addition, if the Company terminates Mr. Carlson’s employment without cause or he terminates his employment for good reason, in either case on or prior to the Eligibility Date, any unvested stock options and restricted stock previously granted to him will become fully vested on the termination date and, in the case of stock options, will be exercisable until the final expiration date provided for in the applicable award agreement (collectively, the “Equity Award Terms”).

If the Company terminates the employment of Mr. Carlson following the Eligibility Date without cause or if Mr. Carlson terminates his employment for good reason, as those terms are defined in the Employment Agreement, then Mr. Carlson will receive: (i) any portion of base salary and bonus compensation earned but unpaid as of the termination date; (ii) reimbursement of business expenses he incurred as of the termination date; and (iii) the Equity Award Terms.

If the Company terminates Mr. Carlson’s employment with cause or if he terminates his employment voluntarily, as those terms are defined in the Employment Agreement, then Mr. Carlson will receive: (i) any portion of base salary and bonus compensation earned but unpaid as of the termination date; (ii) reimbursement of business expenses he incurred as of the termination date; and (iii) the Equity Award Terms, subject to adjustments on accelerated vesting and extended option exercise periods if such termination occurs prior to the Eligibility Date.

Change of Control Payments. Upon a change of control involving a sale transaction, as those terms are defined in the Employment Agreement, any unvested stock options and restricted stock previously granted to Mr. Carlson will become fully vested, and Mr. Carlson will receive a bonus in the amount of \$315,000. In addition, if the Company terminates Mr. Carlson’s employment without cause, or if Mr. Carlson terminates his employment for good reason, in either case prior to the Eligibility Date and within two months prior to or within 9 months following the sale transaction, then Mr. Carlson will be entitled to receive a lump sum payment equal to the sum of: (i) any portion of base salary and bonus compensation earned but unpaid as of the termination date; (ii) the “COC Multiplier” (defined below) times his base salary in effect on the termination date; (iii) the COC Multiplier times the greater of the average of his highest two bonuses paid in the previous three years or his current year target bonus, if any; (iv) \$18,000; and (v) reimbursement of business expenses he incurred as of the termination date.

The COC Multiplier is based on the value of the sale transaction and is determined as follows:

Value of Sale Transaction	COC Multiplier
Less than \$30,000,000	0
\$30,000,000-\$49,999,999.99	0.5
\$50,000,000-\$69,999,999.99	0.75
\$70,000,000-\$89,999,999.99	1.0
\$90,000,000-\$109,999,999.99	1.25
\$110,000,000 or more	1.5

Upon a change of control not involving a sale transaction, any unvested stock options and restricted stock previously granted to Mr. Carlson will become fully vested. In addition, if the Company terminates Mr. Carlson’s employment without cause, or if Mr. Carlson terminates his employment for good reason, in either case prior to the Eligibility Date and within two months prior to or within 9 months following the change of control, then Mr. Carlson will be entitled to receive a lump sum payment equal to the sum of: (i) any portion of base salary and bonus compensation earned but unpaid as of the termination date; (ii) two times his base salary in effect on the termination date; (iii) two times the greater of the average of his two highest bonuses paid in the previous three years or his current year target bonus, if any; (iv) \$18,000; and (v) reimbursement of business expenses he incurred as of the termination date.

Non-Competition; Non-Solicitation; Confidentiality; Assignment of Inventions. In connection with the Employment Agreement, Mr. Carlson also entered into a confidentiality agreement and non-compete agreement, which agreements impose on him customary restrictive covenants prohibiting the disclosure of the Company’s confidential information, requiring Mr. Carlson to assign inventions discovered in the scope of his employment to the Company, prohibiting him from competing with the Company during the term of his employment and for one year following the termination of his employment, and prohibiting him from soliciting the Company’s employees, consultants and contractors during the term of his employment and for two years following the termination of his employment.

The foregoing description of the terms of the Employment Agreement is only a summary and is qualified in its entirety by the full text of the Employment Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.



Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

See Exhibit Index immediately following signature page.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MRI INTERVENTIONS, INC.

By: /s/ Oscar Thomas

Oscar Thomas

Vice President, Business Affairs

Date: September 12, 2014

EXHIBIT INDEX

Exhibit No.

Description

10.1	Employment Agreement between the Company and David W. Carlson, entered into on September 12, 2014
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AGREEMENT

THIS AGREEMENT (this "Agreement") is entered into as of this 12th day of September, 2014, to be effective as of August 1, 2014 (the "Effective Date"), by and between **MRI INTERVENTIONS, INC.**, a Delaware corporation (the "Company"), and **DAVID W. CARLSON** (the "Executive").

WITNESSETH:

WHEREAS, the Company desires to employ the Executive to serve as the Chief Financial Officer of the Company;

WHEREAS, the Company and the Executive each deem it necessary and desirable to execute a written document setting forth the terms and conditions of said relationship; and

WHEREAS, to the extent this Agreement provides for any "deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), the Agreement will be administered in compliance with Section 409A of the Code and the regulations promulgated thereunder.

NOW, THEREFORE, in consideration of the premises and mutual obligations hereinafter set forth, the parties agree as follows:

1. Definitions. For purposes of this Agreement, the following terms shall have the following definitions:

"2010 Plan" means the Company's 2010 Non-Qualified Stock Option Plan.

"2012 Plan" means the Company's 2012 Incentive Compensation Plan.

"Accounting Firm" has the meaning set forth in Section 11(b) of this Agreement.

"Affiliate" has the same meaning ascribed to such term in Rule 12b-2 under the Exchange Act.

"Agreement" has the meaning set forth in the preamble above.

"Arbitrators" means the arbitrators selected to conduct any arbitration proceeding in connection with any disputes arising out of or relating to this Agreement.

"Award Agreement" has the meaning set forth in Section 4(f)(iv) of this Agreement.

"Award Plans" has the meaning set forth in Section 4(b) of this Agreement.

"Base Salary" means the annual salary to be paid to the Executive as set forth in Section 4(a) of this Agreement.

"Benefit Plans" has the meaning set forth in Section 4(c) of this Agreement.

"Board" means the Board of Directors of the Company.

“Change of Control” means the occurrence with respect to the Company of any of the following events: (i) a change in the ownership of the Company; (ii) a change in the effective control of the Company; or (iii) a change in the ownership of a substantial portion of the assets of the Company.

For purposes of this definition, a change in the ownership of the Company occurs on the date on which any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of the Company. A change in the effective control of the Company occurs on the date on which either (i) a person, or more than one person acting as a group, acquires ownership of stock of the Company possessing 30% or more of the total voting power of the stock of the Company, taking into account all such stock acquired during the 12-month period ending on the date of the most recent acquisition, or (ii) a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of such Board prior to the date of the appointment or election. A change in the ownership of a substantial portion of the assets of the Company occurs on the date on which any one person, or more than one person acting as a group, other than a person or group of persons that is related to the Company, acquires assets from the Company that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions, taking into account all such assets acquired during the 12-month period ending on the date of the most recent acquisition.

The determination as to the occurrence of a Change of Control shall be based on objective facts and in accordance with the requirements of Section 409A of the Code.

“Change of Control Termination” means a Termination Without Cause or a Termination for Good Reason that occurs (i) prior to the Second Eligibility Date and (ii) within two (2) months prior to, on, or within nine (9) months after, a Change of Control.

“COC Multiplier” means the following, as applicable: (a) 0, if the Transaction Value is less than \$30,000,000; (b) 0.5, if the Transaction Value is equal to or greater than \$30,000,000 but less than \$50,000,000; (c) 0.75, if the Transaction Value is equal to or greater than \$50,000,000 but less than \$70,000,000; (d) 1.0, if the Transaction Value is equal to or greater than \$70,000,000 but less than \$90,000,000; (e) 1.25, if the Transaction Value is equal to or greater than \$90,000,000 but less than \$110,000,000; and (f) 1.5, if the Transaction Value is equal to or greater than \$110,000,000.

“Code” has the meaning set forth in the recitals above.

“Company” has the meaning set forth in the preamble above.

“Company Shares” means shares of common stock of the Company or any securities of a successor company which shall have replaced such common stock.

“Compensation Committee” means the compensation committee of the Board.

“Confidentiality Agreement” means that certain Non-Disclosure and Proprietary Rights Agreement between the Company and the Executive in substantially the form attached hereto as Exhibit A.

“Effective Date” has the meaning set forth in the preamble above.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

"Excise Tax" means the excise tax imposed by Section 4999 of the Code with respect to the Total Payments, together with any interest or penalties with respect to such excise tax.

"Executive" has the meaning set forth in the preamble above.

"First Eligibility Date" has the meaning set forth in Section 4(f) below.

"First Installment" has the meaning set forth in Section 4(f) below.

"Net After-Tax Benefit" means (i) the Total Payments, less (ii) the amount of all United States federal, state and local income and employment taxes payable with respect to the Total Payments (calculated at the maximum applicable marginal income tax rate for the Executive under the Code), and less (iii) the amount of the Excise Tax imposed (based upon the rate for such year as set forth in the Code at the time of the first payment of the foregoing).

"Non-Compete Agreement" means that certain Non-Compete Agreement between the Company and the Executive in substantially the form attached hereto as Exhibit B.

"Option(s)" means (i) any option issued to the Executive pursuant to the 2010 Plan, the 2012 Plan or any other equity plan adopted by the Company, (ii) other than options described in the preceding clause (i), any option issued to the Executive by the Company to purchase Company Shares, or (iii) any option granted under the plan of any successor company that replaces or assumes the Company's options.

"Permanent Disability" means the Executive: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees or directors of the Company. Medical determination of Permanent Disability may be made by either the Social Security Administration or by the provider of an accident or health plan covering employees or directors of the Company provided that the definition of "disability" applied under such disability insurance program complies with the requirements of the preceding sentence. Upon the request of the Company, the Executive must submit proof to the Company of the Social Security Administration's or the provider's determination.

"Restricted Stock" means (i) any restricted Company Shares issued to the Executive pursuant to the 2012 Plan or any other equity plan adopted by the Company, or (ii) any restricted stock granted under the plan of any successor company that replaces or assumes the Company's restricted stock awards.

"Retention Bonus" has the meaning set forth in Section 4(f) below.

"Sale Transaction" means a transaction or series of related transactions pursuant to which (a) the Company is merged, consolidated or reorganized into or with another person, or securities of the Company are exchanged for securities of another person, or (b) the Company sells all or a substantial portion of its assets to another person.

"Second Eligibility Date" has the meaning set forth in Section 4(f) below.

"Second Installment" has the meaning set forth in Section 4(f) below.

“Section 4999 Limit” has the meaning set forth in Section 11(a) of this Agreement.

“Specified Employee” means a key employee (as defined in Section 416(i) of the Code without regard to paragraph 5 thereof) of the Company if any stock of the Company is publicly traded on an established securities market or otherwise.

“Term” has the meaning assigned to it in Section 3(a) of this Agreement.

“Termination Date” means the date on which the employment of the Executive is terminated, which date shall be (i) in the case of the Executive’s death, the date of death, (ii) in the case of the Executive’s Permanent Disability, thirty (30) days after a Termination Notice is given, provided the Executive does not return to the full-time performance of his duties within such thirty (30) day period, (iii) in the case of a Termination With Cause, the date specified in the Termination Notice, or (iv) in all other instances, the date specified as the Termination Date in the Termination Notice, which date shall not be less than ten (10) days from the date the Termination Notice is given.

“Termination for Good Reason” means the termination of the Executive’s employment with the Company by the Executive based on any of the following circumstances, if, within the six (6) month period preceding the Executive’s termination, the Executive notified the Company in writing of such circumstances within ninety (90) days of occurrence and the Company did not remedy such circumstances within thirty (30) days thereafter:

- (i) a material demotion or diminution in the Executive’s authority, duties or responsibilities without the Executive’s consent;
- (ii) the Company requiring the Executive to be based at any place other than a location within a fifty (50) mile radius of the Executive’s work location as of the Effective Date without the Executive’s consent, except for reasonably required travel on the Company’s business; or
- (iii) any action or inaction that constitutes a material breach by the Company of this Agreement.

“Termination Notice” means a written notice of termination of employment by the Executive or the Company.

“Termination of Employment” means the termination of the Executive’s employment with the Company for reasons other than death or Permanent Disability. Whether a Termination of Employment takes place is determined based on the facts and circumstances surrounding the termination of the Executive’s employment and whether the Company and the Executive intended for the Executive to provide significant services for the Company following such termination. A change in the Executive’s employment status will not be considered a Termination of Employment if the Executive continues to provide services as an employee of the Company or in any other capacity at an annual rate that is twenty percent (20%) or more of the services rendered, on average, during the immediately preceding three full calendar years of employment (or, if employed less than three years, such lesser period).

“Termination With Cause” means the termination of the Executive’s employment by the Company for any of the following reasons: (i) the Executive’s gross negligence or willful misconduct in the performance of the Executive’s duties where such gross negligence or willful misconduct has resulted or is likely to result in substantial and material damage to the Company; (ii) the material violation by the Executive of any federal or state law or regulation or the Company’s compliance program in the performance of the Executive’s duties; (iii) the Executive’s breach of the Non-Compete Agreement; (iv) the Executive’s material breach of the Confidentiality Agreement; (v) the Executive’s commission of any act of fraud with respect to the Company; (vi) the Executive’s conviction of, or the Executive’s entry of a guilty plea or plea of nolo contendere with respect to, a felony; or (vii) the Executive’s failure to perform duties consistent with this Agreement or the Executive’s position or to follow or comply with the reasonable directives of the Board or the Executive’s supervisor(s) (to the extent not inconsistent with the terms of this Agreement), provided that (A) the Executive shall have received written notice that specifically identifies the manner in which the Company believes that Executive has engaged in such failure and (B) the Executive shall not have cured such failure within thirty (30) days following receipt of such notice, provided further that such opportunity to cure a failure shall not apply if the Executive has received more than one notice with respect to the same or similar conduct pursuant to this clause (vii) during any twelve (12) consecutive month period.

“Termination Without Cause” means the termination of the Executive’s employment by the Company for any reason other than (i) Termination With Cause, or (ii) termination by the Company due to the Executive’s death or Permanent Disability.

“Total Payments” means the total payments or other benefits that the Executive becomes entitled to receive from the Company or an Affiliate thereof in connection with a Change of Control that would constitute a “parachute payment” (within the meaning of Section 280G of the Code), whether payable pursuant to the terms of this Agreement or any other plan, arrangement or agreement with the Company or an Affiliate thereof.

“Transaction Value” means the aggregate cash and non-cash consideration in connection with the consummation of a Sale Transaction that is paid, payable, distributed, or otherwise available for distribution, to holders of Company Shares. The fair market value of any securities issued, and any other non-cash consideration and any future payments or consideration to be paid or delivered, in connection with a Sale Transaction will be valued in good faith by the Board.

“Voluntary Termination” means the Executive’s voluntary termination of his employment hereunder for any reason, other than a Termination for Good Reason. If the Executive gives a Termination Notice of Voluntary Termination and, prior to the Termination Date, the Executive voluntarily refuses or fails to provide substantially all the services described in Section 2 hereof, the Voluntary Termination shall be deemed to be effective as of the date on which the Executive so ceases to carry out his duties. Voluntary refusal to perform services shall not include (i) taking vacation otherwise permitted in accordance with Section 4(d) hereof, (ii) the Executive’s failure to perform services on account of his illness or the illness of a member of the Executive’s immediate family, provided such illness is adequately substantiated at the reasonable request of the Company, or (iii) any other absence from service with the written consent of the Board.

2. Employment; Services. The Company shall employ the Executive, and the Executive agrees to be so employed, in the capacity of the Chief Financial Officer of the Company to serve for the Term hereof. The Executive shall assume and discharge such duties and responsibilities as are commensurate with the Executive’s position. The Executive shall be a full-time employee of the Company and shall exert his best efforts and devote substantially all of his business time and attention to the Company’s affairs and the performance of his duties hereunder.

3. Term; Termination.

(a) The term of the Executive's employment under this Agreement (the "Term") shall commence as of the Effective Date and shall end as of the Termination Date.

(b) Any purported termination of employment by the Executive or the Company, other than by reason of the Executive's death, shall be communicated by a Termination Notice. The Termination Notice shall indicate the specific termination provision in this Agreement relied upon and, in the event of a Termination With Cause or a Termination for Good Reason, set forth the facts and circumstances claimed to provide a basis for termination.

4. Compensation.

(a) Base Salary. During the Term, the Company shall pay the Executive for his services a "Base Salary" of Two Hundred Sixty Thousand Dollars (\$260,000) per year, to be paid in accordance with customary Company policies. The Base Salary shall be subject to increase or decrease according to policies and practices adopted by the Compensation Committee or the Board, as the case may be; provided, however, that in no event (i) shall the Base Salary for any year be decreased by more than ten percent (10%) from the immediately preceding year's Base Salary, and (ii) shall the Base Salary be less than Two Hundred Sixty Thousand Dollars (\$260,000).

(b) Award Plans. During the Term, the Executive shall also be eligible for additional compensation in the form of a cash bonus, shares of stock in the Company, Restricted Stock and/or Options, according to the policies and practices adopted by the Compensation Committee or the Board, as the case may be, and the Executive shall be eligible to participate in any stock option, incentive compensation, profit participation, bonus or extra compensation plan that is adopted by the Company and in which the Company's executive officers generally participate (collectively, "Award Plans").

(c) Benefit Plans. During the Term, the Executive shall be entitled to participate in, and to all rights and benefits provided by, the health, life, medical, dental, disability, insurance and welfare plans that are maintained from time to time by the Company for the benefit of the Executive, the executives of the Company generally or for the Company's employees generally, provided that the Executive is eligible to participate in such plan under the eligibility provisions thereof that are generally applicable to the participants thereof (collectively, "Benefit Plans").

(d) Vacation. The Executive shall be entitled each year to vacation time, during which time his compensation shall be paid in full. The time allotted for such vacation shall be three (3) weeks, to be taken at such time or times as shall be mutually convenient and consistent with his duties and obligations to the Company. Vacation accrues based on the Executive's anniversary date. Any unused vacation shall not be carried into subsequent years.

(e) Overall Qualification. Nothing in this Agreement shall be construed as preventing the Company from modifying, suspending, discontinuing or terminating any of the Benefit Plans or Award Plans without notice or liability to the Executive so long as (i) the modification, suspension, discontinuation or termination of any such plan is authorized by and performed in accordance with the specific provisions of such plan and (ii) such modification, suspension, discontinuation or termination is taken generally with respect to all similarly situated employees of the Company and does not single out or discriminate against the Executive.

(f) Retention Bonus. The Company shall pay to the Executive a retention bonus equal to Two Hundred Fifty Thousand Dollars (\$250,000) (the "Retention Bonus"), less applicable taxes and withholdings required by law. The Retention Bonus will be paid in two installments, with the first installment in the amount of Eighty Three Thousand Three Hundred and Thirty Three Dollars (\$83,333) (the "First Installment") to be paid by the Company on December 31, 2014 (the "First Eligibility Date") and the second installment in the amount of One Hundred Sixty Six Thousand Six Hundred and Sixty Seven Dollars (\$166,667) (the "Second Installment") to be paid by the Company on July 31, 2015 (the "Second Eligibility Date"), in each case so long as the Executive remains continuously employed by the Company from the date of signing of this Agreement until the First Eligibility Date or Second Eligibility Date, as applicable. The Company and the Executive warrant and acknowledge that, except as provided below, (i) Executive's continuous employment with the Company until the First Eligibility Date is a condition precedent to the receipt of the First Installment, which does not vest or accrue until the First Eligibility Date, and (ii) Executive's continuous employment with the Company until the Second Eligibility Date is a condition precedent to the receipt of the Second Installment, which does not vest or accrue until the Second Eligibility Date. The Retention Bonus herein will be paid in addition to the Executive's other compensation set forth above in this Section 4.

(i) Termination With Cause. In the event (A) the Executive's employment with the Company is terminated following the First Eligibility Date but prior to the Second Eligibility Date and (B) the termination is a Termination With Cause, the Executive must repay the Company the net amount of the First Installment that the Executive actually received (i.e., net of applicable taxes and withholdings) within sixty (60) days of the date of such Termination of Employment. Otherwise, the Executive shall be entitled to retain the First Installment, regardless of a Termination of Employment.

(ii) Death. In the event of the Executive's death prior to the First Eligibility Date, the Company shall have no obligation to pay the Retention Bonus hereunder, and the Executive's estate shall have no rights against the Company hereunder with respect to the Retention Bonus. In the event of the Executive's death following the First Eligibility Date but prior to the Second Eligibility Date, the Company shall have no obligation to pay the Second Installment hereunder, and the Executive's estate shall have no rights against the Company hereunder with respect to the Second Installment.

(iii) Permanent Disability. In the event of a termination of the Executive's employment with the Company prior to the First Eligibility Date due to Permanent Disability, the Company shall have no obligation to pay the Retention Bonus hereunder, and the Executive shall have no rights against the Company hereunder with respect to the Retention Bonus. In the event of a termination of the Executive's employment with the Company prior to the Second Eligibility Date due to Permanent Disability, the Company shall have no obligation to pay the Second Installment hereunder, and the Executive shall have no rights against the Company hereunder with respect to the Second Installment.

(iv) Option Exercise: First Eligibility Date. Notwithstanding the terms of any award agreement heretofore granted to the Executive under any Award Plan, including, without limitation, the 2010 Plan and the 2012 Plan, or any other agreement heretofore granting the Executive Options (in each case, an "Award Agreement"), in the event of a Voluntary Termination following the First Eligibility Date but prior to the Second Eligibility Date, the Executive shall continue to have the right to exercise any Options granted to the Executive as of the Effective Date until the two (2) year anniversary of the Termination Date, but only to the extent such Options (or portions thereof) were vested immediately prior to the Termination Date.

(v) Option Vesting and Exercise; Second Eligibility Date. Notwithstanding the terms of any Award Agreement heretofore granted to the Executive, as long as the Executive remains continuously employed by the Company from the date of signing of this Agreement until the Second Eligibility Date, (A) all Options granted to the Executive as of the Effective Date which do not constitute deferred compensation for Code Section 409A purposes shall become fully vested on the Second Eligibility Date (to the extent not then vested already) and (B) Executive shall thereafter have the right to exercise all such Options until the final expiration date for such Options as provided for in the applicable Award Agreement, regardless of any termination of the Executive's employment with the Company following the Second Eligibility Date. In the event of any conflict between the terms of this Section 4(f)(v) and terms of any Award Agreement heretofore granted to the Executive, the terms of this Section 4(f)(v) shall control and govern. Notwithstanding the foregoing to the contrary, in the event a Change of Control Termination occurs prior to the Second Eligibility Date, the terms of Section 9(d) or Section 10(c), as applicable, shall supersede the terms of this Section 4(f)(v).

(vi) Change of Control Termination. In the event of a Change of Control Termination as defined herein, the terms set forth in the applicable Section 9 or 10 shall then supersede the terms of this section; provided, however, that in the event such Change of Control Termination occurs after the First Eligibility Date, the Executive shall be entitled to retain the First Installment.

5. Expenses. The Company recognizes that the Executive will have to incur certain out-of-pocket expenses, including but not limited to travel expenses, related to his services and the Company's business and the Company agrees to reimburse the Executive for all reasonable expenses necessarily incurred by him in the performance of his duties upon presentation of documentation indicating the amount and business purposes of any such expenses; provided, that the Executive complies with the Company's policies and procedures regarding business expenses.

6. Voluntary Termination; Termination With Cause. If the Executive shall cease being an employee of the Company on account of the Executive's Voluntary Termination or a Termination With Cause, the Executive shall have no further rights against the Company hereunder after the Termination Date, except for the right to receive (i) any Base Salary and bonus compensation earned but unpaid as of the Termination Date, (ii) reimbursement of business expenses to which the Executive is entitled as of the Termination Date pursuant to Section 5, and (iii) if applicable, the benefits described in Section 4(f)(iv) or Section 4(f)(v). In the event of a Voluntary Termination or a Termination With Cause, the Executive shall continue to be subject to the Confidentiality Agreement and the Non-Compete Agreement.

7. Termination Upon Death or Permanent Disability.

(a) Death. The Executive's employment with the Company shall terminate automatically upon the Executive's death. Upon termination of employment due to the Executive's death, the Executive's estate shall have no further rights against the Company hereunder after the Termination Date, except for the right to receive (i) any Base Salary and bonus compensation earned but unpaid as of the Termination Date, (ii) any unreimbursed business expenses to which the Executive is entitled as of the Termination Date pursuant to Section 5, (iii) the lump sum amount of Eighteen Thousand Dollars (\$18,000), and (iv) if applicable, the benefits described in Section 4(f)(v). In addition, the Executive's estate shall be entitled to any vested benefits under the Company's Award Plans and Benefit Plans as of the Termination Date, in accordance with the terms of such plans.

(b) Permanent Disability. In the event of the Executive's Permanent Disability, the Company may terminate the Executive's employment with the Company if the Executive does not return to the full-time performance of his duties within thirty (30) days after a Termination Notice is given. Upon termination of employment due to the Executive's Permanent Disability, the Executive shall have no further rights against the Company hereunder after the Termination Date, except for the right to receive (i) any Base Salary and bonus compensation earned but unpaid as of the Termination Date, (ii) any unreimbursed business expenses to which the Executive is entitled as of the Termination Date pursuant to Section 5, (iii) the lump sum amount of Eighteen Thousand Dollars (\$18,000), and (iv) if applicable, the benefits described in Section 4(f)(v). In addition, the Executive shall be entitled to any vested benefits under the Company's Award Plans and Benefit Plans as of the Termination Date, in accordance with the terms of such plans. In the event of a termination of employment upon the Executive's Permanent Disability, the Executive shall continue to be subject to the Confidentiality Agreement and the Non-Compete Agreement.

(c) Life Insurance. Upon the Company's request, the Executive shall cooperate with the Company in obtaining "key man" life insurance on the life of the Executive with death benefits payable to the Company.

8. Termination Without Cause; Termination for Good Reason. The Company may terminate the Executive's employment for any reason, or no reason at all, at any time, and the Executive may effect a Termination for Good Reason at any time. Upon a Termination for Good Reason or a Termination Without Cause at any time on or prior to the Second Eligibility Date, except as otherwise provided in Section 9 of this Agreement, the Company shall provide the compensation and benefits set forth below in Section 8(a) and Section 8(b). Upon a Termination for Good Reason or a Termination Without Cause following the Second Eligibility Date, the Company shall provide the compensation and benefits set forth below in Section 8(c). The Executive may effect a Termination for Good Reason notwithstanding any incapacity due to physical or mental illness. In the event of a Termination Without Cause or a Termination for Good Reason, the Executive shall continue to be subject to the Confidentiality Agreement and the Non-Compete Agreement.

(a) Base Salary and Other Amounts. Upon a Termination Without Cause or Termination for Good Reason at any time on or prior to the Second Eligibility Date, the Company shall pay to the Executive, on the Termination Date, a lump sum amount which is equal to the sum of: (i) an amount equal to the Executive's Base Salary in effect on the Termination Date, less any portion of the Retention Bonus paid to the Executive prior to the Termination Date; plus (ii) any Base Salary and bonus compensation earned but unpaid as of the Termination Date; plus (iii) any unreimbursed business expenses to which the Executive is entitled as of the Termination Date pursuant to Section 5. The Company shall also pay the Executive any amounts due to the Executive pursuant to the terms of any Award Plans and/or Benefit Plans in which the Executive was a participant, in accordance with the terms of such plans. Notwithstanding the foregoing, if the Executive is a Specified Employee and the total of the payments under this Section 8(a) exceeds the limit set forth in Treas. Reg. §1.409A-1(b)(9)(iii)(A) (related to separation pay), then, the amount in excess of such limit shall be delayed for six (6) months following the Termination Date. The delayed amount shall be paid in a lump sum after the end of the six-month delay.

(b) Options. Notwithstanding the terms of any Award Agreement heretofore granted to the Executive, upon a Termination Without Cause or Termination for Good Reason at any time on or prior to the Second Eligibility Date, (i) all Options granted to the Executive as of the Effective Date which do not constitute deferred compensation for Code Section 409A purposes shall become fully vested on the Termination Date and immediately prior to the time of termination, and (ii) the Executive shall continue to have the right to exercise any such Options until the final expiration date for such Options as provided for in the applicable Award Agreement. In the event of any conflict between the terms of this Section 8(b) and the terms of any Award Agreement heretofore or hereafter granted to the Executive, the terms of this Section 8(b) shall control and govern.

(c) Benefits. Upon a Termination Without Cause or Termination for Good Reason at any time following the Second Eligibility Date, the Executive shall have no further rights against the Company hereunder after the Termination Date, except for the right to receive (i) any Base Salary and bonus compensation earned but unpaid as of the Termination Date, (ii) any unreimbursed business expenses to which the Executive is entitled as of the Termination Date pursuant to Section 5, and (iii) the benefits described in Section 4(f)(v). In addition, the Executive shall be entitled to any vested benefits under the Company's Award Plans and Benefit Plans as of the Termination Date, in accordance with the terms of such plans.

9. Change of Control in Connection with Sale Transaction.

(a) Accelerated Vesting. Notwithstanding the terms of any Award Agreement heretofore or hereafter granted to the Executive, in the event of a Change of Control in connection with a Sale Transaction, all Options and Restricted Stock granted to the Executive which do not constitute deferred compensation for Code Section 409A purposes shall become fully vested on the date of the Change of Control and immediately prior to the time of the Change of Control. In the event of any conflict between the terms of this Section 9(a) and the terms of any Award Agreement heretofore or hereafter granted to the Executive, the terms of this Section 9(a) shall control and govern.

(b) Bonus Payment. In the event a Change of Control occurs in connection with a Sale Transaction at any time during the Term, the Company shall, on the date of such Change of Control, pay the Executive a bonus in the lump sum amount of Three Hundred Fifteen Thousand Dollars (\$315,000).

(c) Change of Control Termination. Notwithstanding any other provision in this Agreement to the contrary, in the event of a Change of Control Termination that is in connection with a Sale Transaction, the Company shall, on the Termination Date, pay the Executive a lump sum amount which is equal to the sum of: (i) the product of (A) the Executive's Base Salary in effect as of the Termination Date multiplied by (B) the COC Multiplier; plus (ii) the product of (A) the greater of (1) the average of the two highest annual cash bonuses paid to the Executive for the three years preceding the year in which the Termination Date occurs or (2) the Executive's target bonus, if any, for the year in which the Termination Date occurs, multiplied by (B) the COC Multiplier; plus (iii) Eighteen Thousand Dollars (\$18,000); plus (iv) any Base Salary and bonus compensation earned but unpaid as of the Termination Date; plus (v) any unreimbursed business expenses to which the Executive is entitled as of the Termination Date under Section 5. The Company shall also pay the Executive any amounts due to the Executive pursuant to the terms of any Award Plans and/or Benefit Plans in which the Executive was a participant, in accordance with the terms of such plans. Notwithstanding the foregoing, if the Executive is a Specified Employee and the total of the payments under this Section 9(c) exceeds the limit set forth in Treas. Reg. §1.409A-1(b)(9)(iii)(A) (related to separation pay), then the amount in excess of such limit shall be delayed for six (6) months following the Executive's Termination Date, and such delayed amount shall be paid in a lump sum after the end of the six-month delay. In the event of a Change of Control Termination that is in connection with a Sale Transaction, the Executive shall continue to be subject to the Confidentiality Agreement and the Non-Compete Agreement.

(d) Options. Notwithstanding the terms of any Award Agreement heretofore or hereafter granted to the Executive, in the event of a Change of Control Termination that is in connection with a Sale Transaction, the Executive shall continue to have the right to exercise any Options granted to the Executive prior to the Change of Control, to the extent not cancelled or terminated in connection with the Change of Control, until the earlier to occur of (A) the three (3) year anniversary of the Termination Date or (B) the final expiration date for such Options as provided for in the applicable Award Agreement. In the event of any conflict between the terms of this Section 9(d) and the terms of any Award Agreement heretofore or hereafter granted to the Executive, the terms of this Section 9(d) shall control and govern.

10. Change of Control not in Connection with Sale Transaction.

(a) Accelerated Vesting. Notwithstanding the terms of any Award Agreement heretofore or hereafter granted to the Executive, in the event of a Change of Control not in connection with a Sale Transaction, all Options and Restricted Stock granted to the Executive which do not constitute deferred compensation for Code Section 409A purposes shall become fully vested on the date of the Change of Control and immediately prior to the time of the Change of Control. In the event of any conflict between the terms of this Section 10(a) and the terms of any Award Agreement heretofore or hereafter granted to the Executive, the terms of this Section 10(a) shall control and govern.

(b) Change of Control Termination. Notwithstanding any other provision in this Agreement to the contrary, in the event of a Change of Control Termination that is not in connection with a Sale Transaction, the Company shall, on the Termination Date, pay the Executive a lump sum amount which is equal to the sum of: (i) the product of (A) the Executive's Base Salary in effect as of the Termination Date multiplied by (B) two (2), plus (ii) the product of (A) the greater of (1) the average of the two highest annual cash bonuses paid to the Executive for the three years preceding the year in which the Termination Date occurs or (2) the Executive's target bonus, if any, for the year in which the Termination Date occurs, multiplied by (B) two (2); plus (iii) Eighteen Thousand Dollars (\$18,000); plus (iv) any Base Salary and bonus compensation earned but unpaid as of the Termination Date, plus (v) any unreimbursed business expenses to which the Executive is entitled as of the Termination Date under Section 5. The Company shall also pay the Executive any amounts due to the Executive pursuant to the terms of any Award Plans and/or Benefit Plans in which the Executive was a participant, in accordance with the terms of such plans. Notwithstanding the foregoing, if the Executive is a Specified Employee and the total of the payments under this Section 10(b) exceeds the limit set forth in Treas. Reg. §1.409A-1(b)(9)(iii)(A) (related to separation pay), then the amount in excess of such limit shall be delayed for six (6) months following the Executive's Termination Date, and such delayed amount shall be paid in a lump sum after the end of the six-month delay. In the event of a Change of Control Termination that is not in connection with a Sale Transaction, the Executive shall continue to be subject to the Confidentiality Agreement and the Non-Compete Agreement.

(c) Options. Notwithstanding the terms of any Award Agreement heretofore or hereafter granted to the Executive, in the event of a Change of Control Termination that is not in connection with a Sale Transaction, the Executive shall continue to have the right to exercise any Options granted to the Executive prior to the Change of Control until the earlier to occur of (A) the three (3) year anniversary of the Termination Date or (B) the final expiration date for such Options as provided for in the applicable Award Agreement. In the event of any conflict between the terms of this Section 10(c) and the terms of any Award Agreement heretofore or hereafter granted to the Executive, the terms of this Section 10(c) shall control and govern.

11. Maximum Net After-Tax Benefit.

(a) Potential Reduction in Total Payments. It is the parties' objective to maximize the Executive's Net After-Tax Benefit if any payments or benefits provided hereunder would be subject to the Excise Tax. Accordingly, in the event the Company or the Executive believes that the Total Payments to or for the benefit of the Executive, whether paid or payable or distributed or distributable or otherwise, including, by example and not by way of limitation, acceleration of the date of vesting or payment under any agreement, arrangement, plan or program, would be subject to the Excise Tax, calculations shall be made to determine (i) the maximum amount of payments and benefits that may be provided to the Executive so that no portion thereof will be subject to the Excise Tax (the "Section 4999 Limit"), (ii) the Executive's Net After-Tax Benefit assuming application of the Section 4999 Limit, and (iii) the Executive's Net After-Tax Benefit without the application of the Section 4999 Limit. Based on such calculations or otherwise, and notwithstanding anything contained in this Agreement to the contrary, the Executive may elect to reduce the amount of the Total Payments up to the Section 4999 Limit so that no portion of the Total Payments received by the Executive will be subject to the Excise Tax. Alternatively, the Executive may elect to receive all Total Payments, in which case the Executive shall be solely liable for any and all Excise Tax related thereto.

(b) Manner of Determination. Unless otherwise agreed between the Company and the Executive, all calculations required to be made under this Section 11 shall be made, at the Company's expense, by the accounting firm which is the Company's accounting firm immediately prior to the Change of Control or another nationally recognized accounting firm designated by the Board (or a duly authorized committee thereof) prior to the Change of Control (the "Accounting Firm"). The Accounting Firm shall provide its calculations, together with supporting documentation, both to the Company and to the Executive at such time as reasonably requested by the Company or the Executive.

(c) Order of Reduction. If the Executive elects to reduce the Total Payments as contemplated in Section 11(a), the Executive may select the order of reduction; provided, however, that none of the selected payments may be "nonqualified deferred compensation" subject to Section 409A of the Code. In the event the Executive fails to select an order in which Total Payments are to be reduced, or does not select such an order without selecting payments that would be "nonqualified deferred compensation" subject to Section 409A of the Code, the Company shall (to the extent feasible) reduce the Total Payments in the following order: (i) reduction of any cash severance payments otherwise payable to the Executive that are exempt from Section 409A of the Code; (ii) reduction of any other cash payments or benefits otherwise payable to the Executive that are exempt from Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting or payments with respect to any Options or other equity or equity-type awards that are exempt from Section 409A of the Code; (iii) reduction of any other payments or benefits otherwise payable to the Executive on a pro rata basis or in such other manner that complies with Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting and payments with respect to any Options or other equity or equity-type awards that are exempt from Section 409A of the Code; and (iv) reduction of any payments attributable to any acceleration of vesting or payments with respect to any Options or other equity or equity-type awards that are exempt from Section 409A of the Code; in each case beginning with payments that would otherwise be made last in time.

12. Exclusive Remedy. To the extent permitted by applicable law, the payments contemplated by Section 7, Section 8, Section 9 and Section 10 shall constitute the exclusive and sole remedy for any termination of the Executive's employment due to death or Permanent Disability, any Termination Without Cause or any Termination for Good Reason. The Executive agrees, for himself and any administrator, beneficiary, devisee, executor, heir, legatee or personal representative, (i) to not assert or pursue any remedies, other than an action to enforce the payments due to the Executive (or the Executive's estate) under this Agreement, at law or in equity, with respect to the termination of the Executive's employment under Section 7, Section 8, Section 9 or Section 10, as applicable, and (ii) to execute a release and waiver on such terms and conditions as the Company may reasonably require as a condition of entitlement to such payments.

(b) Arbitration Procedures. Arbitration shall be conducted in accordance with the rules of the American Arbitration Association, except to the extent the provisions of such are modified by this Agreement or the subsequent mutual agreement of the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. Any party hereto may bring an action, including a summary or expedited proceeding, to compel arbitration of any controversy or claim to which this provision applies in any court having jurisdiction over such action in Shelby County, Tennessee, and the parties agree that jurisdiction and venue in Shelby County, Tennessee are appropriate and approved by such parties.

18. Certain 409A Matters. Notwithstanding any provision herein to the contrary, for purposes of identifying Specified Employees or determining when a Termination of Employment has occurred, or for any other purpose where Section 409A of the Code applies, references to the Company shall be deemed to include Affiliates of the Company which are required to be aggregated with the Company under Section 409A of the Code.

19. Applicable Law. This Agreement shall be governed and construed in accordance with the laws of the State of Tennessee without giving effect to conflict of laws principles thereof.

20. Assignment. The Executive acknowledges that his services are unique and personal. Accordingly, the Executive may not assign his rights or delegate his duties or obligations under this Agreement.

21. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

22. Successors; Binding Agreement. The Company will require any successor to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle Executive to compensation from the Company in the same amount and on the same terms as Executive would be entitled to hereunder upon a Change of Control Termination in connection with a Sale Transaction. The Company's rights and obligations under this Agreement shall inure to the benefit of and shall be binding upon the Company's successors and assigns.

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IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first above written.

MRI INTERVENTIONS, INC.

By: /s/ Timothy T. Richards
Name: Timothy T. Richards
Title: Chairman, Compensation Committee

EXECUTIVE:

/s/ David W. Carlson
David W. Carlson

Exhibit A

MRI INTERVENTIONS, INC.

NON-DISCLOSURE AND PROPRIETARY RIGHTS AGREEMENT

In consideration and as a condition of my employment (or my continued employment) with MRI Interventions, Inc., or any of its current or future subsidiaries, affiliates, successors or assigns (collectively, the "Company"), and in consideration of my receipt of Confidential Information (as defined in Section 2 below) and of the compensation now and hereafter paid to me by the Company, the undersigned (hereinafter referred to as "Employee") hereby acknowledges and agrees to the following:

1. Purpose of Agreement. Employee understands that the Company is engaged in a continuous program of research, development, production and marketing in connection with its business and that it is critical for the Company to preserve and protect its Confidential Information (as defined in Section 2 below), its rights in Inventions (as defined in Section 7 below) and in all related intellectual property rights. Accordingly, Employee is entering into this Non-Disclosure and Proprietary Rights Agreement (this "Agreement") as a condition of his or her employment (or continued employment) with the Company, regardless of whether Employee is expected to create Inventions of value for the Company.

2. Non-Disclosure of Confidential Information. At all times during his or her employment with the Company and thereafter, Employee will hold the Confidential Information in strictest confidence and Employee will not disclose, communicate, reproduce, copy, publish, license, distribute, modify, adapt, transmit, reverse engineer, decompile, disassemble or use any Confidential Information, except (a) as may be necessary for Employee to perform his or her duties as an employee of the Company for the exclusive benefit of the Company or (b) to the extent an officer of the Company expressly authorizes such in writing. Employee will take all appropriate action, whether by instruction, agreement or otherwise, to ensure the protection, confidentiality and security of the Confidential Information and to satisfy Employee's obligations under this Agreement. Employee will notify the Company immediately upon discovery of any loss, misuse, misappropriation or disclosure of Confidential Information or any other breach of this Agreement by Employee, and Employee will cooperate with the Company in every reasonable way to help the Company regain possession of the Confidential Information and prevent its further unauthorized use or disclosure.

For purposes of this Agreement, the term "Confidential Information" means, but is not limited to, all information that is possessed by or developed for the Company and which relates to the Company's existing or potential business, which information is not reasonably knowable by the Company's competitors or by the general public through lawful means. Without limiting the generality of the foregoing, such Confidential Information also includes, but is not limited to, all Proprietary Rights (as defined in Section 3 below), all Third Party Information (as defined in Section 4 below) and all information regarding the Company's operations, research and development efforts, plans for products or services, methods of doing business, business strategies, customers, suppliers, service providers, manufacturers, business relations, product prices and costs, markets, marketing plans, budgets and forecasts, financial information and/or Inventions, as well as information regarding the skills, know how and compensation of other employees of the Company. Confidential Information may be expressly designated as confidential or proprietary on its face (whether verbally, in writing or otherwise) or be of such a nature that a reasonable person under the circumstances should understand or believe it to be confidential or proprietary. Confidential Information may be oral, written, recorded magnetically or electronically or otherwise stored, and may be that which Employee originates as well as that which otherwise comes into the possession or knowledge of Employee.

3. Recognition of Company's Rights. Employee acknowledges and agrees that all Confidential Information will be the sole property of the Company and that the Company will be the sole owner of all patents, patent applications, design patents or registration, design patent applications, copyrights, mask works, trademarks, trade secrets and all other intellectual property rights throughout the world (collectively, "Proprietary Rights") in connection therewith. Accordingly, Employee hereby assigns and agrees to assign to the Company any rights Employee may have or acquire in any Confidential Information and Proprietary Rights.

4. Non-Disclosure of Third Party Information. Employee understands that the Company may from time to time receive from third parties confidential information ("Third Party Information"), subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. At all times during Employee's employment with the Company and thereafter, Employee will hold the Third Party Information in strictest confidence and Employee will not disclose, communicate, reproduce, copy, publish, license, distribute, modify, adapt, transmit, reverse engineer, decompile, disassemble or use any Third Party Information, except (a) as may be necessary for Employee to perform his or her duties as an employee of the Company for the exclusive benefit of the Company or (b) to the extent an officer of the Company expressly authorizes such in writing. Employee will take all appropriate action, whether by instruction, agreement or otherwise, to ensure the protection, confidentiality and security of the Third Party Information and to satisfy Employee's obligations under this Agreement. Employee will notify the Company immediately upon discovery of any loss, misuse, misappropriation or disclosure of Third Party Information or any other breach of this Agreement by Employee, and Employee will cooperate with the Company in every reasonable way to help the Company prevent its further unauthorized use or disclosure.

5. Return of Information; Inspections. Employee will, at the Company's request and/or upon termination of the employment relationship for any reason, return all originals, copies, reproductions and summaries of any Confidential Information and all other tangible materials and devices provided to Employee as Confidential Information or containing Confidential Information, and/or, at the Company's option, certify destruction of the same. In addition, Employee will, at the Company's request and/or upon termination of the employment relationship for any reason, return all originals, copies, reproductions and summaries of any Third Party Information and all other tangible materials and devices provided to Employee as Third Party Information or containing Third Party Information, and/or, at the Company's option, certify destruction of the same. Upon termination of his or her employment with the Company, Employee will promptly deliver to the Company all property in Employee's possession, custody or control that is owned by the Company. Employee agrees that any property situated on the Company's premises and owned by the Company, including, but not limited to, computers, disks and other storage media, is subject to inspection by Company personnel at any time without notice.

6. No Improper Use of Materials. During his or her employment with the Company, Employee will not improperly use or disclose any Confidential Information or trade secrets, if any, of any former employer or any other person to whom Employee has an obligation of confidentiality, and Employee will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom Employee has an obligation of confidentiality unless consented to in writing by that former employer or person.

7. Assignment of Inventions. Employee hereby irrevocably assigns to the Company all right, title and interest of Employee in and to any and all Inventions (and all Proprietary Rights with respect thereto), whether or not patentable, copyrightable or protectable as trade secrets, made, conceived, reduced to practice or created by Employee, either alone or jointly with others, during the period of his or her employment with the Company. Employee acknowledges that all original works of authorship which are made by Employee (alone or jointly with others) within the scope of his or her employment and which are copyrightable are "works made for hire," as that term is defined in the United States Copyright Act. In addition to the foregoing assignment of Inventions (and all Proprietary Rights with respect thereto) to the Company, Employee hereby irrevocably assigns to the Company any and all Moral Rights (as defined below) that Employee may have in or with respect to any Invention, and Employee forever waives and agrees not to assert any and all Moral Rights he or she may have in or with respect to any Invention, even after termination of employment with the Company.

For purposes of this Agreement, the term “Inventions” means inventions, discoveries, improvements, designs, techniques, ideas, processes, compositions of matter, formulas, data, software programs, databases, mask works, works of authorship, know-how and trade secrets.

For purposes of this Agreement, the term “Moral Rights” means any right to claim authorship of an Invention, to object to or prevent the modification of any Invention, or to withdraw from circulation or control the publication or distribution of any Invention, and any similar right, existing under judicial or statutory law of any country or under any treaty, regardless of whether such right is denominated or generally referred to as a “moral right.”

8. Disclosure of Inventions. Employee will promptly disclose to the Company all Inventions that Employee makes, conceives, reduces to practice or creates, either alone or jointly with others, during the period of his or her employment with the Company. In addition, Employee will disclose to the Company all patent applications filed by Employee within three (3) years after termination of employment with the Company.

9. Assistance. Employee agrees to assist the Company in every proper way to obtain and, from time to time, enforce United States and foreign Proprietary Rights relating to Inventions assigned hereunder to the Company in any and all countries. To that end, Employee will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Proprietary Rights and the assignment thereof. In addition, Employee will execute, verify and deliver assignments of such Proprietary Rights to the Company or its designee. Employee’s obligation to assist the Company with respect to Proprietary Rights relating to Inventions in any and all countries will continue beyond the termination of Employee’s employment, but the Company agrees to compensate Employee at a reasonable rate after Employee’s termination for the time actually spent by Employee at the Company’s request on such assistance. Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee’s agent and attorney-in-fact to act for and on behalf of Employee (a) to execute, verify and file any document needed in connection with the actions specified in this section and (b) to do all other lawfully permitted acts to further the purposes of this section, in each case with the same legal force and effect as if executed or performed by Employee. Employee hereby waives and quitclaims to the Company any and all claims, of any nature whatsoever, which Employee now or may hereafter have for infringement of any Proprietary Rights assigned hereunder to the Company.

10. Prior Inventions. Inventions, if any, which Employee made prior to the commencement of his or her employment with the Company are excluded from the scope of this Agreement. To preclude any possible uncertainty, Employee has set forth on Exhibit A hereto a complete list of all Inventions that Employee, whether alone or jointly with others, has conceived, developed or reduced to practice or caused to be conceived, developed or reduced to practice prior to commencement of his or her employment with the Company, that Employee considers to be his or her property or the property of third parties and that Employee wishes to have expressly excluded from the scope of this Agreement.

11. Efforts; Non-Competition. Employee acknowledges that his or her employment with the Company requires his or her full attention and effort during normal business hours, and Employee will give his or her best effort, skill and inventive ability to the business interests of the Company. During the term of his or her employment with the Company, Employee will not, directly or indirectly, participate in the management, operation, financing or control of, or be employed by or consult for or otherwise render services to, any person or entity that competes anywhere in the world with the Company in the conduct of the business of the Company as conducted or as proposed to be conducted (a "Competing Business"), nor will Employee engage in any other activities that conflict with his or her obligations to the Company.

12. Non-Solicitation. During the term of his or her employment by the Company and for a period of two (2) years after the date his or her employment with the Company ends for any reason, Employee will not, directly or indirectly, (a) hire, engage or solicit to hire or engage any individual who is engaged as a contractor or consultant or employed by the Company or who was engaged as a contractor or consultant or employed by the Company within six months of the proposed solicitation, hire or engagement, (b) otherwise induce or attempt to induce any individual who is engaged as a contractor or consultant or employed by the Company to terminate such engagement or employment, (c) in any way interfere with the relationship between the Company and any individual who is engaged as a contractor or consultant or employed by the Company; (d) contact, solicit, divert, appropriate or call upon with the intent of doing business with (other than for the exclusive benefit of the Company) any customer of the Company if the purpose of such activity is to solicit such customer or prospective customer for a Competing Business, to encourage such customer to discontinue, reduce or adversely alter the amount of such customer's business with the Company or to otherwise interfere with the Company's relationship with such customer, or (e) in any way interfere with the Company's relationship with any supplier, manufacturer, service provider or other business relation of the Company.

13. No Conflicting Obligation. Employee represents and agrees that his or her performance of the provisions of this Agreement does not, and will not, breach any agreement to keep in confidence information acquired by Employee in confidence or in trust prior to his or her employment by the Company. Employee agrees not to enter into any agreement, either written or oral, in conflict herewith.

14. Reasonableness of Restrictions. Employee agrees that the restrictions on Employee's activities outlined in this Agreement are reasonable and necessary to protect the Company's legitimate business interests, that the consideration provided by the Company is fair and reasonable, and that given the importance to the Company of its Confidential Information, the post-employment restrictions on Employee's activities are likewise fair and reasonable.

15. Injunctive Relief. Employee acknowledges and agrees that failure to adhere to the terms of this Agreement will cause the Company irreparable damage for which monetary damages alone would be inadequate compensation. Therefore, Employee agrees that, in addition to monetary damages, the Company will be entitled to an injunction and other equitable relief, including *ex parte* injunctive relief, in the event of any breach or threatened breach (such threatened breach being determined in the sole judgment of the Company) of the provisions of this Agreement. Employee waives the making of a bond or showing actual damages as a condition for obtaining injunctive relief. Such remedy shall not be deemed the exclusive remedy for the breach of this Agreement by Employee, but will be in addition to all other remedies available to the Company whether at law or in equity. Additionally, if Employee breaches this Agreement, the Company will be entitled to its reasonable attorney's fees and costs associated with enforcing this Agreement. Notwithstanding any judicial determination that any provision of this Agreement is not specifically enforceable, the Company will nonetheless be entitled to recover monetary damages as a result of any breach by Employee.

16. Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the state of Tennessee, without giving any effect to that state's conflict of laws principles..

17. Employment. Employee acknowledges and agrees that this Agreement does not create an employment contract with the Company for any term, nor does it in any way limit the Company's right to otherwise terminate Employee's employment. Any change or changes in Employee's duties, salary or compensation will not affect the validity or scope of this Agreement.

18. Severability. Whenever possible, each provision of this Agreement will be interpreted in a manner to be effective, valid and enforceable. If, however, any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, then such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating or affecting in any manner whatsoever the remainder of such provision or the remaining provisions of this Agreement. Furthermore, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and still have such similar provision be construed and enforced as legal, valid, and enforceable.

19. Amendments; Waivers. No modification or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing signed by the party to be charged. No waiver by the Company of any breach of this Agreement will be a waiver of any preceding or succeeding breach.

20. Assignment. The Company may assign its rights under this Agreement. This Agreement, and the duties and obligations of Employee hereunder, may not be assigned or delegated by Employee.

21. Survival. The terms of this Agreement, and Employee's duties and obligations hereunder, will survive any termination of Employee's employment with the Company for any reason.

22. Headings. Headings in this Agreement are for informational purposes only and will not be used to construe the intent of this Agreement.

23. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Company and Employee concerning the matters addressed herein.

24. Further Assurances. Employee will cooperate reasonably with the Company in connection with any steps required to be taken as part of Employee's obligations under this Agreement, and Employee will (a) execute and deliver to the Company such other documents, and (b) do such other acts and things, in each case as the Company may reasonably request for the purpose of carrying out the provisions of this Agreement.

25. Acknowledgment. Employee acknowledges that he or she has received a copy of this Agreement, which he or she has read and understood, and Employee voluntarily agrees to abide by its terms. Employee authorizes the Company to notify any future employer(s) of Employee of the terms of this Agreement and Employee's obligations hereunder.

/s/ David W. Carlson
Employee Signature

9/12/2014
Date

David W. Carlson
Employee Name

Accepted by:

MRI Interventions, Inc.

By: /s/ Timothy T. Richards

Name: Timothy T. Richards

Title: Chairman, Compensation Committee

Exhibit A

The following is a complete list of all inventions or improvements relevant to the subject matter of my employment with the Company that have been made, conceived, first reduced to practice or created by me, alone or jointly with others, prior to my employment with the Company that I desire to remove from the operation of the Company's Non-Disclosure and Proprietary Rights Agreement:

- No inventions or improvements
- See below:

- Additional sheets attached.

I propose to bring to my employment the following materials and documents of a former employer:

- No materials or documents
- See below:

- Additional sheets attached.

/s/ David W. Carlson
Employee Signature

9/12/2014
Date

David W. Carlson
Employee Name

Exhibit B

MRI INTERVENTIONS, INC.

NON-COMPETITION AGREEMENT

In consideration and as a condition of my employment (or my continued employment) with MRI Interventions, Inc., or any of its current or future subsidiaries, affiliates, successors or assigns (collectively, the “Company”), and in consideration of my receipt of the compensation now and hereafter paid to me by the Company, the undersigned (hereinafter referred to as “Employee”) hereby acknowledges and agrees to the following:

1. Defined Terms. For purposes of this Agreement, the following terms have the meanings specified or referred to in this Section 1:

(a) “Conflicting Organization” means any individual or entity that, directly or indirectly, engages in, or is about to become engaged in, Conflicting Research or the development, design, production, manufacture, promotion, marketing, sale, support or service of a Conflicting Product.

(b) “Conflicting Product” means medical devices, goods, products, product lines or services, and each and every component thereof, developed, designed, produced, manufactured, marketed, promoted, sold, supported or serviced, or that are in development or the subject of research, by anyone other than the Company that are the same or similar to, perform any of the same or similar functions as, may be substituted for, or are intended or used for any of the same purposes as, a Company Product.

(c) “Conflicting Research” means any research or development of any kind or nature conducted by anyone other than the Company, which is intended for, or may be useful in, any aspect of the development, design, production, manufacture, marketing, promotion, sale, support or service of a Conflicting Product.

(d) “Company Product” means any medical device, goods, products, product lines or services (i) that during the last one (1) year in which Employee was employed by the Company, Employee, or persons under Employee’s management, direction or supervision, performed research regarding, designed, developed, produced, manufactured, marketed, promoted, sold, solicited sales of, supported or serviced on behalf of the Company, or (ii) with respect to which Employee at any time received or otherwise obtained or learned Confidential Information.

(e) “Restricted Area” means the United States of America or in any other country in which the Company has received or applied for regulatory clearances or approvals for Company Products.

2. Efforts; Non-Competition. Employee acknowledges that his or her employment with the Company requires his or her full attention and effort during normal business hours, and Employee will give his or her best effort, skill and inventive ability to the business interests of the Company. During the term of his or her employment with the Company, Employee will not, directly or indirectly, participate in the management, operation, financing or control of, or be employed by or consult for or otherwise render services to, any individual or entity that competes with the Company in the Restricted Area in the conduct of the business of the Company as conducted or as proposed to be conducted, nor will Employee engage in any other activities that conflict with his or her obligations to the Company.

In addition, for a period of one (1) year after the date his or her employment with the Company ends for any reason, Employee will not, directly or indirectly, participate in the management, operation, financing or control of, or be employed by or consult for or otherwise render services to, any Conflicting Organization in the Restricted Area in connection with or relating to a Conflicting Product or Conflicting Research.

3. No Conflicting Obligation. Employee represents and agrees that his or her performance of the provisions of this Agreement does not, and will not, breach any agreement to keep in confidence information acquired by Employee in confidence or in trust prior to his or her employment by the Company. Employee agrees not to enter into any agreement, either written or oral, in conflict herewith.

4. Reasonableness of Restrictions. Employee agrees that the restrictions on Employee's activities outlined in this Agreement are reasonable and necessary to protect the Company's legitimate business interests, that the consideration provided by the Company is fair and reasonable, and that the post-employment restrictions on Employee's activities are fair and reasonable.

5. Injunctive Relief. Employee acknowledges and agrees that failure to adhere to the terms of this Agreement will cause the Company irreparable damage for which monetary damages alone would be inadequate compensation. Therefore, Employee agrees that in addition to monetary damages, the Company will be entitled to an injunction and other equitable relief, including *ex parte* injunctive relief, in the event of any breach or threatened breach (such threatened breach being determined in the sole judgment of the Company) of the provisions of this Agreement. Employee waives the making of a bond or showing actual damages as a condition for obtaining injunctive relief. Such remedy shall not be deemed the exclusive remedy for the breach of this Agreement by Employee, but will be in addition to all other remedies available at law or in equity to the Company. Additionally, if Employee breaches this Agreement, the Company will be entitled to its reasonable attorney's fees and costs associated with enforcing this Agreement. Notwithstanding any judicial determination that any provision of this Agreement is not specifically enforceable, the Company will nonetheless be entitled to recover monetary damages as a result of any breach by Employee.

6. Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the state of Tennessee, without giving any effect to that state's conflict of laws principles.

7. Employment. Employee acknowledges and agrees that this Agreement does not create an employment contract with the Company for any term, nor does it in any way limit the Company's right to otherwise terminate Employee's employment. Any change or changes in Employee's duties, salary or compensation will not affect the validity or scope of this Agreement.

8. Severability. Whenever possible, each provision of this Agreement will be interpreted in a manner to be effective, valid and enforceable. If, however, any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, then such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating or affecting in any manner whatsoever the remainder of such provision or the remaining provisions of this Agreement. Furthermore, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and still have such similar provision be construed and enforced as legal, valid, and enforceable.

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15. Acknowledgment. Employee acknowledges that he or she has received a copy of this Agreement, which he or she has read and understood, and Employee voluntarily agrees to abide by its terms. Employee authorizes the Company to notify any future employer(s) of Employee of the terms of this Agreement and Employee's obligations hereunder.

/s/ David W. Carlson
Employee Signature

9/12/2014
Date

David W. Carlson
Employee Name

Accepted by:

MRI Interventions, Inc.

By: /s/ Timothy T. Richards

Name: Timothy T. Richards

Title: Chairman, Compensation Committee