

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): **September 10, 2009**

NEUROMETRIX, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation)

001-33351
(Commission File No.)

04-3308180
(IRS Employer
Identification No.)

62 Fourth Avenue
Waltham, Massachusetts 02451
(Address of Principal Executive Offices) (Zip Code)

(781) 890-9989
(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))

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

NeuroMetrix, Inc. (the "Company") appointed Thomas T. Higgins, 58, as Senior Vice President and Chief Financial Officer of the Company, effective as of September 10, 2009.

Prior to joining NeuroMetrix, Mr. Higgins was Executive Vice President and Chief Financial Officer at Caliper Life Sciences, Inc., a provider of technology and services for life sciences research, during the period starting in 2005 which saw strong revenue growth, product line expansion via acquisitions, and substantial improvement in its financial results. Before Caliper, Mr. Higgins was Executive Vice President, Operations and Chief Financial Officer at V.I. Technologies, Inc. ("Vitex"), a biotechnology company addressing blood safety. Mr. Higgins directed the financial side of the business, including fund raising, and was also responsible for Vitex' FDA-regulated plasma manufacturing business until its divestiture in 2001.

Pursuant to a letter agreement, Mr. Higgins will be paid a base salary of \$275,000 per year with a targeted award bonus for 2009 equal to 40% of the base salary. In connection with his appointment, Mr. Higgins was awarded a stock option grant under the Company's 2009 Non-Qualified Inducement Stock Plan to purchase 100,000 shares of the Company's common stock with an exercise price equal to the closing price of the Company's common stock on September 10, 2009. The stock option will vest over a period of time, with 25% vesting one year after the start date and 1/16 vesting each quarter thereafter. In addition, Mr. Higgins will be paid a severance equal to nine months base salary in the event his employment is terminated under certain circumstances.

Mr. Higgins also entered into an indemnification agreement (the "Indemnification Agreement") with the Company on September 10, 2009. Pursuant to the terms of the Indemnification Agreement, the Company agreed to indemnify Mr. Higgins for expenses (including attorneys' fees), judgments, fines and amounts paid in settlements actually and reasonably incurred by Mr. Higgins in connection with an action, suit or proceeding to which he is or is threatened to be made a party by reason of his positions as principal financial officer and principal accounting officer of the Company, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and, in any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that, in the case of actions brought by or in the right of the Company, no indemnification shall be made with respect to any claim, issue or matter as to which he shall have been adjudged to be liable to the Company unless and only to the extent that the adjudicating

court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, Mr. Higgins is fairly and reasonably entitled to indemnification for such expenses which the court shall deem proper.

Joseph A Calo has been the Acting Chief Financial Officer of the Company since July 22, 2008. In connection with the appointment of Mr. Higgins, Mr. Calo resigned from such position effective September 10, 2009 but will continue as a consultant to the Company.

The foregoing descriptions of the letter agreement and the Indemnification Agreement are not complete and are qualified in their entirety by reference to the letter agreement and the Indemnification Agreement, which are filed as Exhibits 10.1 and 10.2, respectively hereto, and are incorporated herein by reference.

1

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Letter Agreement between NeuroMetrix, Inc. and Thomas T. Higgins, dated August 31, 2009
10.2	Indemnification Agreement, dated September 10, 2009, by and between NeuroMetrix, Inc. and Thomas T. Higgins
99.1	Press Release

2

SIGNATURES

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

NEUROMETRIX, INC .

Dated: September 15, 2009

By:

/s/ Shai N. Gozani, M.D., Ph.D.
Shai N. Gozani, M.D., Ph.D.
President and Chief Executive Officer

3

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
10.1	Letter Agreement between NeuroMetrix, Inc. and Thomas T. Higgins, dated August 31, 2009
10.2	Indemnification Agreement, dated September 10, 2009, by and between NeuroMetrix, Inc. and Thomas T. Higgins
99.1	Press Release

4

NEUROMetrix

August 31, 2009

Thomas T. Higgins
90 Carlton Street
Brookline, MA 02446

Dear Tom,

Congratulations! We are excited to have you as part of our Company. On behalf of NeuroMetrix, Inc. (the "Company") and the Board of Directors, I am pleased to offer you the position of Chief Financial Officer, contingent on the completion of your references. The terms of this employment offer are as follows:

- *Start date:* Monday, September 8, 2009 (the "Start Date").
- *Title & Responsibilities:* Your title will be Chief Financial Officer. In this position, you will report to the Company's Chief Executive Officer. The Chief Financial Officer is responsible for overseeing the Company's Finance Department, Investors Relations, Corporate Legal Department, Human Resources Department, Customer Service Department, Information Technology Department, and Product Fulfillment Operations. You also will be responsible for performing any other services and duties in connection with the business, affairs and operations of NeuroMetrix as may be assigned or delegated to you that are not inconsistent with your title and responsibilities from time to time by or under the authority of the Chief Executive Officer or Board of Directors.
- *Base Salary:* The Company will pay you a salary ("Base Salary") at a semi-monthly rate of \$11,458.33 (\$275,000 annualized), subject to periodic review and adjustment at the discretion of the Company.
- *Variable Compensation:* You will be eligible to receive an annual cash performance bonus of up to 40% of your Base Salary. The Company shall consider and make a bonus determination not later than 60 days after the end of each fiscal year during which you are employed by the Company, starting with fiscal year ending December 31, 2009. The Company will pay such bonus to you on or before the 15th day of the third month after the end of the following fiscal year (e.g., a bonus determined within 60 days after the end of the fiscal year ending December 31, 2009 will be paid sometime between January 1, 2010 and March 15, 2010). Bonus awards shall be determined by the Company in its sole discretion.
- *Equity.* On the Start Date the Company will issue you a ten-year non-qualified stock option (the "Option") to purchase 100,000 shares of the Company's Common Stock pursuant to a stock option agreement (the "Option Agreement") under the Company's 2009 Non-Qualified Inducement Stock Plan (the "Plan"). The exercise price on any shares sold pursuant to the Option Agreement shall equal the fair market value of the Company's shares at the close of business on the Start Date, and, subject to your continued employment with the Company, the Option will become exercisable with respect to 25,000 shares on the first anniversary of the Start Date and an additional 6,250 shares each quarter thereafter. The Option Agreement shall be in the standard form approved for use under the

62 Fourth Avenue Waltham, MA 02451 tel. 781.890.9989 fax. 781.890.1556

www.neurometrix.com

Plan, which is substantially identical to the standard form of stock option agreement used under the Company's Second Amended and Restated 2004 Stock Option and Incentive Plan. Your participation in the Plan and the grant of the Options is subject to all terms of the Plan and Option Agreement and is further contingent upon your execution of the Company's standard stock-related agreements.

- *Benefits:* The Company will provide medical insurance coverage and other benefits on the same terms and conditions as provided to the Company's employees or other senior executives from time to time.
- *Paid Time Off:* You also will be eligible to receive paid vacation. Currently, you will be eligible for seventeen (17) paid vacation days per year of employment, which accrues on a prorated basis and shall be treated in a manner consistent with the Company's Employee Handbook, as amended from time to time. You also will be eligible for paid holidays and personal days recognized by the Company as set forth in the Company's Employee Handbook, as amended from time to time.
- *Representation Regarding Other Obligations:* This offer is conditioned on your representation that you are not subject to any confidentiality or non-competition agreement or any other similar type of restriction that would affect your ability to devote full time and attention to your work at the Company. As soon as possible, but in no event later than the tenth business day prior to Start Date, you agree to provide the Company with a copy of any confidentiality or non-competition agreement into which you previously have entered and will be subject to at any time on or after the Start Date.
- *Other Terms:* Your employment with the Company shall be on an at-will basis. In other words, you or the Company may terminate employment for any reason and at any time, with or without notice. You will also be required to sign the Company's standard form of Confidentiality and Non-Compete Agreement. A copy of that Agreement is enclosed at **Tab A**. In addition, as with all employees, our offer to you (and our obligations under this Agreement) are contingent on your submission of satisfactory proof of your identity and your legal authorization to work in the United States.
- *Severance:* If (i) the Company terminates your employment for any reason other than Cause or (ii) you resign for Good Reason, then you will be entitled to receive continuation of your Base Salary for a period of nine (9) months from the date of termination (the "Severance Period"). In addition, the Company will accelerate your right to exercise shares under any stock option granted to you by the Company on or after the date of this Agreement as if you had continued to work for the Company during the Severance Period. During the Severance Period, the Company will continue to contribute to your medical insurance coverage, which, subject to your eligibility, will be extended to you under the law known as COBRA at the

same rate as if you continued to be employed by the Company. Notwithstanding the foregoing, your receipt of the severance benefits described in this paragraph will be subject, in all cases, to your execution, on or before the 21st day following its presentation to you (which shall occur no more than 14 days after the Date of Termination) of a release of any and all claims that you may then have against the Company in connection with your employment in a form that is satisfactory to the Company (the "Release") and the effectiveness and irrevocability of the Release upon its execution or the earliest day after its execution as is permitted by law. Payments of continuation of Base Salary owed pursuant to this paragraph will occur on the regular payroll payment dates for the Company beginning with the first regular payroll payment date that occurs on

or after the date that is 45 days after your termination or resignation (with the first payment to include the full amount owed for continuation of Base Salary for the payroll period to which such payment date relates and any prior payroll periods for which payment was not yet made).

- *Definitions:* For purposes of this Agreement, "Cause" shall mean a vote by the Board resolving that you shall be dismissed as a result of (i) your material breach of any agreement between you and the Company; (ii) your conviction of or plea of nolo contendere to a felony or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by you of your duties to the Company.

Resignation for "Good Reason" shall mean your resignation following your prior written notice to the Company that the Company has materially breached this agreement (with such written notice to describe such material breach in detail), provided that (i) such written notice is provided within thirty (30) days after the initial existence of such breach, (ii) such breach has, in fact, occurred and remains uncorrected by the Company for thirty (30) days following its receipt of such written notice (the "Cure Period"), (iii) you resign upon not less than 30 days' nor more than 60 days' prior written notice and (iv) you provide the Company with the written notice of your resignation on or before the fifteenth (15th) day after the end of the Cure Period.

- *Section 409A:* Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), each periodic severance payment made pursuant to this agreement shall be considered a separate payment. Anything in this agreement to the contrary notwithstanding, if at the time of your termination or resignation, you are considered a 'specified employee' within the meaning of Section 409A(a)(2)(B)(i) of the Code, and if any payment that you become entitled to under this agreement would be considered deferred compensation subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, then no such payment shall be payable prior to the date that is the earlier of (i) six months and one day after your separation from service, or (ii) your death.
- *Arbitration of Disputes:* Any dispute arising hereunder or arising out of your employment, termination thereof, or any other relations with the Company, whether sounding in tort or contract, by statute or otherwise, including, but not limited to claims of employment discrimination, shall be settled by arbitration in Boston, Massachusetts, in accordance with the National Rules for the Resolution of Employment Disputes of the American Arbitration Association before a single Arbitrator. Notwithstanding the foregoing, disputes arising under the Confidentiality and Non-compete Agreement shall not be subject to arbitration.
- *Taxation:* You understand that payments made pursuant to this agreement may be subject to applicable federal and state withholdings.
- *Entire Agreement:* This agreement, the Confidentiality and Non-Compete Agreement and the Option Agreement set forth the entire agreement and understanding between you and the Company regarding all subjects covered herein, the terms of which may not be changed or modified except by agreement in writing signed by you and the Company.
- *Severability:* Should any provision of this agreement, or portion thereof, be found invalid and unenforceable, the remaining provisions shall continue in force and effect.

-
- *Governing Law:* This agreement shall be governed, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without regard to principles of conflict of law.

Please contact me if you have any questions regarding this offer. Should the above meet with your approval, please acknowledge your acceptance of this offer by signing as indicated below. This offer shall expire if not accepted in writing within seven days of the date of this letter.

We are delighted to offer you the opportunity to join NeuroMetrix. We are confident that you will find the work challenging and rewarding and that you will bring real value to NeuroMetrix.

Sincerely,

NEUROMETRIX, INC.

By: /s/ Shai N. Gozani, M.D., Ph.D.
Shai Gozani, M.D., Ph.D.
President and Chief Executive Officer

ACCEPTED: /s/ Thomas Higgins
Thomas Higgins

Date: September 2, 2009

INDEMNIFICATION AGREEMENT

This Agreement made and entered into this 10th day of September, 2009 (the "Agreement"), by and between NeuroMetrix, Inc., a Delaware corporation (the "Company," which term shall include, where appropriate, any Entity (as hereinafter defined) controlled directly or indirectly by the Company) and Thomas T. Higgins (the "Indemnitee"):

WHEREAS, the Company desires to retain the Indemnitee to serve as employee and officer of the Company in the role of Chief Financial Officer, principal financial officer and principal accounting officer;

WHEREAS, increased corporate litigation has subjected persons serving in such roles to litigation risks and expenses, and the limitations on the availability of directors and officers liability insurance have made it increasingly difficult for the Company to attract and retain such persons;

WHEREAS, the Company's By-laws (the "By-laws") require it to indemnify certain persons associated with the Company and permit it to make other indemnification arrangements and agreements;

WHEREAS, the Company desires to provide Indemnitee with specific contractual assurance of Indemnitee's rights to full indemnification against litigation risks and expenses (regardless, among other things, of any amendment to or revocation of the By-laws or any change in the ownership of the Company);

WHEREAS, the Company intends that this Agreement provide Indemnitee with greater protection than that which is provided by the Company's By-laws; and

WHEREAS, Indemnitee is relying upon the rights afforded under this Agreement in becoming an employee and officer of the Company in the role of Chief Financial Officer, principal financial officer and principal accounting officer.

NOW, THEREFORE, in consideration of the promises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

1. Definitions.

(a) "Corporate Status" describes the status of a person who is serving or has served (i) as employee and officer of the Company in the role of Chief Financial Officer, principal financial officer and principal accounting officer, (ii) in any capacity with respect to any employee benefit plan of the Company, or (iii) as a director, partner, trustee, officer, employee, or agent of any other Entity at the request of the Company. For purposes of subsection (iii) of this Section 1(a), if Indemnitee is serving or has served as a director, partner, trustee, officer,

employee or agent of a Subsidiary, Indemnitee shall be deemed to be serving at the request of the Company.

(b) "Entity" shall mean any corporation, partnership, limited liability company, joint venture, trust, foundation, association, organization or other legal entity.

(c) "Expenses" shall mean all fees, costs and expenses incurred by Indemnitee in connection with any Proceeding (as defined below), including, without limitation, attorneys' fees, disbursements and retainers (including, without limitation, any such fees, disbursements and retainers incurred by Indemnitee pursuant to Sections 10 and 11(c) of this Agreement), fees and disbursements of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), court costs, transcript costs, fees of experts, travel expenses, duplicating, printing and binding costs, telephone and fax transmission charges, postage, delivery services, secretarial services, and other disbursements and expenses.

(d) "Indemnifiable Expenses," "Indemnifiable Liabilities" and "Indemnifiable Amounts" shall have the meanings ascribed to those terms in Section 3(a) below.

(e) "Liabilities" shall mean judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement.

(f) "Proceeding" shall mean any threatened, pending or completed claim, action, suit, arbitration, alternate dispute resolution process, investigation, administrative hearing, appeal, or any other proceeding, whether civil, criminal, administrative, arbitral or investigative, whether formal or informal, including a proceeding initiated by Indemnitee pursuant to Section 10 of this Agreement to enforce Indemnitee's rights hereunder.

(g) "Subsidiary" shall mean any corporation, partnership, limited liability company, joint venture, trust or other Entity of which the Company owns (either directly or through or together with another Subsidiary of the Company) either (i) a general partner, managing member or other similar interest or (ii) (A) 50% or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other Entity, or (B) 50% or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other Entity.

2. Services of Indemnitee. In consideration of the Company's covenants and commitments hereunder, Indemnitee agrees to serve or continue to serve as an employee and officer of the Company in the role of Chief Financial Officer, principal financial officer and principal accounting officer. However, this Agreement shall not impose any obligation on Indemnitee or the Company to continue Indemnitee's service to the Company beyond any period otherwise required by law or by other agreements or commitments of the parties, if any.

3. Agreement to Indemnify. The Company agrees to indemnify Indemnitee as follows:

(a) Proceedings Other Than By or In the Right of the Company. Subject to the exceptions contained in Section 4(a) below, if Indemnitee was or is a party or is threatened to be made a party to any Proceeding (other than an action by or in the right of the Company) by reason of Indemnitee's Corporate Status, Indemnitee shall be indemnified by the Company against all Expenses and Liabilities actually and reasonably incurred or paid by Indemnitee in connection with such Proceeding (referred to herein as "Indemnifiable Expenses" and "Indemnifiable Liabilities," respectively, and collectively as "Indemnifiable Amounts").

(b) Proceedings By or In the Right of the Company. Subject to the exceptions contained in Section 4(b) below, if Indemnitee was or is a party or is threatened to be made a party to any Proceeding by or in the right of the Company by reason of Indemnitee's Corporate Status, Indemnitee shall be indemnified by the Company against all Indemnifiable Expenses.

(c) Conclusive Presumption Regarding Standard of Care. In making any determination required to be made under Delaware law with respect to entitlement to indemnification hereunder, the person, persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee submitted a request therefor in accordance with Section 5 of this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption.

4. Exceptions to Indemnification. Indemnitee shall be entitled to indemnification under Sections 3(a) and 3(b) above in all circumstances other than with respect to any specific claim, issue or matter involved in the Proceeding out of which Indemnitee's claim for indemnification has arisen, as follows:

(a) Proceedings Other Than By or In the Right of the Company. If indemnification is requested under Section 3(a) and it has been finally adjudicated by a court of competent jurisdiction that, in connection with such specific claim, issue or matter, Indemnitee failed to act (i) in good faith and (ii) in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal Proceeding, Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful, Indemnitee shall not be entitled to payment of Indemnifiable Amounts hereunder.

(b) Proceedings By or In the Right of the Company. If indemnification is requested under Section 3(b) and

(i) it has been finally adjudicated by a court of competent jurisdiction that, in connection with such specific claim, issue or matter, Indemnitee failed to act (A) in good faith and (B) in a manner Indemnitee reasonably

3

believed to be in or not opposed to the best interests of the Company, Indemnitee shall not be entitled to payment of Indemnifiable Expenses hereunder; or

(ii) it has been finally adjudicated by a court of competent jurisdiction that Indemnitee is liable to the Company with respect to such specific claim, Indemnitee shall not be entitled to payment of Indemnifiable Expenses hereunder with respect to such claim, issue or matter unless the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification for such Indemnifiable Expenses which such court shall deem proper; or

(iii) it has been finally adjudicated by a court of competent jurisdiction that Indemnitee is liable to the Company for an accounting of profits made from the purchase or sale by the Indemnitee of securities of the Company pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934, the rules and regulations promulgated thereunder and amendments thereto or similar provisions of any federal, state or local statutory law, Indemnitee shall not be entitled to payment of Indemnifiable Expenses hereunder.

(c) Insurance Proceeds. To the extent payment is actually made to the Indemnitee under a valid and collectible insurance policy in respect of Indemnifiable Amounts in connection with such specific claim, issue or matter, Indemnitee shall not be entitled to payment of Indemnifiable Amounts hereunder except in respect of any excess beyond the amount of payment under such insurance.

5. Procedure for Payment of Indemnifiable Amounts. Indemnitee shall submit to the Company a written request specifying the Indemnifiable Amounts for which Indemnitee seeks payment under Section 3 of this Agreement and the basis for the claim. The Company shall pay such Indemnifiable Amounts to Indemnitee within sixty (60) calendar days of receipt of the request. At the request of the Company, Indemnitee shall furnish such documentation and information as are reasonably available to Indemnitee and necessary to establish that Indemnitee is entitled to indemnification hereunder. If Indemnitee is entitled under any provisions of this Agreement to indemnification by the Company of some or a portion of the Indemnifiable Amounts but not, however, for all of the total amount thereof, the Company will nevertheless indemnify the Indemnitee for the portion thereof to which the Indemnitee is entitled.

6. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, Indemnitee shall be indemnified against all Expenses reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the

4

merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of

this Agreement, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, by reason of settlement, judgment, order or otherwise, shall be deemed to be a successful result as to such claim, issue or matter.

7. Effect of Certain Resolutions. Neither the settlement or termination of any Proceeding nor the failure of the Company to award indemnification or to determine that indemnification is payable shall create a presumption that Indemnitee is not entitled to indemnification hereunder. In addition, the termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, had reasonable cause to believe that Indemnitee's action was unlawful.

8. Agreement to Advance Expenses; Undertaking. The Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding, including a Proceeding by or in the right of the Company, in which Indemnitee is involved by reason of such Indemnitee's Corporate Status within ten (10) calendar days after the receipt by the Company of a written statement from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. To the extent required by Delaware law, Indemnitee hereby undertakes to repay any and all of the amount of Indemnifiable Expenses paid to Indemnitee if it is finally determined by a court of competent jurisdiction that Indemnitee is not entitled under this Agreement to indemnification with respect to such Expenses. This undertaking is an unlimited general obligation of Indemnitee.

9. Procedure for Advance Payment of Expenses. Indemnitee shall submit to the Company a written request specifying the Indemnifiable Expenses for which Indemnitee seeks an advancement under Section 8 of this Agreement, together with documentation evidencing that Indemnitee has incurred such Indemnifiable Expenses. Payment of Indemnifiable Expenses under Section 8 shall be made no later than ten (10) calendar days after the Company's receipt of such request.

10. Remedies of Indemnitee.

(a) Right to Petition Court. In the event that Indemnitee makes a request for payment of Indemnifiable Amounts under Sections 3 and 5 above or a request for an advancement of Indemnifiable Expenses under Sections 8 and 9 above and the Company fails to make such payment or advancement in a timely manner pursuant to the terms of this Agreement, Indemnitee may petition the Court of Chancery to enforce the Company's obligations under this Agreement.

(b) Burden of Proof. In any judicial proceeding brought under Section 10(a) above, the Company shall have the burden of proving that Indemnitee is not entitled to payment of Indemnifiable Amounts hereunder.

5

(c) Expenses. The Company agrees to reimburse Indemnitee in full for any Expenses incurred by Indemnitee in connection with investigating, preparing for, litigating, defending or settling any action brought by Indemnitee under Section 10(a) above, or in connection with any claim or counterclaim brought by the Company in connection therewith, whether or not Indemnitee is successful in whole or in part in connection with any such action.

(d) Failure to Act Not a Defense. The failure of the Company (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of the payment of Indemnifiable Amounts or the advancement of Indemnifiable Expenses under this Agreement shall not be a defense in any action brought under Section 10(a) above, and shall not create a presumption that such payment or advancement is not permissible.

11. Defense of the Underlying Proceeding.

(a) Notice by Indemnitee. Indemnitee agrees to notify the Company promptly upon being served with any summons, citation, subpoena, complaint, indictment, information, or other document relating to any Proceeding which may result in the payment of Indemnifiable Amounts or the advancement of Indemnifiable Expenses hereunder; provided, however, that the failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to receive payments of Indemnifiable Amounts or advancements of Indemnifiable Expenses unless the Company's ability to defend in such Proceeding is materially and adversely prejudiced thereby.

(b) Defense by Company. Subject to the provisions of the last sentence of this Section 11(b) and of Section 11(c) below, the Company shall have the right to defend Indemnitee in any Proceeding which may give rise to the payment of Indemnifiable Amounts hereunder; provided, however that the Company shall notify Indemnitee of any such decision to defend within ten (10) calendar days of receipt of notice of any such Proceeding under Section 11(a) above. The Company shall not, without the prior written consent of Indemnitee, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee or (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee. This Section 11(b) shall not apply to a Proceeding brought by Indemnitee under Section 10(a) above or pursuant to Section 19 below.

(c) Indemnitee's Right to Counsel. Notwithstanding the provisions of Section 11(b) above, if in a Proceeding to which Indemnitee is a party by reason of Indemnitee's Corporate Status, (i) Indemnitee reasonably concludes that he or she may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with the position of other defendants in such

6

Proceeding, (ii) a conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) if the Company fails to assume the defense of such proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any action, suit or proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder,

Indemnitee shall have the right to retain counsel of Indemnitee's choice, at the expense of the Company, to represent Indemnitee in connection with any such matter.

12. Representations and Warranties of the Company. The Company hereby represents and warrants to Indemnitee as follows:

(a) Authority. The Company has all necessary power and authority to enter into, and be bound by the terms of, this Agreement, and the execution, delivery and performance of the undertakings contemplated by this Agreement have been duly authorized by the Company.

(b) Enforceability. This Agreement, when executed and delivered by the Company in accordance with the provisions hereof, shall be a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws affecting the enforcement of creditors' rights generally.

13. Insurance. The Company shall, from time to time, make the good faith determination whether or not it is practicable for the Company to obtain and maintain a policy or policies of insurance with a reputable insurance company providing the Indemnitee with coverage for losses from wrongful acts. For so long as Indemnitee shall remain an employee and officer of the Company in the role of Chief Financial Officer, principal financial officer and principal accounting officer and with respect to any such prior service, in all policies of director and officer liability insurance, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's officers and directors. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, or if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit. The Company shall promptly notify Indemnitee of any good faith determination not to provide such coverage.

14. Contract Rights Not Exclusive. The rights to payment of Indemnifiable Amounts and advancement of Indemnifiable Expenses provided by this Agreement shall be in addition to, but not exclusive of, any other rights which Indemnitee may have at any time under applicable law, the Company's Certificate of Incorporation or By-laws, or any other agreement, vote of stockholders or directors (or a committee of directors), or otherwise, both as to action in

7

Indemnitee's official capacity and as to action in any other capacity as a result of Indemnitee's serving as an employee and officer of the Company in the role of Chief Financial Officer, principal financial officer and principal accounting officer.

15. Successors. This Agreement shall be (a) binding upon all successors and assigns of the Company (including any transferee of all or a substantial portion of the business, stock and/or assets of the Company and any direct or indirect successor by merger or consolidation or otherwise by operation of law) and (b) binding on and shall inure to the benefit of the heirs, personal representatives, executors and administrators of Indemnitee. This Agreement shall continue for the benefit of Indemnitee and such heirs, personal representatives, executors and administrators after Indemnitee has ceased to have Corporate Status.

16. Subrogation. In the event of any payment of Indemnifiable Amounts under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of contribution or recovery of Indemnitee against other persons, and Indemnitee shall take, at the request of the Company, all reasonable action necessary to secure such rights, including the execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

17. Change in Law. To the extent that a change in Delaware law (whether by statute or judicial decision) shall permit broader indemnification or advancement of expenses than is provided under the terms of the By-laws and this Agreement, Indemnitee shall be entitled to such broader indemnification and advancements, and this Agreement shall be deemed to be amended to such extent.

18. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement, or any clause thereof, shall be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, in whole or in part, such provision or clause shall be limited or modified in its application to the minimum extent necessary to make such provision or clause valid, legal and enforceable, and the remaining provisions and clauses of this Agreement shall remain fully enforceable and binding on the parties.

19. Indemnitee as Plaintiff. Except as provided in Section 10(c) of this Agreement and in the next sentence, Indemnitee shall not be entitled to payment of Indemnifiable Amounts or advancement of Indemnifiable Expenses with respect to any Proceeding brought by Indemnitee against the Company, any Entity which it controls, any director or officer thereof, or any third party, unless the Board of Directors of the Company has consented to the initiation of such Proceeding. This Section shall not apply to counterclaims or affirmative defenses asserted by Indemnitee in an action brought against Indemnitee.

20. Modifications and Waiver. Except as provided in Section 17 above with respect to changes in Delaware law which broaden the right of Indemnitee to be indemnified by the Company, no supplement, modification or amendment of this Agreement shall be binding unless executed in writing by each of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement (whether or not similar), nor shall such waiver constitute a continuing waiver.

8

21. General Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (a) when delivered by hand, (b) when transmitted by facsimile and receipt is acknowledged, or (c) if mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(i) If to Indemnitee, to:

Thomas T. Higgins
90 Carlton Street
Brookline, MA 02446

(ii) If to the Company, to:

NeuroMetrix, Inc.
62 Fourth Avenue
Waltham, MA 02451
Attention: President

or to such other address as may have been furnished in the same manner by any party to the others.

22. Governing Law; Consent to Jurisdiction; Service of Process. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to its rules of conflict of laws. Each of the Company and the Indemnitee hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the Court of Chancery of the State of Delaware and the courts of the United States of America located in the State of Delaware (the "Delaware Courts") for any litigation arising out of or relating to this Agreement and the transactions contemplated hereby (and agrees not to commence any litigation relating thereto except in such courts), waives any objection to the laying of venue of any such litigation in the Delaware Courts and agrees not to plead or claim in any Delaware Court that such litigation brought therein has been brought in an inconvenient forum. Each of the parties hereto agrees, (a) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (b) that service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service. Service made pursuant to (a) or (b) above shall have the same legal force and effect as if served upon such party personally within the State of Delaware. For purposes of implementing the parties' agreement to appoint and maintain an agent for service of process in the State of Delaware, each such party does hereby appoint Corporation Service Company, 2711 Centerville Road Suite 400, Wilmington, New Castle County, Delaware 19808, as such agent and each such party hereby agrees to complete all actions necessary for such appointment.

[signature page follows]

9

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

NEUROMETRIX, INC.

By: /s/ Shai N. Gozani, M.D., Ph.D.
Name: Shai N. Gozani, M.D., Ph.D.
Title: President and Chief Executive Officer

INDEMNITEE

/s/ Thomas T. Higgins
Thomas T. Higgins

10

NeuroMetrix Names Thomas T. Higgins Chief Financial Officer

Waltham, Mass., September 10, 2009 — NeuroMetrix, Inc. (Nasdaq: Nuro) today announced the appointment of Thomas T. Higgins as Senior Vice President and Chief Financial Officer. The appointment is effective immediately.

Mr. Higgins brings to NeuroMetrix a broad set of financial management and operations skills gained in over 30 years of experience with publicly traded companies in life sciences, specialty chemicals and financial services. He has extensive international experience with a particular emphasis on Japan, Southeast Asia and the Middle East.

Prior to joining NeuroMetrix, Mr. Higgins was Executive Vice President and Chief Financial Officer at Caliper Life Sciences, Inc, a provider of technology and services for life sciences research, during the period starting in 2005 which saw strong revenue growth, product line expansion via acquisitions, and substantial improvement in its financial results. Before Caliper, Mr. Higgins was Executive Vice President, Operations and Chief Financial Officer at V.I. Technologies, Inc. (“Vitex”), a biotechnology company addressing blood safety. Mr. Higgins directed the financial side of the business, including fund raising, and was also responsible for Vitex’ FDA-regulated plasma manufacturing business until its divestiture in 2001. Prior to joining Vitex in 1998, Mr. Higgins served at Cabot Corporation from 1985 in various senior finance and operations roles. His last position at Cabot was President of Distrigas of Massachusetts Corporation, a subsidiary involved in the liquefied natural gas business, and prior to that he was responsible for Cabot’s Asia Pacific carbon black operations. Before joining Cabot, Mr. Higgins was with PricewaterhouseCoopers where he started his career. Mr. Higgins holds a BBA with honors from Boston University.

“Tom’s credentials in finance and accounting plus his operations experience are an excellent fit with our needs,” said Shai N. Gozani, M.D., PhD, NeuroMetrix’s President and CEO. “We are very pleased to have him on board and look forward to his contributions as we continue developing NeuroMetrix into a premier neurotechnology focused healthcare company.”

About NeuroMetrix

NeuroMetrix is a science-based health care company transforming patient care through neurotechnology. We provide innovative products for preservation and restoration of nerve and spinal cord function, and pain control. To date, our focus has been primarily on the assessment of neuropathies. Neuropathies affect the peripheral nerves and parts of the spine and are frequently caused by or associated with carpal tunnel syndrome, diabetes, sciatica, and other clinical disorders. We market systems for the performance of nerve conduction studies and needle electromyography procedures. Our product pipeline includes a system designed to deliver pharmacologic agents such as anesthetics and corticosteroids in close proximity to nerves for regional anesthesia, pain control and the

treatment of focal neuropathies. We are also developing devices and pharmaceutical agents to treat spinal cord injuries. For more information, visit <http://www.neurometrix.com>.

CONTACT: NeuroMetrix, Inc. Kathleen Cummings, 781-314-2725 Executive Assistant

neurometrix.ir@neurometrix.com

Source: NeuroMetrix, Inc.
