

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): June 5, 2014

Bacterin International Holdings, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

333-158426

(Commission File Number)

20-5313323

(IRS Employer Identification No.)

600 Cruiser Lane
Belgrade, Montana

(Address of Principal Executive Offices)

59714

(Zip Code)

(406) 388-0480

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below 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))

Bacterin International Holdings, Inc.

ITEM 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

The issuer's wholly owned subsidiary, Bacterin International, Inc. ("Bacterin") entered into new employment agreements with the following named executive officers: John Gandolfo, Chief Financial Officer, Darrel Holmes, Chief Operating Officer, and Greg Juda, Chief Scientific Officer. There is no material change in the compensation payable pursuant to the new employment agreements. The terms of the new employment agreements are summarized below.

Bacterin entered into a new employment agreement with John Gandolfo, Chief Financial Officer, on June 5, 2014. Pursuant to the terms of his new employment agreement, Mr. Gandolfo will receive a base salary of \$330,000 per year, with a target bonus of 30% of his base salary. Mr. Gandolfo is also entitled to twelve (12) months severance in the event that he is terminated without cause, resigns for good reason or is terminated in connection with a change of control. Mr. Gandolfo also agreed to certain restrictive covenants set forth in his employment agreement.

Bacterin entered into a new employment agreement with Darrel Holmes, Chief Operating Officer, on July 1, 2014. Pursuant to the terms of his new employment agreement, Mr. Holmes will receive a base salary of \$240,000 per year, with a target bonus of 20% of his base salary. Mr. Holmes is also entitled to six (6) months severance in the event that he is terminated without cause, resigns for good reason or is terminated in connection with a change of control. Mr. Holmes also agreed to certain restrictive covenants set forth in his employment agreement.

Bacterin entered into a new employment agreement with Greg Juda, Chief Scientific Officer, on July 24, 2014. Pursuant to the terms of his new employment agreement, Mr. Juda will receive a base salary of \$200,000 per year, with a target bonus of 20% of his base salary. Mr. Juda is also entitled to three (3) months severance in the event that he is terminated without cause, resigns for good reason or is terminated in connection with a change of control. Mr. Juda also agreed to certain restrictive covenants set forth in his new employment agreement.

The foregoing summary of the new employment agreements is qualified in its entirety by reference to the full text of the new employment agreements, which are attached as Exhibits hereto and incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

The Company has issued a press release entitled "Bacterin to Report Second Quarter 2014 Financial Results on August 12, 2014" which is attached as Exhibit 99.1 and incorporated herein.

The information in this Item 7.01 and the document attached as Exhibit 99.1 are being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), nor otherwise subject to the liabilities of that section, nor incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No	Description
10.1	Employment Agreement between Bacterin International, Inc. and John Gandolfo dated June 5, 2014.
10.2	Employment Agreement between Bacterin International, Inc. and Darrel Holmes dated July 1, 2014.
10.3	Employment Agreement between Bacterin International, Inc. and Greg Juda dated July 24, 2014.
99.1	Press Release of Bacterin International Holdings, Inc. dated July 29, 2014 entitled "Bacterin to Report Second Quarter 2014 Financial Results on August 12, 2014"

SIGNATURE

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.

Dated: July 29, 2014

BACTERIN INTERNATIONAL HOLDINGS, INC.

By:	<u>/s/ Daniel Goldberger</u>
Name:	Daniel Goldberger
Title:	CEO

EXHIBIT INDEX

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EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is effective as of June 5, 2014 ("Effective Date") by and between Bacterin International, Inc., a Nevada corporation ("Company"), and John Gandolfo, an individual ("Employee").

In consideration of the mutual promises, covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. EMPLOYMENT AND DUTIES.

A. Job Title and Responsibilities. Company hereby employs Employee, and Employee hereby agrees to be employed, as the Company's Chief Financial Officer. Employee's title and responsibilities may change during the course of Employee's employment with Employer, but the terms of this Agreement shall remain in full force and effect regardless of any change in Employee's title or responsibilities.

B. Full-Time Best Efforts. Employee agrees to devote Employee's full professional time and attention to the business of the Company (and its subsidiaries, affiliates, or related entities) and the performance of Employee's obligations under this Agreement, and will at all times faithfully, industriously and to the best of Employee's ability, experience and talent, perform all of Employee's obligations hereunder. Employee shall not, at any time during Employee's employment by the Company, directly or indirectly, act as a partner, officer, director, consultant, employee, or provide services in any other capacity to any other business enterprise that conflicts with the Company's business or Employee's duty of loyalty to the Company.

C. Duty of Loyalty. Employee acknowledges that during Employee's employment with the Company, Employee has participated in and will participate in relationships with existing and prospective clients, customers, partners, suppliers, service providers and vendors of the Company that are essential elements of the Company's goodwill. The parties acknowledge that Employee owes the Company a fiduciary duty to conduct all affairs of the Company in accordance with all applicable laws and the highest standards of good faith, trust, confidence and candor, and to endeavor, to the best of Employee's ability, to promote the best interests of the Company.

D. Conflict of Interest. Employee agrees that while employed by the Company, and except with the advance written consent of a duly authorized officer of the Company, Employee will not enter into, on behalf of the Company, or cause the Company or any of its affiliates to enter into, directly or indirectly, any transactions with any business organization in which Employee or any member of Employee's immediate family may be interested as a shareholder, partner, member, trustee, director, officer, employee, consultant, lender or guarantor or otherwise; provided, however, that nothing in this Agreement shall restrict transactions between the Company and any company whose stock is listed on a national securities exchange or actively traded in the over-the-counter market and over which Employee does not have the ability to control or significantly influence policy decisions.

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2. COMPENSATION.

A. Base Pay. Company agrees to pay Employee gross annual compensation of \$330,000, less usual and customary withholdings, which shall be payable in arrears in accordance with the Company's customary payroll practices.

B. Bonus and Incentive Compensation. Employee shall also be eligible for bonus and incentive based compensation approved by the Compensation Committee of the Board of Directors from time to time. The target bonus shall be 30% of Base Pay. Such bonus and incentive compensation shall be paid in accordance with the bonus and incentive compensation plan documents adopted by Company, or in the absence of such plan documents, no later than 2-1/2 months following the year in which the bonus or incentive compensation vests.

C. Benefits. During Employee's employment, Employee will be eligible to participate in the Company's benefit programs, as summarized and as governed by any plan documents concerning such benefits.

3. PROPRIETARY INFORMATION.

A. Employee understands that during Employee's employment relationship with the Company, the Company intends to provide Employee with information, including Proprietary Information (as defined herein), without which Employee would not be able to perform Employee's duties to the Company. Employee agrees, at all times during the term of Employee's employment relationship and thereafter, to hold in strictest confidence, and not to use or disclose, except for the benefit of the Company to the extent necessary to perform Employee's obligations to the Company, any Proprietary Information that Employee obtains, accesses or creates during the term of the relationship, whether or not during working hours, until such Proprietary Information becomes publicly and widely known and made generally available through no wrongful act of Employee or of others under confidentiality obligations as to the information involved. Employee understands that "Proprietary Information" means information and physical material not generally known or available outside the Company and information and physical material entrusted to the Company by third parties under an obligation of non-disclosure or non-use or both. "Proprietary Information" includes, without limitation, inventions, technical data, trade secrets, marketing ideas or plans, research, product or service ideas or plans, business strategies, investments, investment opportunities, potential investments, market studies, industry studies, historical financial data, financial information and results, budgets, identity of customers, forecasts (financial or otherwise), possible or pending transactions, customer lists and domain names, price lists, and pricing methodologies.

B. At all times, both during Employee's employment and after its termination, Employee will keep and hold all such Proprietary Information in strict confidence and trust. Employee will not use or disclose any Proprietary Information without the prior written consent of the Company, except as may be necessary to perform Employee's duties as an employee of the Company for the benefit of the Company. Employee may disclose information that Employee is required to disclose by valid order of a government agency or court of competent jurisdiction, provided that Employee will:

- (i) notify the Company in writing immediately upon learning that such an order may be sought or issued,
- (ii) cooperate with the Company as reasonably requested if the Company seeks to contest such order or to place protective restrictions on the disclosure pursuant to such order, and

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(iii) comply with any protective restrictions in such order, and disclose only the information specified in the order.

C. Upon termination of employment with the Company, Employee will promptly deliver to the Company all documents and materials of any nature pertaining to Employee's work with the Company.

D. Employee agrees not to infringe the copyright of the Company, its customers or third parties (including, without limitation, Employee's previous employer, customers, etc.) by unauthorized or unlawful copying, modifying or distributing of copyrighted material, including plans, drawings, reports, financial analyses, market studies, computer software and the like.

4. COVENANT NOT TO COMPETE.

A. Noncompetition Covenant. Employee agrees that during the Restricted Period (as defined below), without the prior written consent of the Company, Employee shall not, directly or indirectly within the Territory (as defined below): (i) personally, by agency, as an employee, independent contractor, consultant, officer, director, manager, agent, associate, investor (other than as a passive investor holding less than five percent of the outstanding equity of an entity), or by any other artifice or device, engage in any Competitive Business (as defined below), (ii) assist others, including but not limited to employees of the Company, to engage in any Competitive Business, or (iii) own, purchase, finance, organize or take preparatory steps to own, purchase, finance, or organize a Competitive Business.

B. Definitions.

1. "Competitive Business" means (i) any person, entity or organization which is engaged in or about to become engaged in research on, consulting regarding, or development, production, marketing or selling of any product, process, technology, device, invention or service which resembles, competes with or is intended to resemble or compete with a product, process, technology, device, invention or service of the Company; or (ii) any other line of business that was conducted by the Company or that Employee knows or reasonably should know the Company or any affiliate, successor or related entity, at any time during the term of Employee's employment with the Company, is actively preparing to pursue.

2. "Territory" means the United States of America.

3. "Restricted Period" means the period of Employee's employment with the Company and for twelve (12) months immediately following the termination of Employee's employment by the Company; provided that if twelve (12) months is found to be unenforceable, the Restricted Period" shall mean the period of Employee's employment with the Company and for nine (9) months immediately following the termination of Employee's employment by the Company; and provided further, that if nine (9) months is found to be unenforceable, Restricted Period" means the period of Employee's employment with the Company and for six (6) months immediately following the termination of Employee's employment by the Company.

5. NON-SOLICITATION AND NON-INTERFERENCE COVENANTS.

A. Nonsolicitation of Employees and Others. During the Restricted Period, (a) Employee shall not, directly or indirectly, solicit, recruit, or induce, or attempt to solicit, recruit or induce any employee, consultant, independent contractor, vendor, supplier, or agent to terminate or otherwise adversely affect his or her employment or other business relationship (or prospective employment or business relationship) with the Company, and (b) Employee shall not, directly or indirectly, solicit, recruit, or induce, or attempt to solicit, recruit or induce any employee to work for Employee or any other person or entity, other than the Company or its affiliates or related entities.

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B. Nonsolicitation of Customers. During the Restricted Period, Employee shall not, directly or indirectly, solicit, recruit, or induce any Customer (as defined below) for the purpose of (i) providing any goods or services related to a Competitive Business, or (ii) interfering with or otherwise adversely affecting the contracts or relationships, or prospective contracts or relationships, between the Company (including any related or affiliated entities) and such Customers. "Customer" means a person or entity with which Employee had contact or about whom Employee gained information while an Employee of the Company, and to which the Company was selling or providing products or services, was in active negotiations for the sale of its products or services, or was otherwise doing business as of the date of the cessation of Employee's employment with the Company or for whom the Company had otherwise done business within the twelve (12) month period immediately preceding the cessation of Employee's employment with the Company.

6. **ACKNOWLEDGEMENTS.** Employee acknowledges and agrees that:

A. The geographic and duration restrictions contained in Sections 4 and 5 of this Agreement are fair, reasonable, and necessary to protect the Company's legitimate business interests and trade secrets, given the geographic scope of the Company's business operations, the competitive nature of the Company's business, and the nature of Employee's position with the Company;

B. Employee's employment creates a relationship of confidence and trust between Employee and the Company with respect to the Proprietary Information, and Employee will have access to Proprietary Information (including but not limited to trade secrets) that would be valuable or useful to the Company's competitors;

C. The Company's Proprietary Information is a valuable asset of the Company, and any violation of the restrictions set forth in this Agreement would cause substantial injury to the Company;

D. The restrictions contained in this Agreement will not unreasonably impair or infringe upon Employee's right to work or earn a living after Employee's employment with the Company ends; and

E. This Agreement is a contract for the protection of trade secrets under applicable law and is intended to protect the Proprietary Information (including trade secrets) identified above.

7. **"BLUE PENCIL" AND SEVERABILITY PROVISION.** If a court of competent jurisdiction declares any provision of this Agreement invalid, void, voidable, or unenforceable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable and only in view of the Parties' express desire that the Company be protected to the greatest possible extent under applicable law from improper competition and the misuse or disclosure of trade secrets and Proprietary Information. To the extent such a provision (or portion thereof) may not be reformed so as to make it enforceable, it may be severed and the remaining provisions shall remain fully enforceable.

8. INVENTIONS.

A. Inventions Retained and Licensed. Attached as Exhibit A is a list describing all inventions and information created, discovered or developed by Employee, whether or not patentable or registrable under patent, copyright or similar statutes, made or conceived or reduced to practice or learned by Employee, either alone or with others before Employee's employment with the Company ("Prior Inventions"), which belong in whole or in part to Employee, and which are not being assigned by Employee to the Company. Employee represents that Exhibit A is complete and contains no confidential or proprietary information belonging to a person or entity other than Employee. Employee acknowledges and agrees that Employee has no rights in any Inventions (as that term is defined below) other than the Prior Inventions listed on Exhibit A. If there is nothing identified on Exhibit A, Employee represents that there are no Prior Inventions as of the time of signing this Agreement. Employee shall not incorporate, or permit to be incorporated, any Prior Invention owned by Employee or in which he/she has an interest in a Company product, process or machine without the Company's prior written consent. Notwithstanding the foregoing, if, in the course of Employee's employment with the Company, Employee directly or indirectly incorporates into a Company product, process or machine a Prior Invention owned by Employee or in which Employee has an interest, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use, create derivative works from and sell such Prior Invention as part of or in connection with such product, process or machine.

B. Assignment Of Inventions. Employee shall promptly make full, written disclosure to the Company, will hold in trust for the sole right and benefit of the Company, and hereby irrevocably transfers and assigns, and agrees to transfer and assign, to the Company, or its designee, all his/her right, title and interest in and to any and all inventions, original works of authorship, developments, concepts, improvements, designs, discoveries, ideas, trademarks (and all associated goodwill), mask works, or trade secrets, whether or not they may be patented or registered under copyright or similar laws, which Employee may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during Employee's employment by the Company (the "Inventions"). Employee further acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of and during the period of his/her employment with the Company and which may be protected by copyright are "Works Made For Hire" as that term is defined by the United States Copyright Act. Employee understands and agrees that the decision whether to commercialize or market any Invention developed by Employee solely or jointly with others is within the Company's sole discretion and the Company's sole benefit and that no royalty will be due to Employee as a result of the Company's efforts to commercialize or market any such invention.

Employee recognizes that Inventions relating to his or her activities while working for the Company and conceived or made by Employee, whether alone or with others, within one (1) year after cessation of Employee's employment, may have been conceived in significant part while employed by the Company. Accordingly, Employee acknowledges and agrees that such Inventions shall be presumed to have been conceived during Employee's employment with the Company and are to be, and hereby are, assigned to the Company unless and until Employee has established the contrary.

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C. Maintenance of Records. Employee agrees to keep and maintain adequate and current written records of all Inventions made by Employee (solely or jointly with others) during his/her employment with the Company. The records will be in the form of notes, sketches, drawings and any other format that may be specified by the Company. The records will be available to and remain the sole property of the Company at all times.

D. Patent, Trademark and Copyright Registrations. Employee agrees to assist the Company, or its designee, at the Company's expense, in every proper way to secure the Company's rights in the Inventions and any copyrights, patents, trademarks, service marks, mask works, or any other intellectual property rights in any and all countries relating thereto, including, but not limited to, the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments the Company reasonably deems necessary in order to apply for and obtain such rights and in order to assign and convey to the Company, its successors, assigns, and nominees the sole and exclusive rights, title, and interest in and to such inventions, and any copyrights, patents, trademarks, service marks, mask works, or any other intellectual property rights relating thereto. Employee further agrees that his/her obligation to execute or cause to be executed, when it is in his/her power to do so, any such instrument or paper shall continue after termination or expiration of this Agreement or the cessation of his/her employment with the Company. If the Company is unable because of Employee's mental or physical incapacity or for any other reason, after reasonably diligent efforts, to secure Employee's signature to apply for or to pursue any application for any United States or foreign patents, trademarks or copyright registrations covering inventions or original works of authorship assigned to the Company as above, then 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 in his/her behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, trademarks or copyright registrations thereon with the same legal force and effect as if executed by Employee; this power of attorney shall be a durable power of attorney which shall come into existence upon Employee's mental or physical incapacity.

9. **SURVIVAL AND REMEDIES.** Employee's obligations of nondisclosure, nonsolicitation, noninterference, and noncompetition under this Agreement shall survive the cessation of Employee's employment with the Company and shall remain enforceable. In addition, Employee acknowledges that upon a breach or threatened breach of any obligation of nondisclosure, nonsolicitation, noninterference, or noncompetition of this Agreement, the Company may suffer irreparable harm and damage for which money alone cannot fully compensate the Company. Employee therefore agrees that upon such breach or threat of imminent breach of any such obligation, the Company shall be entitled to seek a temporary restraining order, preliminary injunction, permanent injunction or other injunctive relief, without posting any bond or other security, barring Employee from violating any such provision. This Section shall not be construed as an election of any remedy, or as a waiver of any right available to the Company under this Agreement or the law, including the right to seek damages from Employee for a breach of any provision of this Agreement and the right to require Employee to account for and pay over to the Company all profits or other benefits derived or received by the Employee as the result of such a breach, nor shall this Section be construed to limit the rights or remedies available under state law for any violation of any provision of this Agreement.

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10. RETURN OF COMPANY PROPERTY. All devices, records, reports, data, notes, compilations, lists, proposals, correspondence, specifications, equipment, drawings, blueprints, manuals, DayTimers, planners, calendars, schedules, discs, data tapes, financial plans and information, or other recorded matter, whether in hard copy, magnetic media or otherwise (including all copies or reproductions made or maintained, whether on the Company's premises or otherwise), pertaining to Employee's work for the Company, or relating to the Company or the Company's Proprietary Information, whether created or developed by the Employee alone or jointly during his/her employment with the Company, are the exclusive property of the Company. Employee shall surrender the same (as well as any other property of the Company) to the Company upon its request or promptly upon the cessation of employment. Upon cessation of Employee's employment, Employee agrees to sign and deliver the "Termination Certificate" attached as Exhibit B, which shall detail all Company property that is surrendered upon cessation of employment.

11. NO CONFLICTING AGREEMENTS OR IMPROPER USE OF THIRD-PARTY INFORMATION. During her/his employment with the Company, Employee shall not improperly use or disclose any proprietary information or trade secrets of any former employer or other person or entity, and Employee shall not bring on to the premises of the Company any unpublished document or proprietary information belonging to any such former employer, person or entity, unless consented to in writing by the former employer, person or entity. Employee represents that he/she has not improperly used or disclosed any proprietary information or trade secrets of any other person or entity during the application process or while employed or affiliated with the Company. Employee also acknowledges and agrees that he/she is not subject to any contract, agreement, or understanding that would prevent Employee from performing his/her duties for the Company or otherwise complying with this Agreement. To the extent Employee violates this provision, or his/her employment with the Company constitutes a breach or threatened breach of any contract, agreement, or obligation to any third party, Employee shall indemnify and hold the Company harmless from all damages, expenses, costs (including reasonable attorneys' fees) and liabilities incurred in connection with, or resulting from, any such violation or threatened violation.

12. TERMINATION.

A. By Either Party. Either Party may terminate this Agreement at any time with or without notice, and with or without cause. Except as provided in this Section 12, upon termination of employment, Employee shall only be entitled to Employee's accrued but unpaid base salary and other benefits earned under any Company-provided plans, policies and arrangements for the period preceding the effective date of the termination of employment.

B. Termination Without Cause or Resignation for Good Reason. If Company terminates Employee's employment without Cause (defined below) or Employee resigns for Good Reason (defined below), Employee shall be entitled to receive continuing bi-weekly payments of severance pay at a rate equal to Employee's Base Salary, as then in effect, for twelve (12) months from the date of termination of employment, less all required tax withholdings and other applicable deductions, payable in accordance with the Company's standard payroll procedures, commencing on the effective date of a separation agreement with a complete release of claims against the Company; provided that the first payment shall include any amounts that would have been paid to Employee if payment had commenced on the date of separation from service; and further provided that Employee shall not be required to execute a release of any claims arising from Company's failure to comply with its obligations under paragraph 12.A. above. Notwithstanding the foregoing, any payments due under this paragraph 12B shall commence within sixty (60) days of Employee's termination of employment, provided that if such sixty (60)-day period spans two calendar years, payments shall commence in the latter calendar year.

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C. Termination Upon a Change of Control. If the Company or any successor in interest to the Company terminates Employees employment in connection with or within twelve (12) months after a Change of Control (defined below), Employee shall be entitled to receive continuing bi-weekly payments of severance pay at a rate equal to Employee's Base Salary, as then in effect, for twelve (12) months from the date of termination of employment, less all required tax withholdings and other applicable deductions, payable in accordance with the Company's standard payroll procedures, commencing on the effective date of a separation agreement with a complete release of claims against the Company; provided that the first payment shall include any amounts that would have been paid to Employee if payment had commenced on the date of separation from service; and further provided that Employee shall not be required to execute a release of any claims arising from Company's failure to comply with its obligations under paragraph 12A above. In addition, Employee shall be entitled to receive the annual bonus and incentive-based compensation at the targeted level set forth in paragraph 2B, prorated from January 1 of the year of the termination through the effective date of the termination. The payments described in this paragraph 12C are in lieu of, and not in addition to, the payments described in paragraph 12B, it being understood by the Employee that he shall be paid only one severance. Notwithstanding the previous provisions of this paragraph 12C, any payments due under this paragraph 12C shall commence within sixty (60) days of Employee's termination of employment, provided that if such sixty (60)-day period spans two calendar years, payments shall commence in the latter calendar year.

D. Termination for Cause, Death or Disability, or Resignation Without Good Reason. If Employee's employment with the Company terminates voluntarily by Employee without Good Reason, for Cause by the Company or due to Employee's death or disability, then payments of compensation by the Company to Employee hereunder will terminate immediately (except as to amounts already earned).

E. Definitions.

(1) "Cause." For all purposes under this Agreement, "Cause" is defined as (i) gross negligence or willful misconduct in the performance of Employee's duties and responsibilities to the Company; (ii) commission of any act of fraud, theft, embezzlement, financial dishonesty or any other willful misconduct that has caused or is reasonably expected to result in injury to the Company; (iii) conviction of, or pleading guilty or *nolo contendere* to, any felony or a lesser crime involving dishonesty or moral turpitude; or (iv) material breach by Employee of any of obligations under any written agreement or covenant with the Company, including the policies adopted from time to time by the Company applicable to all employees.

(2) "Good Reason." For all purposes under this Agreement, "Good Reason" is defined as Employee's resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without Employee's express written consent: (i) a material reduction of Employee's duties, authority or responsibilities, relative to Employee's duties, authority or responsibilities in effect immediately prior to such reduction; (ii) a material reduction in Employee's base compensation; or (iii) a material breach by the Company under any written agreement or covenant with Employee. Employee will not resign for Good Reason without first providing the Company with written notice within thirty (30) days of the event that Employee believes constitutes "Good Reason" specifically identifying the acts or omissions constituting the grounds for Good Reason and a reasonable cure period of not less than thirty (30) days following the date of such notice during which such condition shall not have been cured.

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(3) “Change of Control.” For all purposes under this Agreement, “Change of Control” of the Company is defined as:

(a) a sale, transfer or disposition of all or substantially all of the Company’s assets other than to (i) a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company, (ii) a corporation or other entity owned directly or indirectly by the holders of capital stock of the Company in substantially the same proportions as their ownership of Company common stock, or (iii) an Excluded Entity (as defined below); or

(b) any merger, consolidation or other business combination transaction of the Company with or into another corporation, entity or person, other than a transaction with or into an Excluded Entity, being another corporation, entity or person in which the holders of at least a majority of the shares of voting capital stock of the Company outstanding immediately prior to such transaction continue to hold (either by such shares remaining outstanding in the continuing entity or by their being converted into shares of voting capital stock of the surviving entity) a majority of the total voting power represented by the shares of voting capital stock of the Company (or the surviving entity) outstanding immediately after such transaction; or

(c) any acquisition of at least a majority of the shares of voting capital stock of the Company by any corporation, entity or person or group of corporations, entities or persons acting in concert, other than an Excluded Entity.

For the avoidance of doubt, a liquidation, dissolution or winding up of the Company or change in the state of the Company’s incorporation shall not constitute a Change of Control event for purposes of this Agreement.

F. Exclusive Remedy. In the event of a termination of Employee’s employment with the Company, the provisions of this Section 12 are intended to be and are exclusive and in lieu of any other rights or remedies to which Employee or the Company may otherwise be entitled.

13. GENERAL PROVISIONS.

A. Governing Law; Consent To Personal Jurisdiction. The laws of the State of Colorado govern this Agreement without regard to conflict of laws principles. Employee and Company each hereby consents to the personal jurisdiction of the state courts located in the City and County of Denver, State of Colorado, and the federal district court sitting in the City and County of Denver, State of Colorado, if that court otherwise possesses jurisdiction over the matter, for any legal proceeding concerning the Employee’s employment or termination of employment, or arising from or related to this Agreement or any other agreement executed between the Employee and the Company. Should an action be brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys’ fees and costs incurred in prosecuting the action.

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B. Entire Agreement. This Agreement sets forth this entire Agreement between the Company (and any of its related or affiliated entities, officers, agents, owners or representatives) and the Employee relating to the subject matter herein, and supersedes any and all prior discussions and agreements, whether written or oral, on the subject matter hereof. To the extent that this Agreement may conflict with the terms of another written agreement between the Employee and the Company, the terms of this Agreement will control.

C. Modification. No modification of or amendment to this Agreement will be effective unless in writing and signed by Employee and an authorized representative of the Company.

D. Waiver. The Company's failure to enforce any provision of this Agreement shall not act as a waiver of its ability to enforce that provision or any other provision. The Company's failure to enforce any breach of this Agreement shall not act as a waiver of that breach or any future breach. No waiver of any of the Company's rights under this Agreement will be effective unless in writing. Any such written waiver shall not be deemed a continuing waiver unless specifically stated, and shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

E. Successors and Assigns. This Agreement shall be assignable to, and shall inure to the benefit of, the Company's successors and assigns. Employee shall not have the right to assign his/her rights or obligations under this Agreement.

F. Construction. The language used in this Agreement will be deemed to be language chosen by the Employee and the Company to express their mutual intent, and no rules of strict construction will be applied against either party.

G. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable, and all of which together shall constitute one agreement. Signatures of the Parties that are transmitted in person or by facsimile or e-mail shall be accepted as originals.

H. Further Assurances. Employee agrees to execute any proper oath or verify any document required to carry out the terms of this Agreement.

I. Title and Headings. The titles, captions and headings of this Agreement are included for ease of reference only and will be disregarded in interpreting or construing this Agreement.

J. Notices. All notices and communications that are required or permitted to be given under this Agreement shall be in writing and shall be sufficient in all respects if given and delivered in person, by electronic mail, by facsimile, by overnight courier, or by certified mail, postage prepaid, return receipt requested, to the receiving party at such party's address shown in the signature blocks below or to such other address as such party may have given to the other by notice pursuant to this Section. Notice shall be deemed given (i) on the date of delivery in the case of personal delivery, electronic mail or facsimile, or (ii) on the delivery or refusal date as specified on the return receipt in the case of certified mail or on the tracking report in the case of overnight courier.

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K. 409A. The amounts payable under this Agreement are intended to be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"). To the extent that any such payments are determined to be subject to Section 409A, (i) the terms of this Agreement shall be interpreted to avoid incurring any penalties under Section 409A, (ii) any payments due upon a termination of employment shall only be payable if the termination constitutes a "separation from service" within the meaning of Section 409A, (iii) any right to a series of installment payments is to be treated as a right to a series of separate payments, and (iv) any payments due to a "specified employee" of a publicly-traded company upon a separation from service shall be delayed until the first day of the seventh month following such separation from service. Notwithstanding the foregoing, in no event shall Company be responsible for any taxes or penalties due under Section 409A.

14. EMPLOYEE'S ACKNOWLEDGMENTS. Employee acknowledges that he/she is executing this Agreement voluntarily and without duress or undue influence by the Company or anyone else and that Employee has carefully read this Agreement and fully understands the terms, consequences, and binding effect of this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Employment Agreement as of the date first written above.

EMPLOYEE

BACTERIN INTERNATIONAL, INC.

Print Name: John P. Gandolfo

Print Name: Daniel Goldberger

Signature: /s/ John P. Gandolfo

Signature: /s/ Daniel Goldberger

Date: 6/5/14

Title: CEO

Address: 93 Lake Drive East Wayne, NJ 07470

Date: 06/05/14

Phone: 973-768-6784

Email: jgandolfo@bacterin.com

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EXHIBIT A LIST OF PRIOR INVENTIONS AND ORIGINAL WORKS OF AUTHORSHIP

IS A LIST ATTACHED? (PLEASE CHECK): ☐ YES ☒ NO

NOTE: The following is a list of all Prior Inventions made, conceived, developed or reduced to practice by Employee prior to his/her employment with the Company. IF NO SUCH LIST IS ATTACHED, THAT MEANS EMPLOYEE IS NOT ASSERTING THE EXISTENCE OF ANY PRIOR INVENTIONS.



EXHIBIT B

TERMINATION CERTIFICATE

I hereby represent and certify that I have in all material respects complied with my obligations to the Company under the Employment Agreement between the Company and me to which the form of this Certificate is attached as Exhibit B.

I also represent that on or before my last day, I have specifically returned the following items:

- ☐ Computer/laptop
 - ☐ Keys/access cards
 - ☐ Company credit card
 - ☐ Other equipment (please list) _____
-

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EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is effective as of May 1, 2014 ("Effective Date"), by and between Bacterin International, Inc., a Nevada corporation (the "Company"), and Darrel Holmes, an individual ("Employee").

In consideration of the mutual promises, covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. EMPLOYMENT AND DUTIES.

A. Job Title and Responsibilities. The Company hereby employs Employee, and Employee hereby agrees to be employed, as the Company's Chief Operating Officer. Employee's title and responsibilities may change during the course of Employee's employment with Employer, but the terms of this Agreement shall remain in full force and effect regardless of any change in Employee's title or responsibilities.

B. Full-Time Best Efforts. Employee agrees to devote Employee's full professional time and attention to the business of the Company (and its subsidiaries, affiliates, or related entities) and the performance of Employee's obligations under this Agreement, and will at all times faithfully, industriously and to the best of Employee's ability, experience and talent, perform all of Employee's obligations hereunder. Employee shall not, at any time during Employee's employment by the Company, directly or indirectly, act as a partner, officer, director, consultant, employee, or provide services in any other capacity to any other business enterprise that conflicts with the Company's business or Employee's duty of loyalty to the Company.

C. Duty of Loyalty. Employee acknowledges that during Employee's employment with the Company, Employee has participated in and will participate in relationships with existing and prospective clients, customers, partners, suppliers, service providers and vendors of the Company that are essential elements of the Company's goodwill. The parties acknowledge that Employee owes the Company a fiduciary duty to conduct all affairs of the Company in accordance with all applicable laws and the highest standards of good faith, trust, confidence and candor, and to endeavor, to the best of Employee's ability, to promote the best interests of the Company.

D. Conflict of Interest. Employee agrees that while employed by the Company, and except with the advance written consent of a duly authorized officer of the Company, Employee will not enter into, on behalf of the Company, or cause the Company or any of its affiliates to enter into, directly or indirectly, any transactions with any business organization in which Employee or any member of Employee's immediate family may be interested as a shareholder, partner, member, trustee, director, officer, employee, consultant, lender or guarantor or otherwise; provided, however, that nothing in this Agreement shall restrict transactions between the Company and any company whose stock is listed on a national securities exchange or actively traded in the over-the-counter market and over which Employee does not have the ability to control or significantly influence policy decisions.

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2. COMPENSATION.

A. Base Pay. Company agrees to pay Employee gross annual compensation of \$240,000, less usual and customary withholdings, which shall be payable in arrears in accordance with the Company's customary payroll practices.

B. Bonus and Incentive Compensation. Employee shall also be eligible for bonus and incentive based compensation approved by the Compensation Committee of the Board of Directors from time to time. The target bonus compensation will be 20% of base pay. Such bonus and incentive compensation shall be paid in accordance with the bonus and incentive compensation plan documents adopted by the Company, or in the absence of such plan documents, no later than 2-1/2 months following the year in which the bonus or incentive compensation vests.

C. Benefits. During Employee's employment, Employee will be eligible to participate in the Company's benefit programs, as summarized and as governed by any plan documents concerning such benefits.

3. PROPRIETARY INFORMATION.

A. Employee understands that during Employee's employment relationship with the Company, the Company intends to provide Employee with information, including Proprietary Information (as defined herein), without which Employee would not be able to perform Employee's duties to the Company. Employee agrees, at all times during the term of Employee's employment relationship and thereafter, to hold in strictest confidence, and not to use or disclose, except for the benefit of the Company to the extent necessary to perform Employee's obligations to the Company, any Proprietary Information that Employee obtains, accesses or creates during the term of the relationship, whether or not during working hours, until such Proprietary Information becomes publicly and widely known and made generally available through no wrongful act of Employee or of others under confidentiality obligations as to the information involved. Employee understands that "Proprietary Information" means information and physical material not generally known or available outside the Company and information and physical material entrusted to the Company by third parties under an obligation of non-disclosure or non-use or both. "Proprietary Information" includes, without limitation, inventions, technical data, trade secrets, marketing ideas or plans, research, product or service ideas or plans, business strategies, investments, investment opportunities, potential investments, market studies, industry studies, historical financial data, financial information and results, budgets, identity of customers, forecasts (financial or otherwise), possible or pending transactions, customer lists and domain names, price lists, and pricing methodologies.

B. At all times, both during Employee's employment and after its termination, Employee will keep and hold all such Proprietary Information in strict confidence and trust. Employee will not use or disclose any Proprietary Information without the prior written consent of the Company, except as may be necessary to perform Employee's duties as an employee of the Company for the benefit of the Company. Employee may disclose information that Employee is required to disclose by valid order of a government agency or court of competent jurisdiction, provided that Employee will:

- (i) notify the Company in writing immediately upon learning that such an order may be sought or issued,

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(ii) cooperate with the Company as reasonably requested if the Company seeks to contest such order or to place protective restrictions on the disclosure pursuant to such order, and

(iii) comply with any protective restrictions in such order, and disclose only the information specified in the order.

C. Upon termination of employment with the Company, Employee will promptly deliver to the Company all documents and materials of any nature pertaining to Employee's work with the Company.

D. Employee agrees not to infringe the copyright of the Company, its customers or third parties (including, without limitation, Employee's previous employer, customers, etc.) by unauthorized or unlawful copying, modifying or distributing of copyrighted material, including plans, drawings, reports, financial analyses, market studies, computer software and the like.

4. COVENANT NOT TO COMPETE.

A. Noncompetition Covenant. Employee agrees that during the Restricted Period (as defined below), without the prior written consent of the Company, Employee shall not, directly or indirectly within the Territory (as defined below): (i) personally, by agency, as an employee, independent contractor, consultant, officer, director, manager, agent, associate, investor (other than as a passive investor holding less than five percent of the outstanding equity of an entity), or by any other artifice or device, engage in any Competitive Business (as defined below), (ii) assist others, including but not limited to employees of the Company, to engage in any Competitive Business, or (iii) own, purchase, finance, organize or take preparatory steps to own, purchase, finance, or organize a Competitive Business.

B. Definitions.

1. "Competitive Business" means (i) any person, entity or organization which is engaged in or about to become engaged in research on, consulting regarding, or development, production, marketing or selling of any product, process, technology, device, invention or service which resembles, competes with or is intended to resemble or compete with a product, process, technology, device, invention or service of the Company; or (ii) any other line of business that was conducted by the Company or that Employee knows or reasonably should know the Company or any affiliate, successor or related entity, at any time during the term of Employee's employment with the Company, is actively preparing to pursue.

2. "Territory" means the United States of America.

3. "Restricted Period" means the period of Employee's employment with the Company and for a period of one hundred eighty (180) days following the termination of Employee's employment.

5. NON-SOLICITATION AND NON-INTERFERENCE COVENANTS.

A. Nonsolicitation of Employees and Others. During the Restricted Period, (a) Employee shall not, directly or indirectly, solicit, recruit, or induce, or attempt to solicit, recruit or induce any employee, consultant, independent contractor, vendor, supplier, or agent to terminate or otherwise adversely affect his or her employment or other business relationship (or prospective employment or business relationship) with the Company, and (b) Employee shall not, directly or indirectly, solicit, recruit, or induce, or attempt to solicit, recruit or induce any employee to work for Employee or any other person or entity, other than the Company or its affiliates or related entities.

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B. Nonsolicitation of Customers. During the Restricted Period, Employee shall not, directly or indirectly, solicit, recruit, or induce any Customer (as defined below) for the purpose of (i) providing any goods or services related to a Competitive Business, or (ii) interfering with or otherwise adversely affecting the contracts or relationships, or prospective contracts or relationships, between the Company (including any related or affiliated entities) and such Customers. "Customer" means a person or entity with which Employee had contact or about whom Employee gained information while an Employee of the Company, and to which the Company was selling or providing products or services, was in active negotiations for the sale of its products or services, or was otherwise doing business as of the date of the cessation of Employee's employment with the Company or for whom the Company had otherwise done business within the twelve (12) month period immediately preceding the cessation of Employee's employment with the Company.

6. **ACKNOWLEDGEMENTS.** Employee acknowledges and agrees that:

A. The geographic and duration restrictions contained in Paragraphs 4 and 5 of this Agreement are fair, reasonable, and necessary to protect the Company's legitimate business interests and trade secrets, given the geographic scope of the Company's business operations, the competitive nature of the Company's business, and the nature of Employee's position with the Company;

B. Employee's employment creates a relationship of confidence and trust between Employee and the Company with respect to the Proprietary Information, and Employee will have access to Proprietary Information (including but not limited to trade secrets) that would be valuable or useful to the Company's competitors;

C. The Company's Proprietary Information is a valuable asset of the Company, and any violation of the restrictions set forth in this Agreement would cause substantial injury to the Company;

D. The restrictions contained in this Agreement will not unreasonably impair or infringe upon Employee's right to work or earn a living after Employee's employment with the Company ends; and

E. This Agreement is a contract for the protection of trade secrets under applicable law and is intended to protect the Proprietary Information (including trade secrets) identified above.

7. **"BLUE PENCIL" AND SEVERABILITY PROVISION.** If a court of competent jurisdiction declares any provision of this Agreement invalid, void, voidable, or unenforceable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable and only in view of the Parties' express desire that the Company be protected to the greatest possible extent under applicable law from improper competition and the misuse or disclosure of trade secrets and Proprietary Information. To the extent such a provision (or portion thereof) may not be reformed so as to make it enforceable, it may be severed and the remaining provisions shall remain fully enforceable.

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8. INVENTIONS.

A. Inventions Retained and Licensed. Attached as Exhibit A is a list describing all inventions and information created, discovered or developed by Employee, whether or not patentable or registrable under patent, copyright or similar statutes, made or conceived or reduced to practice or learned by Employee, either alone or with others before Employee's employment with the Company ("Prior Inventions"), which belong in whole or in part to Employee, and which are not being assigned by Employee to the Company. Employee represents that Exhibit A is complete and contains no confidential or proprietary information belonging to a person or entity other than Employee. Employee acknowledges and agrees that Employee has no rights in any Inventions (as that term is defined below) other than the Prior Inventions listed on Exhibit A. If there is nothing identified on Exhibit A, Employee represents that there are no Prior Inventions as of the time of signing this Agreement. Employee shall not incorporate, or permit to be incorporated, any Prior Invention owned by Employee or in which he/she has an interest in a Company product, process or machine without the Company's prior written consent. Notwithstanding the foregoing, if, in the course of Employee's employment with the Company, Employee directly or indirectly incorporates into a Company product, process or machine a Prior Invention owned by Employee or in which Employee has an interest, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use, create derivative works from and sell such Prior Invention as part of or in connection with such product, process or machine.

B. Assignment Of Inventions. Employee shall promptly make full, written disclosure to the Company, will hold in trust for the sole right and benefit of the Company, and hereby irrevocably transfers and assigns, and agrees to transfer and assign, to the Company, or its designee, all his/her right, title and interest in and to any and all inventions, original works of authorship, developments, concepts, improvements, designs, discoveries, ideas, trademarks (and all associated goodwill), mask works, or trade secrets, whether or not they may be patented or registered under copyright or similar laws, which Employee may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during Employee's employment by the Company (the "Inventions"). Employee further acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of and during the period of his/her employment with the Company and which may be protected by copyright are "Works Made For Hire" as that term is defined by the United States Copyright Act. Employee understands and agrees that the decision whether to commercialize or market any Invention developed by Employee solely or jointly with others is within the Company's sole discretion and the Company's sole benefit and that no royalty will be due to Employee as a result of the Company's efforts to commercialize or market any such invention.

Employee recognizes that Inventions relating to his or her activities while working for the Company and conceived or made by Employee, whether alone or with others, within one (1) year after cessation of Employee's employment, may have been conceived in significant part while employed by the Company. Accordingly, Employee acknowledges and agrees that such Inventions shall be presumed to have been conceived during Employee's employment with the Company and are to be, and hereby are, assigned to the Company unless and until Employee has established the contrary.

C. Maintenance of Records. Employee agrees to keep and maintain adequate and current written records of all Inventions made by Employee (solely or jointly with others) during his/her employment with the Company. The records will be in the form of notes, sketches, drawings and any other format that may be specified by the Company. The records will be available to and remain the sole property of the Company at all times.

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D. **Patent, Trademark and Copyright Registrations.** Employee agrees to assist the Company, or its designee, at the Company's expense, in every proper way to secure the Company's rights in the Inventions and any copyrights, patents, trademarks, service marks, mask works, or any other intellectual property rights in any and all countries relating thereto, including, but not limited to, the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments the Company reasonably deems necessary in order to apply for and obtain such rights and in order to assign and convey to the Company, its successors, assigns, and nominees the sole and exclusive rights, title, and interest in and to such inventions, and any copyrights, patents, trademarks, service marks, mask works, or any other intellectual property rights relating thereto. Employee further agrees that his/her obligation to execute or cause to be executed, when it is in his/her power to do so, any such instrument or paper shall continue after termination or expiration of this Agreement or the cessation of his/her employment with the Company. If the Company is unable because of Employee's mental or physical incapacity or for any other reason, after reasonably diligent efforts, to secure Employee's signature to apply for or to pursue any application for any United States or foreign patents, trademarks or copyright registrations covering inventions or original works of authorship assigned to the Company as above, then 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 in his/her behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, trademarks or copyright registrations thereon with the same legal force and effect as if executed by Employee; this power of attorney shall be a durable power of attorney which shall come into existence upon Employee's mental or physical incapacity.

9. **SURVIVAL AND REMEDIES.** Employee's obligations of nondisclosure, nonsolicitation, noninterference, and noncompetition under this Agreement shall survive the cessation of Employee's employment with the Company and shall remain enforceable. In addition, Employee acknowledges that upon a breach or threatened breach of any obligation of nondisclosure, nonsolicitation, noninterference, or noncompetition of this Agreement, the Company may suffer irreparable harm and damage for which money alone cannot fully compensate the Company. Employee therefore agrees that upon such breach or threat of imminent breach of any such obligation, the Company shall be entitled to seek a temporary restraining order, preliminary injunction, permanent injunction or other injunctive relief, without posting any bond or other security, barring Employee from violating any such provision. This Paragraph shall not be construed as an election of any remedy, or as a waiver of any right available to the Company under this Agreement or the law, including the right to seek damages from Employee for a breach of any provision of this Agreement and the right to require Employee to account for and pay over to the Company all profits or other benefits derived or received by Employee as the result of such a breach, nor shall this Paragraph be construed to limit the rights or remedies available under state law for any violation of any provision of this Agreement.

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10. RETURN OF COMPANY PROPERTY. All devices, records, reports, data, notes, compilations, lists, proposals, correspondence, specifications, equipment, drawings, blueprints, manuals, DayTimers, planners, calendars, schedules, discs, data tapes, financial plans and information, or other recorded matter, whether in hard copy, magnetic media or otherwise (including all copies or reproductions made or maintained, whether on the Company's premises or otherwise), pertaining to Employee's work for the Company, or relating to the Company or the Company's Proprietary Information, whether created or developed by Employee alone or jointly during his/her employment with the Company, are the exclusive property of the Company. Employee shall surrender the same (as well as any other property of the Company) to the Company upon its request or promptly upon the cessation of employment. Upon cessation of Employee's employment, Employee agrees to sign and deliver the "Termination Certificate" attached as Exhibit B, which shall detail all Company property that is surrendered upon cessation of employment.

11. NO CONFLICTING AGREEMENTS OR IMPROPER USE OF THIRD-PARTY INFORMATION. During her/his employment with the Company, Employee shall not improperly use or disclose any proprietary information or trade secrets of any former employer or other person or entity, and Employee shall not bring on to the premises of the Company any unpublished document or proprietary information belonging to any such former employer, person or entity, unless consented to in writing by the former employer, person or entity. Employee represents that he/she has not improperly used or disclosed any proprietary information or trade secrets of any other person or entity during the application process or while employed or affiliated with the Company. Employee also acknowledges and agrees that he/she is not subject to any contract, agreement, or understanding that would prevent Employee from performing his/her duties for the Company or otherwise complying with this Agreement. To the extent Employee violates this provision, or his/her employment with the Company constitutes a breach or threatened breach of any contract, agreement, or obligation to any third party, Employee shall indemnify and hold the Company harmless from all damages, expenses, costs (including reasonable attorneys' fees) and liabilities incurred in connection with, or resulting from, any such violation or threatened violation.

12. TERMINATION.

A. By Either Party. Either Party may terminate this Agreement at any time with or without notice, and with or without cause. Except as provided in this Section 12, upon termination of employment, Employee shall only be entitled to Employee's accrued but unpaid base salary and other benefits earned under any Company-provided plans, policies and arrangements for the period preceding the effective date of the termination of employment.

B. Termination Without Cause or Resignation for Good Reason. If Company terminates Employee's employment without Cause (defined below) or Employee resigns for Good Reason (defined below), Employee shall be entitled to receive continuing bi-weekly payments of severance pay at a rate equal to Employee's Base Salary, as then in effect, for one hundred eighty (180) days from the date of termination of employment, less all required tax withholdings and other applicable deductions, payable in accordance with the Company's standard payroll procedures, commencing on the effective date of a separation agreement with a complete release of claims against the Company; provided that (1) the first payment shall include any amounts that would have been paid to Employee if payment had commenced on the date of separation from service; and (2) Employee shall not be required to execute a release of any claims arising from the Company's failure to comply with its obligations under Paragraph 12A above. Notwithstanding the foregoing, any payments due under this Paragraph 12B shall commence within sixty (60) days of Employee's termination of employment, provided that if such sixty (60)-day period spans two calendar years, payments shall commence in the latter calendar year.

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C. Termination Upon a Change of Control. If the Company or any successor in interest to the Company terminates Employees employment in connection with or within twelve (12) months after a Change of Control (defined below), Employee shall be entitled to receive continuing bi-weekly payments of severance pay at a rate equal to Employee's Base Salary, as then in effect, for one hundred eighty (180) days from the date of termination of employment, less all required tax withholdings and other applicable deductions, payable in accordance with the Company's standard payroll procedures, commencing on the effective date of a separation agreement with a complete release of claims against the Company; provided that the first payment shall include any amounts that would have been paid to Employee if payment had commenced on the date of separation from service; and further provided that Employee shall not be required to execute a release of any claims arising from the Company's failure to comply with its obligations under Paragraph 12A above. The payments described in this Paragraph 12C are in lieu of, and not in addition to, the payments described in Paragraph 12B, it being understood by Employee that he shall be paid only one severance. Notwithstanding the previous provisions of this Paragraph 12C, any payments due under this Paragraph 12C shall commence within sixty (60) days of Employee's termination of employment, provided that if such sixty (60)-day period spans two calendar years, payments shall commence in the latter calendar year.

D. Termination for Cause, Death or Disability, or Resignation Without Good Reason. If Employee's employment with the Company terminates voluntarily by Employee without Good Reason, for Cause by the Company or due to Employee's death or disability, then payments of compensation by the Company to Employee hereunder will terminate immediately (except as to amounts already earned).

E. Definitions.

(1) "Cause." For all purposes under this Agreement, "Cause" is defined as (i) gross negligence or willful misconduct in the performance of Employee's duties and responsibilities to the Company; (ii) commission of any act of fraud, theft, embezzlement, financial dishonesty or any other willful misconduct that has caused or is reasonably expected to result in injury to the Company; (iii) conviction of, or pleading guilty or *nolo contendere* to, any felony or a lesser crime involving dishonesty or moral turpitude; or (iv) material breach by Employee of any of obligations under any written agreement or covenant with the Company, including the policies adopted from time to time by the Company applicable to all employees.

(2) "Good Reason." For all purposes under this Agreement, "Good Reason" is defined as Employee's resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without Employee's express written consent: (i) a material reduction of Employee's duties, authority or responsibilities, relative to Employee's duties, authority or responsibilities in effect immediately prior to such reduction; (ii) a material reduction in Employee's base compensation; or (iii) a material breach by the Company under any written agreement or covenant with Employee. Employee will not resign for Good Reason without first providing the Company with written notice within thirty (30) days of the event that Employee believes constitutes "Good Reason" specifically identifying the acts or omissions constituting the grounds for Good Reason and a reasonable cure period of not less than thirty (30) days following the date of such notice during which such condition shall not have been cured.

(3) "Change of Control." For all purposes under this Agreement, "Change of Control" of the Company is defined as:

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(a) a sale, transfer or disposition of all or substantially all of the Company's assets other than to (i) a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company, (ii) a corporation or other entity owned directly or indirectly by the holders of capital stock of the Company in substantially the same proportions as their ownership of Company common stock, or (iii) an Excluded Entity (as defined below); or

(b) any merger, consolidation or other business combination transaction of the Company with or into another corporation, entity or person, other than a transaction with or into an Excluded Entity, being another corporation, entity or person in which the holders of at least a majority of the shares of voting capital stock of the Company outstanding immediately prior to such transaction continue to hold (either by such shares remaining outstanding in the continuing entity or by their being converted into shares of voting capital stock of the surviving entity) a majority of the total voting power represented by the shares of voting capital stock of the Company (or the surviving entity) outstanding immediately after such transaction; or

(c) any acquisition of at least a majority of the shares of voting capital stock of the Company by any corporation, entity or person or group of corporations, entities or persons acting in concert, other than an Excluded Entity.

For the avoidance of doubt, a liquidation, dissolution or winding up of the Company or change in the state of the Company's incorporation shall not constitute a Change of Control event for purposes of this Agreement.

F. Exclusive Remedy. In the event of a termination of Employee's employment with the Company, the provisions of this Paragraph 12 are intended to be and are exclusive and in lieu of any other rights or remedies to which Employee or the Company may otherwise be entitled.

13. GENERAL PROVISIONS.

A. Governing Law: Consent To Personal Jurisdiction. The laws of the State of Colorado govern this Agreement without regard to conflict of laws principles. Employee and the Company each hereby consents to the personal jurisdiction of the state courts located in the City and County of Denver, State of Colorado, and the federal district court sitting in the City and County of Denver, State of Colorado, if that court otherwise possesses jurisdiction over the matter, for any legal proceeding concerning Employee's employment or termination of employment, or arising from or related to this Agreement or any other agreement executed between Employee and the Company. Should an action be brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred in prosecuting the action.

B. Entire Agreement. This Agreement sets forth this entire Agreement between the Company (and any of its related or affiliated entities, officers, agents, owners or representatives) and Employee relating to the subject matter herein, and supersedes any and all prior discussions and agreements, whether written or oral, on the subject matter hereof. To the extent that this Agreement may conflict with the terms of another written agreement between Employee and the Company, the terms of this Agreement will control.

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C. Modification. No modification of or amendment to this Agreement will be effective unless in writing and signed by Employee and an authorized representative of the Company.

D. Waiver. The Company's failure to enforce any provision of this Agreement shall not act as a waiver of its ability to enforce that provision or any other provision. The Company's failure to enforce any breach of this Agreement shall not act as a waiver of that breach or any future breach. No waiver of any of the Company's rights under this Agreement will be effective unless in writing. Any such written waiver shall not be deemed a continuing waiver unless specifically stated, and shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

E. Successors and Assigns. This Agreement shall be assignable to, and shall inure to the benefit of, the Company's successors and assigns. Employee shall not have the right to assign his/her rights or obligations under this Agreement.

F. Construction. The language used in this Agreement will be deemed to be language chosen by Employee and the Company to express their mutual intent, and no rules of strict construction will be applied against either party.

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I. Title and Headings. The titles, captions and headings of this Agreement are included for ease of reference only and will be disregarded in interpreting or construing this Agreement.

J. Notices. All notices and communications that are required or permitted to be given under this Agreement shall be in writing and shall be sufficient in all respects if given and delivered in person, by electronic mail, by facsimile, by overnight courier, or by certified mail, postage prepaid, return receipt requested, to the receiving party at such party's address shown in the signature blocks below or to such other address as such party may have given to the other by notice pursuant to this Paragraph. Notice shall be deemed given (i) on the date of delivery in the case of personal delivery, electronic mail or facsimile, or (ii) on the delivery or refusal date as specified on the return receipt in the case of certified mail or on the tracking report in the case of overnight courier.

K. 409A. The amounts payable under this Agreement are intended to be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"). To the extent that any such payments are determined to be subject to Section 409A, (i) the terms of this Agreement shall be interpreted to avoid incurring any penalties under Section 409A, (ii) any payments due upon a termination of employment shall only be payable if the termination constitutes a "separation from service" within the meaning of Section 409A, (iii) any right to a series of installment payments is to be treated as a right to a series of separate payments, and (iv) any payments due to a "specified employee" of a publicly-traded company upon a separation from service shall be delayed until the first day of the seventh month following such separation from service. Notwithstanding the foregoing, in no event shall the Company be responsible for any taxes or penalties due under Section 409A.

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14. EMPLOYEE'S ACKNOWLEDGMENTS. Employee acknowledges that he/she is executing this Agreement voluntarily and without duress or undue influence by the Company or anyone else and that Employee has carefully read this Agreement and fully understands the terms, consequences, and binding effect of this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Employment Agreement as of the date first written above.

EMPLOYEE

BACTERIN INTERNATIONAL, INC.

Print Name: Darrel L. Holmes

Print Name: Daniel Goldberger

Signature: /s/ Darrel L. Holmes

Signature: /s/ Daniel Goldberger

Date: 07-01-14

Title: CEO

Address: 51 E. Alexa CT Bozeman, MT 59718

Date: 07/01/2014

Phone: 406-579-0332

Email: dholmes7000@yahoo.com

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EXHIBIT A LIST OF PRIOR INVENTIONS AND ORIGINAL WORKS OF AUTHORSHIP

IS A LIST ATTACHED? (PLEASE CHECK): ☐ YES ☐ NO

NOTE: The following is a list of all Prior Inventions made, conceived, developed or reduced to practice by Employee prior to his/her employment with the Company. IF NO SUCH LIST IS ATTACHED, THAT MEANS EMPLOYEE IS NOT ASSERTING THE EXISTENCE OF ANY PRIOR INVENTIONS.

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EXHIBIT B

TERMINATION CERTIFICATE

I hereby represent and certify that I have in all material respects complied with my obligations to the Company under the Employment Agreement between the Company and me to which the form of this Certificate is attached as Exhibit B.

I also represent that on or before my last day, I have specifically returned the following items:

- ☐ Computer/laptop
 - ☐ Keys/access cards
 - ☐ Company credit card
 - ☐ Other equipment (please list) _____
-

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EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is effective as of July 24, 2014 ("Effective Date"), by and between Bacterin International, Inc., a Nevada corporation (the "Company"), and Gregory Juda, an individual ("Employee").

In consideration of the mutual promises, covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. EMPLOYMENT AND DUTIES.

A. Job Title and Responsibilities. The Company hereby employs Employee, and Employee hereby agrees to be employed, as Chief Scientific Officer. Employee's title and responsibilities may change during the course of Employee's employment with Employer, but the terms of this Agreement shall remain in full force and effect regardless of any change in Employee's title or responsibilities.

B. Full-Time Best Efforts. Employee agrees to devote Employee's full professional time and attention to the business of the Company (and its subsidiaries, affiliates, or related entities) and the performance of Employee's obligations under this Agreement, and will at all times faithfully, industriously and to the best of Employee's ability, experience and talent, perform all of Employee's obligations hereunder. Employee shall not, at any time during Employee's employment by the Company, directly or indirectly, act as a partner, officer, director, consultant, employee, or provide services in any other capacity to any other business enterprise that conflicts with the Company's business or Employee's duty of loyalty to the Company.

C. Duty of Loyalty. Employee acknowledges that during Employee's employment with the Company, Employee has participated in and will participate in relationships with existing and prospective clients, customers, partners, suppliers, service providers and vendors of the Company that are essential elements of the Company's goodwill. The parties acknowledge that Employee owes the Company a fiduciary duty to conduct all affairs of the Company in accordance with all applicable laws and the highest standards of good faith, trust, confidence and candor, and to endeavor, to the best of Employee's ability, to promote the best interests of the Company.

D. Conflict of Interest. Employee agrees that while employed by the Company, and except with the advance written consent of a duly authorized officer of the Company, Employee will not enter into, on behalf of the Company, or cause the Company or any of its affiliates to enter into, directly or indirectly, any transactions with any business organization in which Employee or any member of Employee's immediate family may be interested as a shareholder, partner, member, trustee, director, officer, employee, consultant, lender or guarantor or otherwise; provided, however, that nothing in this Agreement shall restrict transactions between the Company and any company whose stock is listed on a national securities exchange or actively traded in the over-the-counter market and over which Employee does not have the ability to control or significantly influence policy decisions.

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2. COMPENSATION.

A. Base Pay. Company agrees to pay Employee gross annual compensation of \$200,000, less usual and customary withholdings, which shall be payable in arrears in accordance with the Company's customary payroll practices.

B. Bonus and Incentive Compensation. Employee shall also be eligible for bonus and incentive based compensation approved by the Compensation Committee of the Board of Directors from time to time. The target bonus compensation will be 20% of base pay. Such bonus and incentive compensation shall be paid in accordance with the bonus and incentive compensation plan documents adopted by the Company, or in the absence of such plan documents, no later than 2-1/2 months following the year in which the bonus or incentive compensation vests.

C. Benefits. During Employee's employment, Employee will be eligible to participate in the Company's benefit programs, as summarized and as governed by any plan documents concerning such benefits.

3. PROPRIETARY INFORMATION.

A. Employee understands that during Employee's employment relationship with the Company, the Company intends to provide Employee with information, including Proprietary Information (as defined herein), without which Employee would not be able to perform Employee's duties to the Company. Employee agrees, at all times during the term of Employee's employment relationship and thereafter, to hold in strictest confidence, and not to use or disclose, except for the benefit of the Company to the extent necessary to perform Employee's obligations to the Company, any Proprietary Information that Employee obtains, accesses or creates during the term of the relationship, whether or not during working hours, until such Proprietary Information becomes publicly and widely known and made generally available through no wrongful act of Employee or of others under confidentiality obligations as to the information involved. Employee understands that "Proprietary Information" means information and physical material not generally known or available outside the Company and information and physical material entrusted to the Company by third parties under an obligation of non-disclosure or non-use or both. "Proprietary Information" includes, without limitation, inventions, technical data, trade secrets, marketing ideas or plans, research, product or service ideas or plans, business strategies, investments, investment opportunities, potential investments, market studies, industry studies, historical financial data, financial information and results, budgets, identity of customers, forecasts (financial or otherwise), possible or pending transactions, customer lists and domain names, price lists, and pricing methodologies.

B. At all times, both during Employee's employment and after its termination, Employee will keep and hold all such Proprietary Information in strict confidence and trust. Employee will not use or disclose any Proprietary Information without the prior written consent of the Company, except as may be necessary to perform Employee's duties as an employee of the Company for the benefit of the Company. Employee may disclose information that Employee is required to disclose by valid order of a government agency or court of competent jurisdiction, provided that Employee will:

- (i) notify the Company in writing immediately upon learning that such an order may be sought or issued,

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(ii) cooperate with the Company as reasonably requested if the Company seeks to contest such order or to place protective restrictions on the disclosure pursuant to such order, and

(iii) comply with any protective restrictions in such order, and disclose only the information specified in the order.

C. Upon termination of employment with the Company, Employee will promptly deliver to the Company all documents and materials of any nature pertaining to Employee's work with the Company.

D. Employee agrees not to infringe the copyright of the Company, its customers or third parties (including, without limitation, Employee's previous employer, customers, etc.) by unauthorized or unlawful copying, modifying or distributing of copyrighted material, including plans, drawings, reports, financial analyses, market studies, computer software and the like.

4. COVENANT NOT TO COMPETE.

A. Noncompetition Covenant. Employee agrees that during the Restricted Period (as defined below), without the prior written consent of the Company, Employee shall not, directly or indirectly within the Territory (as defined below): (i) personally, by agency, as an employee, independent contractor, consultant, officer, director, manager, agent, associate, investor (other than as a passive investor holding less than five percent of the outstanding equity of an entity), or by any other artifice or device, engage in any Competitive Business (as defined below), (ii) assist others, including but not limited to employees of the Company, to engage in any Competitive Business, or (iii) own, purchase, finance, organize or take preparatory steps to own, purchase, finance, or organize a Competitive Business.

B. Definitions.

1. "Competitive Business" means (i) any person, entity or organization which is engaged in or about to become engaged in research on, consulting regarding, or development, production, marketing or selling of any product, process, technology, device, invention or service which resembles, competes with or is intended to resemble or compete with a product, process, technology, device, invention or service of the Company; or (ii) any other line of business that was conducted by the Company or that Employee knows or reasonably should know the Company or any affiliate, successor or related entity, at any time during the term of Employee's employment with the Company, is actively preparing to pursue.

2. "Territory" means the United States of America.

3. "Restricted Period" means the period of Employee's employment with the Company and for a period of ninety (90) days following the termination of Employee's employment.

5. NON-SOLICITATION AND NON-INTERFERENCE COVENANTS.

A. Nonsolicitation of Employees and Others. During the Restricted Period, (a) Employee shall not, directly or indirectly, solicit, recruit, or induce, or attempt to solicit, recruit or induce any employee, consultant, independent contractor, vendor, supplier, or agent to terminate or otherwise adversely affect his or her employment or other business relationship (or prospective employment or business relationship) with the Company, and (b) Employee shall not, directly or indirectly, solicit, recruit, or induce, or attempt to solicit, recruit or induce any employee to work for Employee or any other person or entity, other than the Company or its affiliates or related entities.

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B. Nonsolicitation of Customers. During the Restricted Period, Employee shall not, directly or indirectly, solicit, recruit, or induce any Customer (as defined below) for the purpose of (i) providing any goods or services related to a Competitive Business, or (ii) interfering with or otherwise adversely affecting the contracts or relationships, or prospective contracts or relationships, between the Company (including any related or affiliated entities) and such Customers. "Customer" means a person or entity with which Employee had contact or about whom Employee gained information while an Employee of the Company, and to which the Company was selling or providing products or services, was in active negotiations for the sale of its products or services, or was otherwise doing business as of the date of the cessation of Employee's employment with the Company or for whom the Company had otherwise done business within the twelve (12) month period immediately preceding the cessation of Employee's employment with the Company.

6. **ACKNOWLEDGEMENTS.** Employee acknowledges and agrees that:

A. The geographic and duration restrictions contained in Paragraphs 4 and 5 of this Agreement are fair, reasonable, and necessary to protect the Company's legitimate business interests and trade secrets, given the geographic scope of the Company's business operations, the competitive nature of the Company's business, and the nature of Employee's position with the Company;

B. Employee's employment creates a relationship of confidence and trust between Employee and the Company with respect to the Proprietary Information, and Employee will have access to Proprietary Information (including but not limited to trade secrets) that would be valuable or useful to the Company's competitors;

C. The Company's Proprietary Information is a valuable asset of the Company, and any violation of the restrictions set forth in this Agreement would cause substantial injury to the Company;

D. The restrictions contained in this Agreement will not unreasonably impair or infringe upon Employee's right to work or earn a living after Employee's employment with the Company ends; and

E. This Agreement is a contract for the protection of trade secrets under applicable law and is intended to protect the Proprietary Information (including trade secrets) identified above.

7. **"BLUE PENCIL" AND SEVERABILITY PROVISION.** If a court of competent jurisdiction declares any provision of this Agreement invalid, void, voidable, or unenforceable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable and only in view of the Parties' express desire that the Company be protected to the greatest possible extent under applicable law from improper competition and the misuse or disclosure of trade secrets and Proprietary Information. To the extent such a provision (or portion thereof) may not be reformed so as to make it enforceable, it may be severed and the remaining provisions shall remain fully enforceable.

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8. INVENTIONS.

A. Inventions Retained and Licensed. Attached as Exhibit A is a list describing all inventions and information created, discovered or developed by Employee, whether or not patentable or registrable under patent, copyright or similar statutes, made or conceived or reduced to practice or learned by Employee, either alone or with others before Employee's employment with the Company ("Prior Inventions"), which belong in whole or in part to Employee, and which are not being assigned by Employee to the Company. Employee represents that Exhibit A is complete and contains no confidential or proprietary information belonging to a person or entity other than Employee. Employee acknowledges and agrees that Employee has no rights in any Inventions (as that term is defined below) other than the Prior Inventions listed on Exhibit A. If there is nothing identified on Exhibit A, Employee represents that there are no Prior Inventions as of the time of signing this Agreement. Employee shall not incorporate, or permit to be incorporated, any Prior Invention owned by Employee or in which he/she has an interest in a Company product, process or machine without the Company's prior written consent. Notwithstanding the foregoing, if, in the course of Employee's employment with the Company, Employee directly or indirectly incorporates into a Company product, process or machine a Prior Invention owned by Employee or in which Employee has an interest, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, world-wide license to make, have made, modify, use, create derivative works from and sell such Prior Invention as part of or in connection with such product, process or machine.

B. Assignment Of Inventions. Employee shall promptly make full, written disclosure to the Company, will hold in trust for the sole right and benefit of the Company, and hereby irrevocably transfers and assigns, and agrees to transfer and assign, to the Company, or its designee, all his/her right, title and interest in and to any and all inventions, original works of authorship, developments, concepts, improvements, designs, discoveries, ideas, trademarks (and all associated goodwill), mask works, or trade secrets, whether or not they may be patented or registered under copyright or similar laws, which Employee may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during Employee's employment by the Company (the "Inventions"). Employee further acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of and during the period of his/her employment with the Company and which may be protected by copyright are "Works Made For Hire" as that term is defined by the United States Copyright Act. Employee understands and agrees that the decision whether to commercialize or market any Invention developed by Employee solely or jointly with others is within the Company's sole discretion and the Company's sole benefit and that no royalty will be due to Employee as a result of the Company's efforts to commercialize or market any such invention.

Employee recognizes that Inventions relating to his or her activities while working for the Company and conceived or made by Employee, whether alone or with others, within one (1) year after cessation of Employee's employment, may have been conceived in significant part while employed by the Company. Accordingly, Employee acknowledges and agrees that such Inventions shall be presumed to have been conceived during Employee's employment with the Company and are to be, and hereby are, assigned to the Company unless and until Employee has established the contrary.

C. Maintenance of Records. Employee agrees to keep and maintain adequate and current written records of all Inventions made by Employee (solely or jointly with others) during his/her employment with the Company. The records will be in the form of notes, sketches, drawings and any other format that may be specified by the Company. The records will be available to and remain the sole property of the Company at all times.

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D. Patent, Trademark and Copyright Registrations. Employee agrees to assist the Company, or its designee, at the Company's expense, in every proper way to secure the Company's rights in the Inventions and any copyrights, patents, trademarks, service marks, mask works, or any other intellectual property rights in any and all countries relating thereto, including, but not limited to, the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments the Company reasonably deems necessary in order to apply for and obtain such rights and in order to assign and convey to the Company, its successors, assigns, and nominees the sole and exclusive rights, title, and interest in and to such inventions, and any copyrights, patents, trademarks, service marks, mask works, or any other intellectual property rights relating thereto. Employee further agrees that his/her obligation to execute or cause to be executed, when it is in his/her power to do so, any such instrument or paper shall continue after termination or expiration of this Agreement or the cessation of his/her employment with the Company. If the Company is unable because of Employee's mental or physical incapacity or for any other reason, after reasonably diligent efforts, to secure Employee's signature to apply for or to pursue any application for any United States or foreign patents, trademarks or copyright registrations covering inventions or original works of authorship assigned to the Company as above, then 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 in his/her behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, trademarks or copyright registrations thereon with the same legal force and effect as if executed by Employee; this power of attorney shall be a durable power of attorney which shall come into existence upon Employee's mental or physical incapacity.

9. **SURVIVAL AND REMEDIES.** Employee's obligations of nondisclosure, nonsolicitation, noninterference, and noncompetition under this Agreement shall survive the cessation of Employee's employment with the Company and shall remain enforceable. In addition, Employee acknowledges that upon a breach or threatened breach of any obligation of nondisclosure, nonsolicitation, noninterference, or noncompetition of this Agreement, the Company may suffer irreparable harm and damage for which money alone cannot fully compensate the Company. Employee therefore agrees that upon such breach or threat of imminent breach of any such obligation, the Company shall be entitled to seek a temporary restraining order, preliminary injunction, permanent injunction or other injunctive relief, without posting any bond or other security, barring Employee from violating any such provision. This Paragraph shall not be construed as an election of any remedy, or as a waiver of any right available to the Company under this Agreement or the law, including the right to seek damages from Employee for a breach of any provision of this Agreement and the right to require Employee to account for and pay over to the Company all profits or other benefits derived or received by Employee as the result of such a breach, nor shall this Paragraph be construed to limit the rights or remedies available under state law for any violation of any provision of this Agreement.

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10. RETURN OF COMPANY PROPERTY. All devices, records, reports, data, notes, compilations, lists, proposals, correspondence, specifications, equipment, drawings, blueprints, manuals, DayTimers, planners, calendars, schedules, discs, data tapes, financial plans and information, or other recorded matter, whether in hard copy, magnetic media or otherwise (including all copies or reproductions made or maintained, whether on the Company's premises or otherwise), pertaining to Employee's work for the Company, or relating to the Company or the Company's Proprietary Information, whether created or developed by Employee alone or jointly during his/her employment with the Company, are the exclusive property of the Company. Employee shall surrender the same (as well as any other property of the Company) to the Company upon its request or promptly upon the cessation of employment. Upon cessation of Employee's employment, Employee agrees to sign and deliver the "Termination Certificate" attached as Exhibit B, which shall detail all Company property that is surrendered upon cessation of employment.

11. NO CONFLICTING AGREEMENTS OR IMPROPER USE OF THIRD-PARTY INFORMATION. During her/his employment with the Company, Employee shall not improperly use or disclose any proprietary information or trade secrets of any former employer or other person or entity, and Employee shall not bring on to the premises of the Company any unpublished document or proprietary information belonging to any such former employer, person or entity, unless consented to in writing by the former employer, person or entity. Employee represents that he/she has not improperly used or disclosed any proprietary information or trade secrets of any other person or entity during the application process or while employed or affiliated with the Company. Employee also acknowledges and agrees that he/she is not subject to any contract, agreement, or understanding that would prevent Employee from performing his/her duties for the Company or otherwise complying with this Agreement. To the extent Employee violates this provision, or his/her employment with the Company constitutes a breach or threatened breach of any contract, agreement, or obligation to any third party, Employee shall indemnify and hold the Company harmless from all damages, expenses, costs (including reasonable attorneys' fees) and liabilities incurred in connection with, or resulting from, any such violation or threatened violation.

12. TERMINATION.

A. By Either Party. Either Party may terminate this Agreement at any time with or without notice, and with or without cause. Except as provided in this Paragraph 12, upon termination of employment, Employee shall only be entitled to Employee's accrued but unpaid base salary and other benefits earned under any Company-provided plans, policies and arrangements for the period preceding the effective date of the termination of employment.

B. Termination Without Cause or Resignation for Good Reason. If Company terminates Employee's employment without Cause (defined below) or Employee resigns for Good Reason (defined below), Employee shall be entitled to receive continuing bi-weekly payments of severance pay at a rate equal to Employee's Base Salary, as then in effect, for ninety (90) days from the date of termination of employment, less all required tax withholdings and other applicable deductions, payable in accordance with the Company's standard payroll procedures, commencing on the effective date of a separation agreement with a complete release of claims against the Company; provided that (1) the first payment shall include any amounts that would have been paid to Employee if payment had commenced on the date of separation from service; and (2) Employee shall not be required to execute a release of any claims arising from the Company's failure to comply with its obligations under Paragraph 12A above. Notwithstanding the foregoing, any payments due under this Paragraph 12B shall commence within sixty (60) days of Employee's termination of employment, provided that if such sixty (60)-day period spans two calendar years, payments shall commence in the latter calendar year.

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C. Termination Upon a Change of Control. If the Company or any successor in interest to the Company terminates Employees employment in connection with or within twelve (12) months after a Change of Control (defined below), Employee shall be entitled to receive continuing bi-weekly payments of severance pay at a rate equal to Employee's Base Salary, as then in effect, for ninety (90) days from the date of termination of employment, less all required tax withholdings and other applicable deductions, payable in accordance with the Company's standard payroll procedures, commencing on the effective date of a separation agreement with a complete release of claims against the Company; provided that the first payment shall include any amounts that would have been paid to Employee if payment had commenced on the date of separation from service; and further provided that Employee shall not be required to execute a release of any claims arising from the Company's failure to comply with its obligations under Paragraph 12A above. The payments described in this Paragraph 12C are in lieu of, and not in addition to, the payments described in Paragraph 12B, it being understood by Employee that he shall be paid only one severance. Notwithstanding the previous provisions of this Paragraph 12C, any payments due under this Paragraph 12C shall commence within sixty (60) days of Employee's termination of employment, provided that if such sixty (60)-day period spans two calendar years, payments shall commence in the latter calendar year.

D. Termination for Cause, Death or Disability, or Resignation Without Good Reason. If Employee's employment with the Company terminates voluntarily by Employee without Good Reason, for Cause by the Company or due to Employee's death or disability, then payments of compensation by the Company to Employee hereunder will terminate immediately (except as to amounts already earned).

E. Definitions.

(1) "Cause." For all purposes under this Agreement, "Cause" is defined as (i) gross negligence or willful misconduct in the performance of Employee's duties and responsibilities to the Company; (ii) commission of any act of fraud, theft, embezzlement, financial dishonesty or any other willful misconduct that has caused or is reasonably expected to result in injury to the Company; (iii) conviction of, or pleading guilty or *nolo contendere* to, any felony or a lesser crime involving dishonesty or moral turpitude; or (iv) material breach by Employee of any of obligations under any written agreement or covenant with the Company, including the policies adopted from time to time by the Company applicable to all employees.

(2) "Good Reason." For all purposes under this Agreement, "Good Reason" is defined as Employee's resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without Employee's express written consent: (i) a material reduction of Employee's duties, authority or responsibilities, relative to Employee's duties, authority or responsibilities in effect immediately prior to such reduction; (ii) a material reduction in Employee's base compensation; or (iii) a material breach by the Company under any written agreement or covenant with Employee. Employee will not resign for Good Reason without first providing the Company with written notice within thirty (30) days of the event that Employee believes constitutes "Good Reason" specifically identifying the acts or omissions constituting the grounds for Good Reason and a reasonable cure period of not less than thirty (30) days following the date of such notice during which such condition shall not have been cured.

(3) "Change of Control." For all purposes under this Agreement, "Change of Control" of the Company is defined as:

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(a) a sale, transfer or disposition of all or substantially all of the Company's assets other than to (i) a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company, (ii) a corporation or other entity owned directly or indirectly by the holders of capital stock of the Company in substantially the same proportions as their ownership of Company common stock, or (iii) an Excluded Entity (as defined below); or

(b) any merger, consolidation or other business combination transaction of the Company with or into another corporation, entity or person, other than a transaction with or into an Excluded Entity, being another corporation, entity or person in which the holders of at least a majority of the shares of voting capital stock of the Company outstanding immediately prior to such transaction continue to hold (either by such shares remaining outstanding in the continuing entity or by their being converted into shares of voting capital stock of the surviving entity) a majority of the total voting power represented by the shares of voting capital stock of the Company (or the surviving entity) outstanding immediately after such transaction; or

(c) any acquisition of at least a majority of the shares of voting capital stock of the Company by any corporation, entity or person or group of corporations, entities or persons acting in concert, other than an Excluded Entity.

For the avoidance of doubt, a liquidation, dissolution or winding up of the Company or change in the state of the Company's incorporation shall not constitute a Change of Control event for purposes of this Agreement.

F. Exclusive Remedy. In the event of a termination of Employee's employment with the Company, the provisions of this Paragraph 12 are intended to be and are exclusive and in lieu of any other rights or remedies to which Employee or the Company may otherwise be entitled.

13. GENERAL PROVISIONS.

A. Governing Law; Consent To Personal Jurisdiction. The laws of the State of Colorado govern this Agreement without regard to conflict of laws principles. Employee and the Company each hereby consents to the personal jurisdiction of the state courts located in the City and County of Denver, State of Colorado, and the federal district court sitting in the City and County of Denver, State of Colorado, if that court otherwise possesses jurisdiction over the matter, for any legal proceeding concerning Employee's employment or termination of employment, or arising from or related to this Agreement or any other agreement executed between Employee and the Company. Should an action be brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred in prosecuting the action.

B. Entire Agreement. This Agreement sets forth this entire Agreement between the Company (and any of its related or affiliated entities, officers, agents, owners or representatives) and Employee relating to the subject matter herein, and supersedes any and all prior discussions and agreements, whether written or oral, on the subject matter hereof. To the extent that this Agreement may conflict with the terms of another written agreement between Employee and the Company, the terms of this Agreement will control.

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C. Modification. No modification of or amendment to this Agreement will be effective unless in writing and signed by Employee and an authorized representative of the Company.

D. Waiver. The Company's failure to enforce any provision of this Agreement shall not act as a waiver of its ability to enforce that provision or any other provision. The Company's failure to enforce any breach of this Agreement shall not act as a waiver of that breach or any future breach. No waiver of any of the Company's rights under this Agreement will be effective unless in writing. Any such written waiver shall not be deemed a continuing waiver unless specifically stated, and shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

E. Successors and Assigns. This Agreement shall be assignable to, and shall inure to the benefit of, the Company's successors and assigns. Employee shall not have the right to assign his/her rights or obligations under this Agreement.

F. Construction. The language used in this Agreement will be deemed to be language chosen by Employee and the Company to express their mutual intent, and no rules of strict construction will be applied against either party.

G. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable, and all of which together shall constitute one agreement. Signatures of the Parties that are transmitted in person or by facsimile or e-mail shall be accepted as originals.

H. Further Assurances. Employee agrees to execute any proper oath or verify any document required to carry out the terms of this Agreement.

I. Title and Headings. The titles, captions and headings of this Agreement are included for ease of reference only and will be disregarded in interpreting or construing this Agreement.

J. Notices. All notices and communications that are required or permitted to be given under this Agreement shall be in writing and shall be sufficient in all respects if given and delivered in person, by electronic mail, by facsimile, by overnight courier, or by certified mail, postage prepaid, return receipt requested, to the receiving party at such party's address shown in the signature blocks below or to such other address as such party may have given to the other by notice pursuant to this Paragraph. Notice shall be deemed given (i) on the date of delivery in the case of personal delivery, electronic mail or facsimile, or (ii) on the delivery or refusal date as specified on the return receipt in the case of certified mail or on the tracking report in the case of overnight courier.

K. 409A. The amounts payable under this Agreement are intended to be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"). To the extent that any such payments are determined to be subject to Section 409A, (i) the terms of this Agreement shall be interpreted to avoid incurring any penalties under Section 409A, (ii) any payments due upon a termination of employment shall only be payable if the termination constitutes a "separation from service" within the meaning of Section 409A, (iii) any right to a series of installment payments is to be treated as a right to a series of separate payments, and (iv) any payments due to a "specified employee" of a publicly-traded company upon a separation from service shall be delayed until the first day of the seventh month following such separation from service. Notwithstanding the foregoing, in no event shall the Company be responsible for any taxes or penalties due under Section 409A.

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14. EMPLOYEE’S ACKNOWLEDGMENTS. Employee acknowledges that he/she is executing this Agreement voluntarily and without duress or undue influence by the Company or anyone else and that Employee has carefully read this Agreement and fully understands the terms, consequences, and binding effect of this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Employment Agreement as of the date first written above.

EMPLOYEE

BACTERIN INTERNATIONAL, INC.

Print Name: Gregory Juda

Print Name: Daniel Goldberger

Signature: /s/ Gregory Juda

Signature: /s/ Daniel Goldberger

Date: 7/24/14

Title: CEO

Address: 425 Sky Crest Dr. Bozeman, MT 59715

Date: 07/24/14

Phone: 406-579-5120

Email: gjuda@hotmail.com

BACTERIN

EXHIBIT A LIST OF PRIOR INVENTIONS AND ORIGINAL WORKS OF AUTHORSHIP

IS A LIST ATTACHED? (PLEASE CHECK): ☐ YES x NO

NOTE: The following is a list of all Prior Inventions made, conceived, developed or reduced to practice by Employee prior to his/her employment with the Company. IF NO SUCH LIST IS ATTACHED, THAT MEANS EMPLOYEE IS NOT ASSERTING THE EXISTENCE OF ANY PRIOR INVENTIONS.

BACTERIN

EXHIBIT B

TERMINATION CERTIFICATE

I hereby represent and certify that I have in all material respects complied with my obligations to the Company under the Employment Agreement between the Company and me to which the form of this Certificate is attached as Exhibit B.

I also represent that on or before my last day, I have specifically returned the following items:

- ☐ Computer/laptop
- ☐ Keys/access cards
- ☐ Company credit card
- ☐ Other equipment (please list) _____



Bacterin to Report Second Quarter 2014 Financial Results on August 12, 2014

BELGRADE, MT, July 29, 2014 -- Bacterin International Holdings, Inc. (NYSE MKT: BONE), a leader in the development of revolutionary bone graft material and coatings for medical applications, today announced that it will release its financial results for the period ended June 30, 2014, on August 12, 2014 at the close of the financial markets.

An accompanying conference call hosted by Dan Goldberger, Chief Executive Officer and John Gandolfo, Chief Financial Officer, to discuss results will be held at 10:00 a.m. ET, on August 13, 2014. Please refer to the information below for conference call dial-in information and webcast registration.

Conference date:	August 13, 2014, 10:00 AM ET
Conference dial-in:	877-269-7756
International dial-in:	201-689-7817
Conference Call Name:	Bacterin's Second Quarter 2014 Results Call
Webcast Registration:	Click Here

Following the live call, a replay will be available on the Company's website, www.bacterin.com, under "Investor Info".

About Bacterin International Holdings

Bacterin International Holdings, Inc. (NYSE MKT: BONE) develops, manufactures and markets biologics products to domestic and international markets. These products are used in a variety of applications including enhancing fusion in spine surgery, relief of back pain, promotion of bone growth in foot and ankle surgery, promotion of cranial healing following neurosurgery and subchondral repair in knee and other joint surgeries.

Bacterin's Medical Device division develops, employs, and licenses coatings for various medical device applications. For further information, please visit www.bacterin.com.

Important Cautions Regarding Forward-looking Statements

This news release contains certain disclosures that may be deemed forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to significant risks and uncertainties. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "continue," "efforts," "expects," "anticipates," "intends," "plans," "believes," "estimates," "projects," "forecasts," "strategy," "will," "goal," "target," "prospects," "potential," "optimistic," "confident," "likely," "probable" or similar expressions or the negative thereof. Statements of historical fact also may be deemed to be forward-looking statements. We caution that these statements by their nature involve risks and uncertainties, and actual results may differ materially depending on a variety of important factors, including, among others: the Company's ability to meet its existing and anticipated contractual obligations, including financial covenant and other obligations contained in the Company's secured lending facility; the Company's ability to manage cash flow and achieve profitability; the Company's ability to remain listed on the NYSE MKT; the Company's ability to develop, market, sell and distribute desirable applications, products and services and to protect its intellectual property; the ability of the Company's sales force to achieve expected results; the ability of the Company's customers to pay and the timeliness of such payments; the Company's ability to obtain financing as and when needed; changes in consumer demands and preferences; the Company's ability to attract and retain management and employees with appropriate skills and expertise; the Company's ability to successfully conclude government investigations; the impact of changes in market, legal and regulatory conditions and in the applicable business environment, including actions of competitors; and other factors. Additional risk factors are listed in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading "Risk Factors." The Company undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

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