

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K/A

(Amendment No. 2)

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): February 26, 2016

Interpace Diagnostics Group, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

000-24249
(Commission File Number)

22-2919486
(IRS Employer Identification No.)

Morris Corporate Center 1, Building A
300 Interpace Parkway
Parsippany, NJ 07054
(Address, including zip code, of Principal Executive Offices)

(844) 405-9655
(Registrant's telephone number, including area code)

Not Applicable
(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:

- 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))
-

Explanatory Note

On March 2, 2016, Interpace Diagnostics Group, Inc. (the “Company”) filed a Current Report on Form 8-K (the “Initial Form 8-K”) announcing, among other things, the appointment of Nat Krishnamurti as Interim Chief Financial Officer, Secretary and Treasurer of the Company effective as of March 1, 2016.

This Amendment No. 2 on Form 8-K/A amends and supplements the Initial Form 8-K and is being filed to disclose the material terms and conditions of (i) an Employment Separation Agreement (the “Employment Separation Agreement”) and (ii) a Confidential Information, Non-Disclosure, Non-Solicitation, Non-Compete and Rights to Intellectual Property Agreement (the “Restrictive Covenant Agreement”), in each case, entered into with Mr. Krishnamurti and to file the Employment Separation Agreement and the Restrictive Covenant Agreement as Exhibits 10.1 and 10.2 hereto, respectively.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On June 22, 2016, the Company entered into the Employment Separation Agreement with Nat Krishnamurti, the Company’s Chief Financial Officer, Secretary and Treasurer. On June 22, 2016, the Company also entered into the Restrictive Covenant Agreement with Mr. Krishnamurti. Mr. Krishnamurti was appointed as the Chief Financial Officer of the Company effective as of May 4, 2016. Mr. Krishnamurti served as the Company’s Interim Chief Financial Officer from March 1, 2016 to May 3, 2016, was appointed as Secretary and Treasurer effective March 1, 2016 and served as the Company’s Vice President, Corporate Controller and Chief Accounting Officer from August 2015 to February 2016.

The Employment Separation Agreement provides that, if Mr. Krishnamurti’s employment is terminated by the Company without “Cause” (as such term is defined in the Employment Separation Agreement) or, within one year of a “Change in Control,” Mr. Krishnamurti resigns for “Good Reason” (as such terms are defined in the Employment Separation Agreement), and, in either such case, Mr. Krishnamurti executes and does not revoke a timely release, then Mr. Krishnamurti will be entitled to: (i) base salary continuation for a number of months (up to a maximum of six (6) months and no less than three (3) months) equal to his years of service with the Company (the “Severance Period”), (ii) reimbursement for costs of the premiums for COBRA group health continuation coverage, beginning on his termination date and ending on the earlier of: (a) the end of the Severance Period or (b) the date when he becomes eligible for other group health coverage, and (iii) to the extent permitted under applicable law, full vesting and delivery of all of Mr. Krishnamurti’s then unvested restricted stock units.

The Restrictive Covenant Agreement contains restrictive covenants, including non-solicitation and non-competition obligations during the period of his employment and for a period of two years and one year, respectively, following the termination of his employment for any reason, as well as provisions regarding confidentiality and assignment of intellectual property rights to the Company.

The description of the Employment Separation Agreement and the Restrictive Covenant Agreement contained herein does not purport to be complete and is qualified in its entirety by reference to the complete text of such agreements, copies of which are attached to this Form 8-K/A as Exhibit 10.1 and Exhibit 10.2, respectively.

Item 8.01. Other Events.

Stephen J. Sullivan was appointed Chairman of the Board of Directors of the Company (the “Board”) effective June 21, 2016. Mr. Sullivan served as Interim Chairman of the Board from January 1, 2016 to June 20, 2016. Mr. Sullivan joined the Company as a director in September 2004, has served as Chairman of various committees of the Board, and currently serves on the Audit Committee of the Board

Jack E. Stover was appointed as President and Chief Executive Officer of the Company effective June 21, 2016. Mr. Stover served as the Company’s Interim President and Chief Executive Officer from December 22, 2015 to June 20, 2016. Mr. Stover has been a member of the Board since 2005 and previously served as Chairman of the Audit Committee of the Board from 2005 to December 22, 2015.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Employment Separation Agreement between Interpace Diagnostics Group, Inc. and Nat Krishnamurti, effective as of June 22, 2016.
 - 10.2 Confidential Information, Non-Disclosure, Non-Solicitation, Non-Compete and Rights to Intellectual Property Agreement between Interpace Diagnostics Group, Inc. and Nat Krishnamurti, dated as of June 22, 2016.
-

SIGNATURE

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

Interpace Diagnostics Group, Inc.

Date: June 22, 2016

By: /s/ Jack E. Stover

Jack E. Stover

President and Chief Executive Officer

EXHIBIT INDEX

**Exhibit
Number**

Exhibit

- | | |
|------|--|
| 10.1 | Employment Separation Agreement between Interpace Diagnostics Group, Inc. and Nat Krishnamurti, effective as of June 22, 2016. |
| 10.2 | Confidential Information, Non-Disclosure, Non-Solicitation, Non-Compete and Rights to Intellectual Property Agreement between Interpace Diagnostics Group, Inc. and Nat Krishnamurti, dated as of June 22, 2016. |

EMPLOYMENT SEPARATION AGREEMENT

This Employment Separation Agreement (the "Agreement") is effective as of June 22, 2016, and is made by and between **Interpace Diagnostics Group, Inc.** (together with Interpace Diagnostics, LLC and Interpace Diagnostics Corporation referred to as the "Company"), having its principal place of business at 300 Interpace Parkway, Parsippany, New Jersey 07054, and **Nat Krishnamurti**, residing at [] (the "Executive"), collectively referred to as the "Parties," pursuant to which the Parties agree:

1. **Employment.** In consideration of and conditioned upon Executive's execution of a Confidential Information, Non-Disclosure, Non-Solicitation, Non-Compete, and Rights to Intellectual Property Agreement acceptable to the Company and substantially in the form attached hereto as **Exhibit A**, the Company will continue to employ Executive as Chief Financial Officer, Treasurer, and Secretary. *The Parties acknowledge and agree that Executive's employment with the Company is "at will" and that Executive's employment may be terminated by Executive or the Company at any time, for any reason or for no reason.*

2. **Compensation and Benefits Payable Upon Change in Control or Involuntary Termination without Cause**

- a. **Triggering Event.** In further consideration for Executive's employment, subject to Section 2(b), Executive will receive the compensation and benefits set forth in Section 2(c) if the following requirements (hereinafter referred to as "Triggering Events") are met:
- i. Executive's employment is terminated involuntarily by the Company at any time for reasons other than death, Total Disability, or Cause, as defined in this Agreement; or
 - ii. Executive resigns his employment with the Company for Good Reason upon written notice on account of a Change in Control as defined by this Agreement.
- b. **Severance Conditioned Upon Release.** Notwithstanding any provision herein to the contrary, severance and benefits provided for in this Agreement are subject to and contingent upon Executive's execution of a Severance Agreement and General Release acceptable to the Company which becomes effective within 60 days following the Termination Date (the "Release"). Such Release shall include a release of all claims against the Company, all affiliated and related entities and/or persons deemed necessary by the Company. The Release may also include Confidentiality, Non-Disparagement, No-Reapply, Tax Indemnification, and/or other appropriate terms. Notwithstanding the foregoing, if the 60 day period following Executive's termination ends in a calendar year after the year in which Executive's employment terminates, the severance shall commence no earlier than the first day of such later calendar year.
-

- c. **Compensation and Benefits.** Following the occurrence of a Triggering Event and subject to Section 2(b), the Company will provide the following compensation and benefits to Executive:
- i. The Company will pay Executive severance equal to the product of the number of years of Executive's employment with the Company times the Executive's Base Monthly Salary (as defined below). The maximum severance payable to Executive under this subsection shall be equal to six (6) times Executive's Base Monthly Salary. In no event shall the payment payable to Executive under this subsection be less than three (3) times Executive's Base Monthly Salary. Subject to Section 2(e) below, such payments shall be made in monthly installments equal to the Executive's Base Monthly Salary on the first regular payroll date of each month until fully paid and shall commence on the date the Release becomes effective. Notwithstanding the foregoing, if the 60-day period referred to in Section 2(b) ends in a calendar year after the year in which the Executive's Employment terminates, the Severance Payment shall be made no earlier than the first day of such later calendar year.
 - ii. To the extent permissible under applicable law at the time of Executive's separation from the Company, the Company agrees to pay the COBRA premiums for health and/or dental coverage under its group plans to provide continued coverage of health and/or dental benefits for a period of time equal to one (1) month per each year of employment with the Company beginning on Executive's termination date. The maximum amount of time for which the Company agrees to pay Executive's COBRA premiums shall be six (6) months. In no event shall the payments provided under this subsection be made for a period of less than three (3) months. If, during the period of time during which the Company is making payments pursuant to this subsection, Executive becomes eligible for other group health coverage, the Executive has the obligation to notify the Company of such and the Company may discontinue paying Executive's COBRA premiums.
 - iii. To the extent permissible under applicable law, at the time of Executive's separation from the Company, all unvested restricted stock units then held by the Executive shall, subject to Section 2(b), become fully vested and shall be delivered to the Executive.

- d. **Limitation of Payments.** If any payment or benefit due under this Agreement, together with all other payments and benefits Executive receives or is entitled to receive from the Company or any of its Affiliates, would (if paid or provided) constitute an excess parachute payment (within the meaning of Section 280G(b)(1) of the Code), the amounts otherwise payable and benefits otherwise due under this Agreement will be limited to the minimum extent necessary to ensure that no portion thereof will fail to be tax-deductible to the Company by reason of Section 280G of the Code. The determination of whether any payment or benefit would (if paid or provided) constitute an excess parachute payment will be made by the Board, in its sole discretion. Any such reduction in the preceding sentence shall be made in the following order: (i) first, any future cash payments (if any) shall be reduced (if necessary, to zero); (ii) second, any current cash payments shall be reduced (if necessary, to zero); (iii) third, all non-cash payments (other than equity or equity derivative related payments) shall be reduced (if necessary, to zero); and (iv) fourth, all equity or equity derivative payments shall be reduced.
- e. **Section 409A Compliance.** The following rules shall apply, to the extent necessary, with respect to distribution of the payments and benefits, if any, to be provided to the Executive under this Agreement. This Agreement is intended to comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”) and the parties hereto agree to interpret, apply and administer this Agreement in the least restrictive manner necessary to comply therewith and without resulting in any increase in the amounts owed hereunder by the Company. Subject to the provisions in this Section, the severance payments pursuant to this Agreement shall begin only upon the date of the Executive’s “separation from service” which occurs on or after the date of the Executive’s termination of employment. It is intended that each installment of the severance payments and benefits provided under this Agreement shall be treated as a separate “payment” for purposes of Section 409A.

If, as of the date of Executive’s “separation from service” from the Company, Executive is a “specified employee” (within the meaning of Section 409A), then each installment of the severance payments (including any lump sum payments) and benefits due under this Agreement, that would not otherwise be exempt from Section 409A (either pursuant to a short-term deferral exception, the exception for separation pay upon an involuntary separation from service or otherwise), above and that would, absent this subsection, be paid within the six-month period following Executive’s “separation from service” from the Company shall not be paid until the date that is six months and one day after such separation from service (or, if earlier, Executive’s death), with any such installments that are required to be delayed being accumulated during the six-month period and paid in a lump sum on the date that is six months and one day following Executive’s separation from service and any subsequent installments, if any, being paid in accordance with the dates and terms set forth herein.

All reimbursements and in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A, to the extent that such reimbursements or in-kind benefits are subject to Section 409A, including, where applicable, the requirements that (i) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (ii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred and (iii) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

Notwithstanding anything herein to the contrary, the Company shall have no liability to the Executive or to any other person if the payments and benefits provided in this Agreement that are intended to be exempt from or compliant with Section 409A are not so exempt or compliant.

3. **Other Compensation.**

- a. Except as may be provided under this Agreement, any benefits to which Executive may be entitled pursuant to the plans, policies and arrangements of the Company shall be determined and paid in accordance with the terms of such plans, policies, and arrangements, and Executive shall have no right to receive any other compensation or benefits, or to participate in any other plan or arrangement, following the termination of Executive's employment by either party for any reason.
- b. Notwithstanding any provision contained herein to the contrary, in the event of any termination of employment, the Company shall pay Executive his or her earned, but unpaid, base salary within ten (10) days of Executive's termination date and shall reimburse Executive for any accrued, but unpaid, reasonable business expenses and unused paid time off in accordance with Company policy, in each case, earned or accrued as of the date of termination. Executive shall submit documentation of any business expenses and documentation for time off taken during the year within ninety (90) days of his or her termination date and any reimbursements of such expenses that are taxable to the Executive shall be made as soon as administratively feasible but in no event later than the last day of the year following the year in which the expense was incurred, the amount of the expense eligible for reimbursement during one year shall not affect the amount of reimbursement in any other year, and the right to reimbursement shall not be subject to liquidation or exchange for another benefit.

4. **Withholding.** All amounts payable under this Agreement shall be subject to customary withholding and other employment taxes, and shall be subject to such other withholding as may be required in accordance with the terms of this Agreement or applicable law.
5. **Confidential Information, Non-Disclosure, Non-Solicitation, Non-Compete, and Rights to Intellectual Property Agreement.** In the event Executive's employment with the Company is terminated by either party for any reason, Executive shall continue to be bound by the Confidential Information, Non-Disclosure, Non-Solicitation, Non-Compete, and Rights to Intellectual Property Agreement signed at or about the time this Agreement is executed and/or the Confidential Information, Non-Disclosure, Non-Solicitation, Non-Compete, and Rights to Intellectual Property Agreement most recently signed by Executive prior to the termination date for the period set forth therein.
6. **Successors and Assigns.** This Agreement is personal to Executive and may not be assigned by Executive without the written consent of the Company; provided, however, that if Executive is entitled to the payments of this Agreement and Executive dies before Executive has received all such payments, the unpaid payments will be paid to Executive's estate on the same terms and conditions as described in this Agreement. This Agreement will be binding upon and inure to the benefit of the Company and its successors and assigns. This Agreement will remain in full force and effect notwithstanding any Change of Control and in the case of any merger or consolidation, if not terminated on or as of the effective date of any such merger, will be the obligation of the surviving entity.
7. **Definitions.**
 - a. **Cause** shall mean (1) material or willful failure to perform duties reasonably expected and/or requested of Executive if such material or willful failure continues for more than thirty (30) days after notice of such material or willful failure to perform; (2) conviction of (including the entry of a *nolo contendere* plea, guilty plea to, or confession of guilt of) a felony; (3) commission of a fraudulent, illegal, or dishonest act in commission of his duties or otherwise with respect to the Company; (4) willful misconduct or gross negligence; (5) material violation of the Company's policies or procedures; and/or (6) material violation of any Confidential Information, Non-Disclosure, Non-Competition, Non-Solicitation, and Rights to Intellectual Property Agreement between Executive and the Company; (7) a material breach of any of the terms or conditions of this Agreement not cured within thirty (30) days written notice from the Company to Executive specifying such breach; (8) the failure to adhere to moral and ethical business principles consistent with the Company's Code of Business Conduct and Guidelines on Corporate Governance as in effect from time to time; or (9) engaging in an act or series of acts constituting misconduct resulting in a misstatement of the Company's financial statements due to material non-compliance with any financial reporting requirement within the meaning of Section 304 of the Sarbanes-Oxley Act of 2002.

- b. **Base Monthly Salary** shall mean an amount equal to one-twelfth of Executive's then current annual base salary. Base Monthly Salary shall not include incentives, bonus(es), health and welfare benefits, car allowances, long term disability insurance or any other compensation or benefit provided to executive employees of the Company.
- c. **Change of Control** shall mean: (i) any merger by the Company into another corporation or corporations which results in the stockholders of the Company immediately prior to such transaction owning less than 51% of the surviving corporation; (ii) any acquisition (by purchase, lease or otherwise) of all or substantially all of the assets of the Company by any person, corporation or other entity or group thereof acting jointly; (iii) the acquisition of beneficial ownership of voting securities of the Company (defined as common stock of the Company or any securities having voting rights that the Company may issue in the future) or rights to acquire voting securities of the Company (defined as including, without limitation, securities that are convertible into voting securities of the Company (as defined above) and rights, options, warrants and other agreements or arrangements to acquire such voting securities) by any other person, corporation or other entity or group thereof acting jointly, in such amount or amounts as would permit such person, corporation or other entity or group thereof acting jointly to elect a majority of the members of the Board, as then constituted; or (iv) the acquisition of beneficial ownership, directly or indirectly, of voting securities and rights to acquire voting securities having voting power equal to 51% or more of the combined voting power of the Company's then outstanding voting securities by any person, corporation or other entity or group thereof acting jointly. Notwithstanding the preceding sentence, any transaction that involves a mere change in identity, form or place of organization with the meaning of Section 368(a)(1)(F) of the Code, or a transaction of similar effect, shall not constitute a Change of Control.

- d. **Good Reason.** Executive's termination of employment with the Company shall be for Good Reason if (i) Executive notifies the Company in writing that one of the Good Reason Events (as defined in subparagraph d. i. below) has occurred, which notice shall be provided within ninety (90) days after Executive first becomes aware of the occurrence of such Good Reason Event; (ii) the Company fails to cure such Good Reason Event within thirty (30) days after receipt of the written notice from Executive (the "Cure Period"); and (iii) Executive resigns employment within thirty (30) days following expiration of the Cure Period. For purposes of this Agreement, a "Good Reason Event" shall mean any of the following which occur without Executive's consent:
- i. During the one (1) year period following any Change of Control,
- A. The failure by the Company to pay Executive any material amount of Executive's current base salary, or any material amount of Executive's compensation deferred under any plan, agreement or arrangement of or with the Company that is currently due and payable;
 - B. A material reduction in Executive's annual base salary;
 - C. The relocation of Executive's principal place of employment to a location more than fifty (50) miles from Executive's current principal place of employment; or
 - D. A material adverse alteration of Executive's authority, duties or responsibilities from those in effect immediately prior to the Change of Control.
- e. **Code** shall mean the Internal Revenue Code of 1986, as amended.
- f. **Total Disability** shall mean incapacity due to a medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continued period of not less than twelve (12) months and prevents Executive from performing the essential functions of his position, with or without reasonable accommodation, for a period in excess of twelve (12) months.
8. **Integration: Amendment.** This Agreement (including any Exhibits) shall constitute the entire agreement between the parties hereto with respect to the matters set forth herein and supersede and render of no force and effect all prior understandings and agreements between the parties with respect thereto. No amendments or additions to this Agreement shall be binding unless in writing and signed by both parties, provided, however, that this Agreement may be unilaterally amended by the Company where necessary to ensure any benefits payable hereunder are either excepted from Code Section 409A or otherwise comply with Code Section 409A or other applicable law.

9. **Governing Law; Headings.** This Agreement will be construed and governed by the laws of the State of New Jersey, without regard to principles of conflicts of law and the parties to this Agreement hereby submit to the jurisdiction of the Courts of the State of New Jersey with regard to enforcement of this Agreement. Headings and titles herein are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

10. **Notices.** All notices and other communications required or permitted to be given or made hereunder by either party shall be in writing and shall be deemed to be duly given if delivered personally or transmitted by first class certified mail, postage and fees prepaid, return receipt requested, or sent by prepaid overnight delivery service to the parties at the following addresses (or at such other addresses as shall be specified by the parties by like notice):

If to the Company:

Chief Executive Officer
Interpace Diagnostics Group, Inc.
Morris Corporate Center 1
Building A
300 Interpace Parkway
Parsippany, NJ 07054

If to the Executive:

Nat Krishnamurti
[]
[]

11. **Severability.** Whenever possible, each provision and term of this Agreement will be interpreted in a manner to be effective and valid but if any provision or term of this Agreement is held to be prohibited by applicable law or invalid, then such provision or term will be ineffective only to the extent of such prohibition or invalidity, without invalidating or affecting in any manner whatsoever the remainder of such term or provision or the remaining provisions or terms of this Agreement. If the voided term is material, the parties shall immediately commence negotiations for a replacement provision of substantively similar value.

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.
13. **Assignment.** The Company may assign all of its rights and obligations hereunder to an affiliate or subsidiary of the Company.
14. **Representation.** The Parties acknowledge that they have read and fully understand the contents of this Agreement and execute it knowingly and voluntarily after having had an opportunity to consult with legal counsel as they deem appropriate.

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

EXECUTIVE

By: /s/ Nat Krishnamurti
Nat Krishnamurti

INTERPACE DIAGNOSTICS GROUP, INC.

By: /s/ Jack E. Stover
Jack E. Stover
Chief Executive Officer

**CONFIDENTIAL INFORMATION, NON-DISCLOSURE, NON-SOLICITATION,
NON-COMPETE, AND RIGHTS TO INTELLECTUAL PROPERTY AGREEMENT**

This CONFIDENTIAL INFORMATION, NON-DISCLOSURE, NON-SOLICITATION, NON-COMPETE, AND RIGHTS TO INTELLECTUAL PROPERTY AGREEMENT (hereinafter this "Agreement" or this "Confidentiality Agreement") is made as of June 22, 2016, by and between **Nat Krishnamurti**, who currently resides at [] ("Employee") and **Interpace Diagnostics Group, Inc.** (formerly PDI, Inc. and hereinafter together with PDI, Inc., Interpace Diagnostics Corporation, and Interpace Diagnostics, LLC referred to as "Employer"), having its principal place of business at Morris Corporate Center 1-Building A/B, 300 Interpace Parkway, Parsippany, New Jersey 07054 (collectively the "Parties").

WHEREAS, Employee is presently serving and continues to serve as Chief Financial Officer, Treasurer, and Secretary of Employer;

WHEREAS, Employer will continue to employ Employee in a position of trust and confidence to aid Employer in its Business;

WHEREAS, Employer desires to receive from Employee a covenant not to disclose certain information relating to Employer's Business and certain other covenants;

WHEREAS, as a material inducement to Employer to employ and continue to employ Employee and pay Employee salary and other remuneration and benefits during his employment, Employee has agreed to such covenants; and

WHEREAS, Employer and Employee desire to set forth, in writing, the terms and conditions of their agreements and understandings with respect to such covenants.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto intending to be legally bound, agree as follows:

1. **Business.** For purposes of this Agreement, the Business of Employer consists of developing and conducting molecular diagnostic testing to assist in the treatment of pancreatic, biliary, esophageal and thyroid cancers (the "Business"). The Business is highly competitive and specialized involving highly sensitive information.

2. **Employer.** As used herein, the term "Employer" shall mean Interpace Diagnostics Group, Inc. (formerly and including PDI, Inc.); Interpace Diagnostics, LLC; Interpace Diagnostics Corporation; and any and all related or affiliated entities, including, but not limited to any other business entity which is, was, or becomes a predecessor, subsidiary, or parent of the above-listed entities and/or which is, was, or becomes an affiliate of one or more of the above-listed entities by virtue of common (although not identical) ownership and for which Employee is providing services in any form during his employment with Employer.

3 . **Notice.** Any notice required to, or permitted to, be given hereunder shall be sufficient if in writing (a) delivered personally, (b) sent by first class certified mail, return receipt requested, postage and fees prepaid, or (c) sent by prepaid overnight delivery service, to the parties at the following addresses (or at such other addresses as shall be specified by the parties in a like notice):

If to Employer: Interpace Diagnostics Group, Inc.
 Morris Corporate Center I
 Building A/B
 300 Interpace Parkway
 Parsippany, New Jersey 07054
 Attn.: Chief Executive Officer

If to Employee: Nat Krishnamurti
 []
 []

All notices shall be deemed to have been given upon receipt if delivered personally, or by recognized overnight courier, or five (5) days after mailing if mailed.

4 . **Confidential Information, Non-Disclosure.** Employee understands and recognizes that in his position as Chief Financial Officer, Treasurer, and Secretary of Employer, he has been and will be afforded substantial access to Confidential Information (as that term is defined below) the unauthorized use, disclosure and/or publication of which would cause Employer to suffer substantial damage to and interfere with the current or contemplated Business of Employer and cause irreparable injury to Employer. Employee further understands and recognizes, therefore, that it is in Employer's legitimate business interest to restrict Employee's use of Confidential Information for any purposes other than the discharge of Employee's duties at Employer in furtherance of the Business, and to limit any potential appropriation of Confidential Information by Employee for the benefit of Employer's competitors and to the detriment of Employer. Accordingly, Employee agrees as follows:

a. During and after Employee's employment with Employer, Employee will not, without the prior written consent of Employer, or as may otherwise be required by law or legal process, communicate or disclose to any other person or company, or use for Employee's own personal benefit, except as may be necessary in the performance of Employee's duties as an employee of Employer, any Confidential Information disclosed to him or of which Employee became aware or developed or was given access to by reason of Employee's employment or association with Employer.

b. The term "Confidential Information" means any and all data and information relating to Employer and/or its Business (whether or not it constitutes a trade secret) or data and information received by Employer from third parties including, but not limited to, customers, clients, patients and business partners in confidence (or subject to a Non-Disclosure covenant), which is, or has been, disclosed to Employee or of which Employee became or becomes aware as a consequence of his employment relationship with Employer, and which has value to Employer and is not generally known by Employer's competitors including, but not limited to, information concerning Employer's business, and information of third parties, which Employer is required to maintain as confidential. Confidential Information shall not include any data or information that has been disclosed voluntarily to the public by Employer (except when such public disclosure has been made by Employee or some other person without authorization from Employer), or that has been independently developed and disclosed by others, or that otherwise enters the public domain through lawful and legitimate means.

Employee hereby expressly agrees that Confidential Information is the exclusive property of Employer, to be held by Employee in trust and solely for Employer's benefit and shall not be used by Employee or disclosed by Employee to others, either during or after Employee's employment without Employer's advance written consent, except where required for Employee to properly perform Employee's job duties for Employer. This promise is binding on Employee regardless of the reason(s) for the termination of Employee's employment. Employee further agrees to comply with all rules, policies and procedures established by Employer from time-to-time, which are designed to protect and ensure the continued confidentiality of the Confidential Information and all applicable law.

c. Employee understands and agrees that upon termination of Employee's employment with Employer, Employee will not take with him, or retain, without written authorization from Employer, any documents, files or other property of Employer, and Employee will promptly return to Employer any such documents, files or property in his possession or control, including all copies, extracts, reproductions or notes, as may have been made by or on behalf of Employee. If Employee has stored Confidential Information on any personal desktop or laptop devices, Personal Digital Assistants ("PDAs"), mobile/smart phones, external hard drives, "flash" or similar USB storage devices, Fire Wire storage devices, digital music players, digital tapes, floppy diskettes, CDs, DVDs, memory cards, zip diskettes, as well as maintained in personal e-mail accounts (including web based e-mail accounts such as Hotmail, Gmail, Yahoo, etc.) and other electronic or online communications applications, such as text messaging, social media networks (i.e. Facebook, LinkedIn, My Space, etc.), chat rooms and similar environments and all other media, which can be utilized to store or transmit electronic data and communications (regardless of whether the media utilized is owned by Employer, Employee or a third party, or where the media is located) then Employee must make those devices available to Employer or provide access to those accounts or communications in order to enable Employer to search for such Confidential Information and to remove and/or make complete copies of the media/communications and all information stored to the extent permitted by law or to the extent not permitted by law to otherwise arrange for the return and/or removal of such Confidential Information to Employer, as appropriate.

Employee acknowledges and agrees that this list is not comprehensive and includes technological advancements in methods, devices and locations for storing and communicating data that could include Confidential Information covered by this provision. For this purpose, Employee agrees that he has no expectation of privacy with respect to the various media and communications referred to above, except to the extent otherwise provided by law.

In connection with this Confidentiality Agreement, Employee recognizes that all documents, files and property, which Employee has received or will receive from Employer, including, but not limited to, handbooks, memoranda, policy manuals, product specifications and other materials, with the exception of documents relating to benefits to which Employee might be entitled following the termination of his employment with Employer, are for the exclusive use of Employer and employees discharging their responsibilities on behalf of Employer, and that Employee has no claim or right to the continued use, possession or custody of such material following the termination of his employment with Employer.

If Employee becomes legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, Employee shall provide Employer with prompt written notice of such requirement so Employer may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Paragraph 4 of this Confidentiality Agreement. If such protective order or other remedy is not obtained, or Employer waives compliance with the provisions of this Paragraph 4, Employee agrees to furnish only that portion of the Confidential Information, which he is advised by written opinion of legal counsel is legally required and to exercise best efforts to obtain assurances that confidential treatment will be accorded such Confidential Information.

5. **Non-Solicitation.** Except as otherwise approved in writing by Employer, Employee agrees that Employee will not, directly or indirectly, with or through any family member, or former directors, officers or employees of Employer, or acting alone or as a member of a partnership or limited liability company or as an officer, holder of or investor in as much as five (5%) percent of any security of any class, director, employee, consultant or representative of any corporation or other business entity at any time during Employee's employment with Employer, and for a period of two (2) years following cessation of Employee's employment with Employer for any reason, interfere with, or seek to interfere with the relationship or otherwise alter, limit or terminate such relationship between Employer and the following: (a) any employee of Employer or any person who was employed by Employer at any time within one (1) year prior to the cessation of Employee's employment with Employer, which prohibited interference includes inducing or attempting to induce any person to leave employment with Employer or hiring any such person; (b) any of the customers or clients of Employer then existing or existing at any time within one (1) year prior to the cessation of Employee's employment with Employer with which Employee personally had contact or access to Confidential Information about, or (c) any of the suppliers or licensees of Employer, then existing or existing at any time within one (1) year prior to cessation of Employee's employment with Employer.

6. **Non-Competition.** It is recognized and understood by the parties hereto that Employee, through Employee's association with Employer, has acquired and shall continue to acquire a considerable amount of knowledge and goodwill with respect to the Business of Employer, as well as access to Employer's clients and customers, which knowledge, goodwill and relationships are extremely valuable to Employer and which would be extremely detrimental to Employer if used by Employee to compete with Employer. It is therefore understood and agreed to by the parties hereto that because of the nature of the Business of Employer, it is necessary to afford fair protection to Employer from competition by Employee. Consequently, as a material inducement to employ and continue to employ Employee, Employee covenants and agrees that he will not, directly or indirectly, with or through any family member, or former director, officer or employee of Employer, or acting alone or as a member of a partnership or limited liability company, or as an officer of or investor in as much as five (5%) percent of any security of any class, director, employee, consultant or representative of any corporation or other business entity at any time while employed by Employer, and for a period of one (1) year following cessation of Employee's employment with Employer for any reason, own, manage, operate, control, consult with, or be employed by or with any person, firm, partnership, association, corporation or other business entity which competes with Employer or performs services which are substantially similar to its Business in the United States of America.

7. **Rights to Intellectual Property.** All inventions, improvements, modifications, ideas, styles, trade names and the like, whether or not reduced to writing or stored electronically or otherwise and whether or not protectable by patent, trademark, copyright or other intellectual property law, which relate or are susceptible for use directly or indirectly in Employer's Business that are originated in whole, or in part, by Employee (alone or jointly with others) during his term of employment with Employer, irrespective of whether they were conceived, developed, suggested or perfected (i) during Employee's regular working hours, (ii) with the use of Employer's time, materials or facilities or (iii) within one (1) year following the termination of Employee's employment with Employer or otherwise attributable to Employee's employment with Employer shall become and remain the exclusive property of Employer. If any one or more of the aforementioned are deemed in any way to fall within the definition of "work made for hire," as such term is defined in 17 U.S.C. §101, such work shall be considered a "work made for hire," the copyright of which shall be owned solely by, or assigned or transferred completely and exclusively to Employer. At the request and expense of Employer, Employee shall cooperate with Employer, in applying for, prosecuting, and obtaining patent, trademark, service mark, trade name and copyright registrations in the name of Employer.

Employee shall promptly disclose, grant and assign ownership to Employer, for its sole use and benefit, any and all inventions, improvements, information and copyrights (whether patentable or not), which he may develop, acquire, conceive or reduce to practice, while employed by Employer (whether or not during usual working hours) together with all patent applications, letters, patent, copyrights and reissues thereof, that may at any time be granted for or upon any such invention, improvement or information; provided, however, that Employee shall own any invention, which Employee can demonstrate has no relationship to the Business, and which was neither conceived, nor made by use of any of the time, facilities or materials of Employer. In connection therewith:

a. Employee shall without charge, but at the expense of Employer, promptly at all times thereafter execute and deliver such applications, assignments, descriptions and other instruments, as may be reasonably necessary or proper in the opinion of Employer to vest title to any such inventions, improvements, technical information, patent applications, patents, copyrights or reissues thereof in Employer, and to enable it to obtain and maintain the entire right and title thereto throughout the world; and

b. Employee shall render to Employer at its expense (including reimbursement to Employee of reasonable out-of-pocket expenses incurred by Employee and a reasonable payment for Employee's time involved in case he is not then in its employ) all such assistance as it may require in the prosecution of applications for said patents, copyright or reissues thereof, in the prosecution, or defense of interferences, which may be declared involving any said applications, patents or copyrights and in any litigation in which Employer may be involved relating to any such patents, inventions, improvements or technical improvements.

In the event that Employer is unable to, after reasonable effort, secure Employee's signature on any document(s) needed to apply for or secure any copyright or patent, for any reason whatsoever, Employee hereby designates Employer, and its duly authorized officers and agents, as Employee's agent and attorney-in-fact to execute and file any such application(s), and to perform all other legally permitted acts to further the prosecution and issuance of copyrights and patents, or similar protection thereon, which shall have the same legal form and effect as if executed by Employee.

Employee hereby represents and warrants that Employee has fully described to Employer on Schedule A appended hereto any idea, invention, product, improvement, computer software program or other equipment or technology related to the Business of Employer ("Inventions"), not covered in this Paragraph 7, which prior to his employment with Employer, Employee conceived of or developed, wholly or in part, and in which Employee has any right, title or proprietary interest, and whether directly related to Employer's Business, but which has not been published or filed with the United States Patent and Trademark or Copyright Offices or any other patent or copyright office or assigned or transferred to Employer. If there is no such Schedule A, Employee represents that Employee has made no such Inventions at the time of signing this Agreement or Employee hereby assigns such Inventions to Employer.

With respect to this Paragraph 7, it is agreed and acknowledged that during Employee's employment, Employer may enter other lines of business, which are related or unrelated to its Business, in which case this Agreement would be expanded to cover such new lines of business.

In the event that Employer gives written notice to Employee that Employer elects not to apply for a patent in a jurisdiction for an item above, which is patentable then Employee may, at his own cost and expense, apply for a patent therefor in his own name in such jurisdiction.

8. **Reasonableness of Restrictions.**

a. Employee has carefully read and considered the provisions of Paragraphs 4 through 7 hereof, and having done so agrees that the restrictions set forth therein are fair and reasonable and are reasonably required for the protection of the interests of Employer, its stockholders, directors, officers, employees, and successors and assigns and that Employer would not have employed Employee in the absence of agreement to such restrictions and that any violation of any provisions of Paragraphs 4 through 7 will result in irreparable injury to Employer. Employee further represents and acknowledges that (i) Employee has been advised by Employer to consult his counsel prior to execution and delivery of this Agreement, and (ii) that Employee has had full opportunity, prior to execution and delivery of this Agreement, to review thoroughly this Agreement with his counsel.

Employee further understands and agrees that Employer shall be entitled to preliminary and permanent injunctive relief, without the necessity of proving actual damages, as well as an equitable accounting of all earnings, profits and other benefit, arising from any violation of Paragraphs 4 through 7, which rights shall be cumulative, and in addition to any other rights or remedies to which Employer may be entitled hereunder or now or hereafter existing in law or equity. No delay or omission by a party hereto in exercising any right, remedy or power hereunder or existing at law or in equity shall be construed as a waiver thereof.

b. To the extent any portion of any provision of this Agreement is held to be invalid or unenforceable, the language shall be construed by limiting and/or reducing it so as to be enforceable to the extent compatible with applicable law. All remaining provisions and/or portions thereof shall remain in full force and effect.

9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of and be enforceable by Employer and its successors and assigns, and shall be binding upon and inure to the benefit of and be enforceable by Employee and his estate, heirs, administrators and legal representatives. This Agreement is not assignable by Employee but is assignable by Employer to any successor to all, or substantially all, of its Business, assets or other reorganization to which it may become a party, provided that, such assignee assumes all of the obligations of Employer hereunder.

10. **Entire Agreement and Amendment.** This Agreement constitutes the entire agreement between Employer and Employee with respect to the restrictive covenants set forth in Paragraphs 4 through 7 of this Agreement and supersedes all prior agreements, written or oral with respect thereto. This Agreement cannot be changed or modified, except upon written amendment executed by Employee and executed on Employer's behalf by a duly authorized officer.

Nothing in this Agreement shall be construed as changing or modifying the "at will" nature of Employee's employment with Employer, pursuant to which *the Parties acknowledge and agree that Employee's employment with Employer is "at will" and that Employee's employment may be terminated by Employee or Employer at any time, for any reason or for no reason.*

11. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey, without regard to its conflicts of law provisions.

Any claim arising out of, or relating to this Agreement including, without limitation, any action commenced by Employer for preliminary and permanent injunctive relief or other equitable relief, shall be instituted in any federal or state court in the State of New Jersey. Each party agrees not to assert by way of motion, as a defense or otherwise, in any such claim, that such party is not subject personally to the jurisdiction of such court, that the claim is brought in an inconvenient forum, that the venue of the claim is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Each party further irrevocably submits to the exclusive jurisdiction of such court in any such claim.

Any and all service of process and any other notice in any such claim shall be effective against any party if given personally or by registered mail, return receipt requested, mailed to such party as provided herein. Nothing herein contained shall be deemed to affect the right of any party to serve process in any manner permitted by law.

12. **Usage.** All pronouns and any variations thereof shall be considered to refer to the masculine, feminine or neuter, singular or plural, as the context may require. All terms defined in the Agreement in their singular or plural forms have correlative meanings when used herein in their singular or plural forms, respectively. Unless otherwise expressly provided the words "include" "includes" and "including" do not limit the preceding words or terms and shall be deemed followed by the words "without limitation."

13. **Headings.** The headings in this Agreement are for reference only, and shall not affect the interpretation of this Agreement.

14. **Counterparts.** This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts, together shall constitute one, and the same, instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto.

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

INTERPACE DIAGNOSTICS GROUP, INC.

By: /s/ Jack Stover

Jack Stover
Title: Chief Executive Officer

EMPLOYEE

/s/ Nat Krishnamurti

Name: Nat Krishnamurti
Title: Chief Financial Officer, Treasurer, and Secretary