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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) January 3, 2008

NEOPROBE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	0-26520	31-1080091
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
425 Metro Place North, Suite 300, Columbus, Ohio		43017
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (614) 793-7500

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry Into a Material Definitive Agreement.

On January 3, 2008, the Compensation, Governance and Nominating Committee of Neoprobe Corporation (the "Company") approved compensation for the Company's non-employee directors for the 2008 fiscal year. Each non-employee director will receive an annual cash retainer of \$10,000, and will earn an additional \$1,500 per board meeting attended in person or \$500 per telephonic board meeting. The Chairmen of the Company's Board of Directors and Audit Committee will each receive an additional annual retainer of \$10,000 for their services in those capacities during 2008. Members of committees of the Company's Board of Directors will earn an additional \$500 per committee meeting attended in person or telephonically.

Each non-employee director will also receive 10,000 options to purchase common stock as a part of the Company's annual stock incentive grants, in accordance with the provisions of the Neoprobe Corporation Amended and Restated 2002 Stock Incentive Plan. The options granted to purchase common stock vest on the first anniversary of the date of grant and have an exercise price of \$0.362, the closing price of the Company's common stock as reported on the OTC Bulletin Board regulated quotation service on January 3, 2008. Directors who are also officers or employees of the Company do not receive any compensation for their services as directors.

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

Amendments to Employment Agreements with Named Executive Officers

Effective January 3, 2008, Neoprobe Corporation (the "Company") adopted amendments to the employment agreements between the Company and each of: (a) David C. Bupp, the Company's President and Chief Executive Officer; (b) Brent L. Larson, the Company's Vice President, Finance and Chief Financial Officer; and (c) Anthony K. Blair, the Company's Vice President, Manufacturing Operations. The employment agreement between the Company and Mr. Bupp has a stated term of 36 months, commencing January 1, 2007, and terminating December 31, 2009. The employment agreements between the Company and Messrs. Larson and Blair have stated terms of 24 months, each commencing January 1, 2007, and terminating December 31, 2008. The following is a description of the substantially identical material terms of the aforementioned amended employment agreements.

Each employee will receive an annual base salary as set forth on the schedule filed herewith as Exhibit 10.2, which schedule sets forth the material details in which each employment agreement differs from the form filed herewith as Exhibit 10.1. Each employee shall also receive an annual bonus at the discretion of the Board of Directors of the Company, in accordance with any bonus plan adopted by the Company's Compensation, Governance and Nominating Committee. The amended employment agreements also provide for the employees' participation in the Company's employee benefit programs, stock based incentive compensation plans and other benefits as described in the employment agreements.

In the event of termination of an employee "for cause" all salary, benefits and other payments shall cease at the time of termination, and the Company shall have no further obligations to the employee. If an employee resigns for any reason other than a Change of Control (as that term is defined in the employment agreements) as described below, all salary, benefits and other payments shall cease at the time such resignation becomes effective. If an employee dies or his employment is terminated because of disability, all salary, benefits and other payments shall cease at the time of death or disability, provided, however, that the Company shall: (a) continue to provide Mr. Bupp with such health, dental and similar insurance or benefits as were provided to Mr. Bupp immediately before his termination for the longer of 24 months after such termination or the full unexpired term of his employment agreement; and (b) continue to provide either of Messrs. Larson or Blair with such health, dental and similar insurance or benefits as were provided to Messrs. Larson or Blair immediately before his termination for the longer of 12 months after such termination or the full unexpired term of his employment agreement.

In the event of termination of an employee by the Company without cause, the Company shall, at the time of such termination, pay to the employee the respective severance amount set forth on Exhibit 10.2, together with the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. Additionally, the Company shall continue to: (a) provide Mr. Bupp with all of the benefits provided to him pursuant to the Company's employee benefit plans for the longer of 36 months or the full unexpired term of his employment agreement; (b) provide Mr. Larson with the benefits provided to him pursuant to the Company's employee benefit plans for a period of 12 months; and (c) provide Mr. Blair with all of the benefits provided to him pursuant to the Company's employee benefit plans for the longer of 12 months or the full unexpired term of his employment agreement.

The Company also must pay severance, under certain circumstances, in the event of a Change of Control. The employment agreements provide that if there is a Change in Control and an employee is concurrently or subsequently terminated (a) by the Company without cause, (b) by the expiration of the term of his employment agreement, or (c) by the resignation of the employee because he has reasonably determined in good faith that his titles, authorities, responsibilities, salary, bonus opportunities or benefits

have been materially diminished, that a material adverse change in his working conditions has occurred, that his services are no longer required in light of the Company's business plan, or the Company has breached his employment agreement, the Company shall pay the employee the appropriate Change of Control severance set forth on Exhibit 10.2, together with the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of termination and shall continue to: (a) provide Mr. Bupp with all of the benefits provided to him pursuant to the Company's employee benefit plans for the longer of 36 months or the full unexpired term of his employment agreement; and (b) provide to either of Messrs. Larson or Blair the benefits provided to them pursuant to the Company's employee benefit plans for the longer of 12 months after such termination or the full unexpired term of his employment agreement.

Each employment agreement also contains non-competition and non-solicitation covenants. These covenants, as described in the employment agreements, are effective during employment and for a period of 12 months following termination of employment.

The foregoing description of the employment agreements between the Company and Messrs. Bupp, Larson and Blair is qualified in its entirety by reference to the full text of the form employment agreement, a copy of which is attached hereto as Exhibit 10.1 and which is incorporated herein by reference.

2007 Cash Bonus for Named Executive Officers

The Compensation, Governance and Nominating Committee of the Company also approved the award of cash bonuses to the named executive officers listed in the table below, upon achievement of the following corporate goals, and subject to reduction if the goals are not achieved:

- Achievement of specified 2007 annual revenue and margin goals, subject to 25% reduction of bonus if not achieved.
- Completion of manufacturing and Phase 2 clinical development activities for Lymphoseek, to have occurred on or before June 30, 2007, subject to 25% reduction of bonus if not achieved.
- Initiation of Phase 3 clinical evaluation of Lymphoseek by January 31, 2008, subject to 25% reduction of bonus if not achieved.

The final amount of any cash bonus to be paid to the named executives will be subject to the determination of the Compensation, Governance and Nominating Committee of the Company at a meeting to be held after the delivery of the financial statements of the Company for the year ending December 31, 2007.

Name	Position	2007 Cash Bonus Target
David C. Bupp	President and Chief Executive Officer	\$80,000
Brent L. Larson	Vice President, Finance and Chief Financial Officer	\$25,500
Anthony K. Blair	Vice President, Manufacturing Operations	\$25,500

Stock Option Grants

The Compensation, Governance and Nominating Committee also approved the grant of options to purchase shares of the Company's common stock, effective January 3, 2008, to the Company's Chief Executive Officer and two other named executive officers listed below (the "Optionees"):

Name	Position	Options
David C. Bupp	President and Chief Executive Officer	200,000
Brent L. Larson	Vice President, Finance and Chief Financial Officer	50,000
Anthony K. Blair	Vice President, Manufacturing Operations	50,000

The Company granted the options in accordance with the provisions of the Neoprobe Corporation Amended and Restated 2002 Stock Incentive Plan. In connection with the grant of the options, the Company entered into a stock option agreement with each of the Optionees (the "Stock Option Agreements"). Pursuant to the terms of the Stock Option Agreements, the options have an exercise price of \$0.362, the closing price of the Company's common stock as reported on the OTC Bulletin Board regulated quotation service on January 3, 2008. One third of the shares of common stock subject to the options vest and become exercisable on each anniversary of the date of grant. The options will lapse and cease to be exercisable upon the earliest of: (i) the expiration of 10 years from the date of grant; (ii) the expiration of one year from the date that an Optionee ceases to be an employee of the Company because of death, disability or retirement; (iii) 90 days after an Optionee's employment with the Company or any subsidiary is terminated without cause; or (iv) immediately upon termination of an Optionee's employment with the Company or any subsidiary for a reason other than death, disability or retirement, or by the Company for cause.

Restricted Stock Grants

Additionally, the Compensation, Governance and Nominating Committee approved the grant of restricted shares of the Company's common stock, effective January 3, 2008, to the Company's Chief Executive Officer and two other named executive officers listed below (the "Grantees"):

Name	Position	Restricted Shares
David C. Bupp	President and Chief Executive Officer	300,000
Brent L. Larson	Vice President, Finance and Chief Financial Officer	50,000
Anthony K. Blair	Vice President, Manufacturing Operations	50,000

The Company granted the options in accordance with the provisions of the Neoprobe Corporation Amended and Restated 2002 Stock Incentive Plan. In connection with the grant of the restricted shares, the Company entered into a restricted stock award agreement with each of the Grantees (the "Restricted Stock Agreements"). Pursuant to the terms of the Restricted Stock Agreements, the restricted shares will vest upon the approval by the United States Food and Drug Administration of the New Drug Application for Lymphoseek. If the employment of a Grantee with the Company is terminated before all of the restricted shares have vested, then pursuant to the terms of the Restricted Stock Agreements all restricted shares that have not vested at the effective date of such Grantee's termination shall immediately be forfeited by the Grantee. Additionally, any restricted shares which have not vested on or before June 30, 2010, shall be forfeited by the Grantee.

The foregoing description of the terms of the Restricted Stock Agreements is qualified in its entirety by reference to the full text of the form of Restricted Stock Agreement attached as Exhibit 10.3 to this Current Report on Form 8-K, and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<i>Exhibit Number</i>	<i>Exhibit Description</i>
10.1	Form of Employment Agreement. This Agreement is one of three substantially identical employment agreements and is accompanied by a schedule which identifies material details in which each agreement differs from the form filed herewith.
10.2	Schedule identifying material differences between the employment agreements.
10.3	Form of Restricted Stock Award and Agreement under the Neoprobe Corporation Amended and Restated 2002 Stock Incentive Plan.

SIGNATURES

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

Neoprobe Corporation

Date: January 9, 2008

By: /s/ Brent L. Larson
Brent L. Larson, Vice President, Finance and
Chief Financial Officer

**FORM OF
EMPLOYMENT AGREEMENT**

This Employment Agreement is made and entered into effective as of _____, ____ (the "Effective Date"), by and between **Neoprobe Corporation**, a Delaware Corporation with a place of business at 425 Metro Place North, Suite 300, Dublin, Ohio 43017-1367 (the "Company") and ____ of ____ (the "Employee").

WHEREAS, the Company and the Employee entered into an Employment Agreement dated as of _____, ____ (the "Employment Agreement"); and

WHEREAS, the Company and the Employee wish to establish new terms, covenants, and conditions for the Employee's continued employment with the Company through this agreement ("Employment Agreement").

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, the parties hereto agree as follows:

1. **Duties.** From and after the Effective Date, and based upon the terms and conditions set forth herein, the Company agrees to employ the Employee and the Employee agrees to be employed by the Company, as [____] of the Company and in such equivalent, additional or higher executive level position or positions as shall be assigned to him by the Company's Board of Directors. While serving in such executive level position or positions, the Employee shall report to, be responsible to, and shall take direction from the Board of Directors of the Company. During the Term of this Employment Agreement (as defined in Section 2 below), the Employee agrees to devote substantially all of his working time to the position he holds with the Company and to faithfully, industriously, and to the best of his ability, experience and talent, perform the duties which are assigned to him. The Employee shall observe and abide by the reasonable corporate policies and decisions of the Company in all business matters.

The Employee represents and warrants to the Company that Exhibit A attached hereto sets forth a true and complete list of (a) all offices, directorships and other positions held by the Employee in corporations and firms other than the Company and its subsidiaries and (b) any investment or ownership interest in any corporation or firm other than the Company beneficially owned by the Employee (excluding investments in life insurance policies, bank deposits, publicly traded securities that are less than five percent (5%) of their class and real estate). The Employee will promptly notify the Board of Directors of the Company of any additional positions undertaken or investments made by the Employee during the Term of this Employment Agreement if they are of a type which, if they had existed on the date hereof, should have been listed on Exhibit A hereto. As long as the Employee's other positions or investments in other firms do not create a conflict of interest, violate the Employee's obligations under Section 7 below or cause the Employee to neglect his duties hereunder, such activities and positions shall not be deemed to be a breach of this Employment Agreement.

2. **Term of this Employment Agreement.** Subject to Sections 4 and 5 hereof, the Term of this Employment Agreement shall be for a period of ____ months, commencing _____, ____ and terminating _____, ____.
 3. **Compensation.** During the Term of this Employment Agreement, the Company shall pay, and the Employee agrees to accept as full consideration for the services to be rendered by the Employee hereunder, compensation consisting of the following:
 - A. **Salary.** Beginning on the first day of the Term of this Employment Agreement, the Company shall pay the Employee a salary of ____ (\$____) per year, payable in semi-monthly or monthly installments as requested by the Employee. Further, the Company agrees to review the Employee's salary every twelve (12) months hereafter.
 - B. **Bonus.** The Compensation Committee of the Board of Directors will, on an annual basis, review the performance of the Company and of the Employee and will pay such bonus as it deems appropriate, in its discretion, to the Employee based upon such review. Such review and bonus shall be consistent with any bonus plan adopted by the Compensation Committee, which covers the executive officers and employees of the Company generally.
 - C. **Benefits.** During the Term of this Employment Agreement, the Employee will receive such employee benefits as are generally available to all employees of the Company.
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- D. **Stock Options.** The Compensation Committee of the Board of Directors may, from time-to-time, grant stock options, restricted stock purchase opportunities and such other forms of stock-based incentive compensation as it deems appropriate, in its discretion, to the Employee under the Company's Stock Option and Restricted Stock Purchase Plan and the 1996 and 2002 Stock Incentive Plan (the "Stock Plans"). The terms of the relevant award agreements shall govern the rights of the Employee and the Company thereunder in the event of any conflict between such agreement and this Employment Agreement.
- E. **Vacation.** The Employee shall be entitled to ___ (___) days of vacation during each calendar year during the Term of this Employment Agreement.
- F. **Expenses.** The Company shall reimburse the Employee for all reasonable out-of-pocket expenses incurred by him in the performance of his duties hereunder, including expenses for travel, entertainment and similar items, promptly after the presentation by the Employee, from time-to-time, of an itemized account of such expenses.

4. **Termination.**

- A. **For Cause.** The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement "for cause." Termination "for cause" shall be defined as a termination by the Company of the employment of the Employee occasioned by the failure by the Employee to cure a willful breach of a material duty imposed on the Employee under this Employment Agreement within 15 days after written notice thereof by the Company or the continuation by the Employee after written notice by the Company of a willful and continued neglect of a duty imposed on the Employee under this Employment Agreement. In the event of termination by the Company "for cause," all salary, benefits and other payments shall cease at the time of termination, and the Company shall have no further obligations to the Employee.
- B. **Resignation.** If the Employee resigns for any reason, all salary, benefits and other payments (except as otherwise provided in paragraph G of this Section 4 below) shall cease at the time such resignation becomes effective. At the time of any such resignation, the Company shall pay the Employee the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.
- C. **Disability, Death.** The Company may terminate the employment of the Employee prior to the end of the Term of this Employment Agreement if the Employee has been unable to perform his duties hereunder for a continuous period of Twelve (12) months due to a physical or mental condition that, in the opinion of a licensed physician, will be of indefinite duration or is without a reasonable probability of recovery. The Employee agrees to submit to an examination by a licensed physician of his choice in order to obtain such opinion, at the request of the Company, made after the Employee has been absent from his place of employment for at least six (6) months. Any requested examination shall be paid for by the Company. However, this provision does not abrogate either the Company's or the Employee's rights and obligations pursuant to the Family and Medical Leave Act of 1993, and a termination of employment under this paragraph C shall not be deemed to be a termination for cause.

If during the Term of this Employment Agreement, the Employee dies or his employment is terminated because of his disability, all salary, benefits and other payments shall cease at the time of death or disability, provided, however, that the Company shall provide such health, dental and similar insurance or benefits as were provided to Employee immediately before his termination by reason of death or disability, to Employee or his family for the longer of ___ (___) months after such termination or the full unexpired Term of this Employment Agreement on the same terms and conditions (including cost) as were applicable before such termination. In addition, for the first six (6) months of disability, the Company shall pay to the Employee the difference, if any, between any cash benefits received by the Employee from a Company-sponsored disability insurance policy and the Employee's salary hereunder. At the time of any such termination, the Company shall pay the Employee, the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

- D. **Termination without Cause.** A termination without cause is a termination of the employment of the Employee by the Company that is not "for cause" and not occasioned by the resignation, death or disability of the
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Employee. If the Company terminates the employment of the Employee without cause, (whether before the end of the Term of this Employment Agreement or, if the Employee is employed by the Company under paragraph E of this Section 4 below, after the Term of this Employment Agreement has ended) the Company shall, at the time of such termination, pay to the Employee the severance payment provided in paragraph F of this Section 4 below together with the value of any accrued but unused vacation time and the amount of all accrued but previously unpaid base salary through the date of such termination and shall provide him with all of his benefits under paragraph C of Section 3 above for the longer of () months or the full unexpired Term of this Employment Agreement. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

If the Company terminates the employment of the Employee because it has ceased to do business or substantially completed the liquidation of its assets or because it has relocated to another city and the Employee has decided not to relocate also, such termination of employment shall be deemed to be without cause.

- E. **End of the Term of this Employment Agreement.** Except as otherwise provided in paragraphs F and G of this Section 4 below, the Company may terminate the employment of the Employee at the end of the Term of this Employment Agreement without any liability on the part of the Company to the Employee but, if the Employee continues to be an employee of the Company after the Term of this Employment Agreement ends, his employment shall be governed by the terms and conditions of this Agreement, but he shall be an employee at will and his employment may be terminated at any time by either the Company or the Employee without notice and for any reason not prohibited by law or no reason at all. If the Company terminates the employment of the Employee at the end of the Term of this Employment Agreement, the Company shall, at the time of such termination, pay to the Employee the severance payment provided in paragraph F of this Section 4 below together with the value of any accrued but unused vacation time and the amount of all accrued but previously unpaid base salary through the date of such termination. The Company shall promptly reimburse the Employee for the amount of any reasonable expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.
- F. **Severance.** If the employment of the Employee is terminated by the Company, at the end of the Term of this Employment Agreement or, without cause (whether before the end of the Term of this Employment Agreement or, if the Employee is employed by the Company under paragraph E of this Section 4 above, after the Term of this Employment Agreement has ended), the Employee shall be paid, as a severance payment at the time of such termination, the amount of ___ (\$___) together with the value of any accrued but unused vacation time.
- G. **Change of Control Severance.** In addition to the rights of the Employee under the Company's employee benefit plans (paragraphs C of Section 3 above) but in lieu of any severance payment under paragraph F of this Section 4 above, if there is a Change in Control of the Company (as defined below) and the employment of the Employee is concurrently or subsequently terminated (a) by the Company without cause, (b) by the expiration of the Term of this Employment Agreement, or (c) by the resignation of the Employee because he has reasonably determined in good faith that his titles, authorities, responsibilities, salary, bonus opportunities or benefits have been materially diminished, that a material adverse change in his working conditions has occurred, that his services are no longer required in light of the Company's business plan, or the Company has breached this Employment Agreement, the Company shall pay the Employee, as a severance payment, at the time of such termination, ___ (\$___), together with the value of any accrued but unused vacation time, and the amount of all accrued but previously unpaid base salary through the date of termination and shall provide him with all of the Employee benefits under paragraph C of Section 3 above for the longer of ___ (___) months or the full unexpired Term of this Employment Agreement. The Company shall promptly reimburse the Employee for the amount of any expenses incurred prior to such termination by the Employee as required under paragraph F of Section 3 above.

For the purpose of this Employment Agreement, a Change in Control of the Company has occurred when: (a) any person (defined for the purposes of this paragraph G to mean any person within the meaning of Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), other than Neoprobe, an employee benefit plan created by its Board of Directors for the benefit of its employees, or a participant in a transaction approved by its Board of Directors for the principal purpose of raising additional capital, either directly or indirectly, acquires beneficial ownership (determined under Rule 13d-3 of the Regulations promulgated by the Securities and Exchange Commission under Section 13(d) of the Exchange Act) of securities issued by Neoprobe having thirty percent (30%) or more of the voting power of all the voting securities issued by

Neoprobe in the election of Directors at the next meeting of the holders of voting securities to be held for such purpose; (b) a majority of the Directors elected at any meeting of the holders of voting securities of Neoprobe are persons who were not nominated for such election by the Board of Directors or a duly constituted committee of the Board of Directors having authority in such matters; (c) the stockholders of Neoprobe approve a merger or consolidation of Neoprobe with another person other than a merger or consolidation in which the holders of Neoprobe's voting securities issued and outstanding immediately before such merger or consolidation continue to hold voting securities in the surviving or resulting corporation (in the same relative proportions to each other as existed before such event) comprising eighty percent (80%) or more of the voting power for all purposes of the surviving or resulting corporation; or (d) the stockholders of Neoprobe approve a transfer of substantially all of the assets of Neoprobe to another person other than a transfer to a transferee, eighty percent (80%) or more of the voting power of which is owned or controlled by Neoprobe or by the holders of Neoprobe's voting securities issued and outstanding immediately before such transfer in the same relative proportions to each other as existed before such event. The parties hereto agree that for the purpose of determining the time when a Change of Control has occurred that if any transaction results from a definite proposal that was made before the end of the Term of this Employment Agreement but which continued until after the end of the Term of this Employment Agreement and such transaction is consummated after the end of the Term of this Employment Agreement, such transaction shall be deemed to have occurred when the definite proposal was made for the purposes of the first sentence of this paragraph G of this Section 4.

H. **Benefit and Stock Plans.** In the event that a benefit plan or Stock Plan which covers the Employee has specific provisions concerning termination of employment, or the death or disability of an employee (*e.g.*, life insurance or disability insurance), then such benefit plan or Stock Plan shall control the disposition of the benefits or stock options.

5. **Proprietary Information Agreement.** Employee has executed a Proprietary Information Agreement as a condition of employment with the Company. The Proprietary Information Agreement shall not be limited by this Employment Agreement in any manner, and the Employee shall act in accordance with the provisions of the Proprietary Information Agreement at all times during the Term of this Employment Agreement.

6. **Non-Competition.** Employee agrees that for so long as he is employed by the Company under this Employment Agreement and for one (1) year thereafter, the Employee will not:

- A. enter into the employ of or render any services to any person, firm, or corporation, which is engaged, in any part, in a Competitive Business (as defined below);
- B. engage in any directly Competitive Business for his own account;
- C. become associated with or interested in through retention or by employment any Competitive Business as an individual, partner, shareholder, creditor, director, officer, principal, agent, employee, trustee, consultant, advisor, or in any other relationship or capacity; or
- D. solicit, interfere with, or endeavor to entice away from the Company, any of its customers, strategic partners, or sources of supply.

Nothing in this Employment Agreement shall preclude Employee from taking employment in the banking or related financial services industries nor from investing his personal assets in the securities or any Competitive Business if such securities are traded on a national stock exchange or in the over-the-counter market and if such investment does not result in his beneficially owning, at any time, more than one percent (1%) of the publicly-traded equity securities of such Competitive Business. "Competitive Business" for purposes of this Employment Agreement shall mean any business or enterprise which:

- a. is engaged in the development and/or commercialization of products and/or systems for use in intraoperative detection of cancer, or
 - b. reasonably understood to be competitive in the relevant market with products and/or systems described in clause *a* above, or
 - c. the Company engages in during the Term of this Employment Agreement pursuant to a determination of the Board of Directors and from which the Company derives a material amount of revenue or in which the Company has made a material capital investment.
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The covenant set forth in this Section 6 shall terminate immediately upon the substantial completion of the liquidation of assets of the Company or the termination of the employment of the Employee by the Company without cause or at the end of the Term of this Employment Agreement.

7. **Arbitration.** Any dispute or controversy arising under or in connection with this Employment Agreement shall be settled exclusively by arbitration in Columbus, Ohio, in accordance with the non-union employment arbitration rules of the American Arbitration Association (“AAA”) then in effect. If specific non-union employment dispute rules are not in effect, then AAA commercial arbitration rules shall govern the dispute. If the amount claimed exceeds \$100,000, the arbitration shall be before a panel of three arbitrators. Judgment may be entered on the arbitrator’s award in any court having jurisdiction. The Company shall indemnify the Employee against and hold him harmless from any attorney’s fees, court costs and other expenses incurred by the Employee in connection with the preparation, commencement, prosecution, defense, or enforcement of any arbitration, award, confirmation or judgment in order to assert or defend any right or obtain any payment under paragraph C of Section 4 above or under this sentence; without regard to the success of the Employee or his attorney in any such arbitration or proceeding.
 8. **Governing Law.** The Employment Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.
 9. **Validity.** The invalidity or unenforceability of any provision or provisions of this Employment Agreement shall not affect the validity or enforceability of any other provision of the Employment Agreement, which shall remain in full force and effect.
 10. **Compliance with Section 409A of the Internal Revenue Code.** If, when the Employee’s employment with the Company terminates, the Employee is a “specified employee” as defined in Section 409A(a)(1)(B)(i) of the Internal Revenue Code, and if any payments under this Employment Agreement, including payments under Section 4, will result in additional tax or interest to the Employee under Section 409A(a)(1)(B) (“Section 409A Penalties”), then despite any provision of this Employment Agreement to the contrary, the Employee will not be entitled to payments until the earliest of (a) the date that is at least six months after termination of the Employee’s employment for reasons other than the Employee’s death, (b) the date of the Employee’s death, or (c) any earlier date that does not result in Section 409A Penalties to the Employee. As soon as practicable after the end of the period during which payments are delayed under this provision, the entire amount of the delayed payments shall be paid to the Employee in a lump sum. Additionally, if any provision of this Employment Agreement would subject the Employee to Section 409A Penalties, the Company will apply such provision in a manner consistent with Section 409A of the Internal Revenue Code during any period in which an arrangement is permitted to comply operationally with Section 409A of the Internal Revenue Code and before a formal amendment to this Employment Agreement is required.
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11. Entire Agreement.

- A. The 2004 Employment Agreement is terminated as of the effective date of this Employment Agreement, except that awards under the Stock Plans granted to the Employee in the 2004 Employment Agreement or in any previous employment agreement or by the Compensation Committee remain in full force and effect, and survive the termination of the 1999, 2001 and 2004 Employment Agreements and remain in full force and effect, and survive the termination of the 2004 Employment Agreement.
- B. This Employment Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements. This Employment Agreement may not be amended except in writing executed by the parties hereto.

12. Effect on Successors of Interest. This Employment Agreement shall inure to the benefit of and be binding upon heirs, administrators, executors, successors and assigns of each of the parties hereto. Notwithstanding the above, the Employee recognizes and agrees that his obligation under this Employment Agreement may not be assigned without the consent of the Company.

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

NEOPROBE CORPORATION

EMPLOYEE

By: _____
[Name][Title]

[Name][Title]

SCHEDULE IDENTIFYING MATERIAL DIFFERENCES BETWEEN
AMENDED EMPLOYMENT AGREEMENTS
BETWEEN NEOPROBE CORPORATION AND
THE INDIVIDUALS LISTED BELOW

	Commencement Date	Term	2008 Base Salary	Amount of Severance	Amount of Severance upon change of control
David C. Bupp	1/1/2007	36 months	\$ 325,000	\$ 426,250	Greater of: (a) 30 months salary; or (b) \$802,500
Brent L. Larson	1/1/2007	24 months	\$ 177,000	\$ 177,000	\$ 354,000
Anthony K. Blair	1/1/2007	24 months	\$ 150,000	\$ 150,000	\$ 300,000

	Continuation of Benefits Upon Disability	Continuation of Benefits Upon Termination Without Cause	Continuation of Benefits Upon Change of Control
David C. Bupp	Longer of 24 months or the full unexpired Term of the Agreement	Longer of 36 months or the full unexpired Term of the Agreement	Longer of 36 months or the full unexpired Term of the Agreement
Brent L. Larson	Longer of 12 months or the full unexpired Term of the Agreement	12 months	Longer of 12 months or the full unexpired Term of the Agreement
Anthony K. Blair	Longer of 12 months or the full unexpired Term of the Agreement	Longer of 12 months or the full unexpired Term of the Agreement	Longer of 12 months or the full unexpired Term of the Agreement

NEOPROBE CORPORATION

**AMENDED AND RESTATED 2002 STOCK INCENTIVE PLAN
RESTRICTED STOCK AWARD GRANT NOTICE AND
RESTRICTED STOCK AWARD AGREEMENT**

Neoprobe Corporation (the "Company"), pursuant to its Amended and Restated 2002 Stock Incentive Plan (the "Plan"), hereby grants to the individual listed below ("Holder") the right to purchase the number of the Company's common shares, par value \$.001 per share, set forth below (the "Shares"), at the purchase price per share set forth below. This Restricted Stock award is subject to all of the terms and conditions as set forth herein and in the Restricted Stock Award Agreement attached hereto as Exhibit A (the "Restricted Stock Agreement") and the Plan, each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Grant Notice and the Restricted Stock Agreement.

Holder:

Grant Date:

Purchase Price per Share: \$

Total Number of Shares of Restricted Stock: [] shares

Vesting Schedule:

By his or her signature and the Company's signature below, Holder agrees to be bound by the terms and conditions of the Plan, the Restricted Stock Agreement, and this Grant Notice. Holder has reviewed the Restricted Stock Agreement, the Plan, and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of this Grant Notice, the Restricted Stock Agreement, and the Plan. Holder hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Compensation, Governance and Nominating Committee of the Company upon any questions arising under the Plan, this Grant Notice or the Restricted Stock Agreement.

NEOPROBE CORPORATION:

HOLDER:

By: _____
Print Name: _____
Title: _____

Print Name: _____

Address: 425 Metro Place North, Suite 300
Dublin, Ohio 43017

Address:



EXHIBIT A
TO RESTRICTED STOCK AWARD GRANT NOTICE
RESTRICTED STOCK AWARD AGREEMENT

Pursuant to the Restricted Stock Award Grant Notice (“Grant Notice”) to which this Restricted Stock Award Agreement (this “Agreement”) is attached, Neoprobe Corporation (the “Company”) has granted to Holder the right to purchase the number of shares of Restricted Stock under the Company’s Amended and Restated 2002 Stock Incentive Plan (the “Plan”) indicated in the Grant Notice.

ARTICLE I
GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 Incorporation of Terms of Plan. The Shares are subject to the terms and conditions of the Plan which are incorporated herein by reference.

ARTICLE II
GRANT OF RESTRICTED STOCK

2.1 Grant of Restricted Stock. In consideration of Holder’s past and/or continued employment with or service to the Company or its Subsidiaries and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the “Grant Date”), the Company irrevocably grants to Holder the right to purchase the number of common shares set forth in the Grant Notice (the “Shares”), upon the terms and conditions set forth in the Plan and this Agreement.

2.2 Purchase Price. The purchase price of the Shares shall be as set forth in the Grant Notice, without commission or other charge. The payment of the purchase price shall be paid by cash or check.

2.3 Issuance of Shares. The issuance of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution of this Agreement by the parties or on such other date as the Company and Holder shall agree (the “Issuance Date”). Subject to the provisions of Article IV below, on the Issuance Date, the Company shall issue the Shares (which shall be issued in Holder’s name).

2.4 Conditions to Issuance of Stock Certificates. The Shares, or any portion thereof, may be either previously authorized but unissued shares or issued shares which have been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares prior to fulfillment of all of the following conditions:

(a) The completion of any registration or other qualification of such shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Compensation, Governance and Nominating Committee of the Company (hereinafter, the “Administrator”) shall, in its absolute discretion, deem necessary or advisable;

(b) The obtaining of any approval or other clearance from any state or federal governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(c) The lapse of such reasonable period of time following the Issuance Date as the Administrator may from time to time establish for reasons of administrative convenience; and

(d) The receipt by the Company of full payment for such shares, including payment of all amounts which, under federal, state or local tax law, the Company (or other employer corporation) is required to withhold upon issuance of such Shares.

2.5 Rights as Stockholder. Except as otherwise provided herein, upon delivery of the Shares to the escrow agent pursuant to Article IV, the Holder shall have all the rights of a stockholder with respect to said Shares, subject to the restrictions herein, including the right to vote the Shares and to receive all dividends or other distributions paid or made with respect to the Shares.

2.6 Consideration to the Company. In consideration of the issuance of the Shares by the Company, Holder agrees to render faithful and efficient services to the Company or any Subsidiary. Nothing in the Plan or this Agreement shall confer upon Holder any right to continue in the employ or service of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Holder at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Holder.

2.7 Assets or Securities Issued With Respect to Shares. Any and all cash dividends paid on the Shares and any and all common shares, capital stock or other securities or other property received by or distributed to Holder with respect to, in exchange for or in substitution of the Shares as a result of any stock dividend, stock split, reverse stock split, recapitalization, combination, reclassification, or similar change in the capital structure of the Company shall also be subject to the restrictions in Article III below until such restrictions on the underlying Shares lapse or are removed pursuant to this Agreement. In addition, in the event of any merger, consolidation, share exchange or reorganization affecting the Shares, including, without limitation, a Change of Control, then any new, substituted or additional securities or other property (including money paid other than as a regular cash dividend) that is by reason of any such transaction received with respect to, in exchange for or in substitution of the Shares shall also be subject to the restrictions in Article III below until such restrictions on the underlying Shares lapse or are removed pursuant to this Agreement.

ARTICLE III RESTRICTIONS ON SHARES

3.1 Vesting. The Shares shall vest and be released from the forfeiture restrictions and restrictions on transfer set forth below in Sections 3.2 and 3.3 of this Agreement in accordance with the Vesting Schedule set forth on the Grant Notice.

3.2 Forfeiture Restrictions.

(a) Upon the termination of Holder's employment with the Company, all Shares that have not vested in accordance with the Vesting Schedule set forth on the Grant Notice ("Unreleased Shares"), held by Holder at the effective date of such termination, shall immediately and automatically be forfeited by Holder and assigned back to the Company.

(b) In the event any of the Shares have not vested on or before _____, 2008 (or such later date as the Administrator may determine in writing in its sole discretion from time-to-time) (the "Termination Date"), all such Unreleased Shares held by Holder at the Termination Date shall immediately and automatically be forfeited by Holder and assigned back to the Company.

3.3 Restrictions on Transfer. No Unreleased Shares or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Holder or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect.

ARTICLE IV ESCROW OF SHARES

4.1 Escrow of Shares. The Shares shall be held by the Company as escrow agent until such time as the Shares have vested in accordance with the Vesting Schedule set forth on the Grant Notice. Upon the vesting and release of the Shares from the restrictions set forth in Article III above, the Company shall deliver to Holder a certificate or certificates representing such Shares.

ARTICLE V OTHER PROVISIONS

5.1 Adjustment for Stock Split. In the event of any stock dividend, stock split, reverse stock split, recapitalization, combination, reclassification, or similar change in the capital structure of the Company, the Administrator shall make appropriate and equitable adjustments in the number of Shares, consistent with any adjustment under Section 4.3 of the Plan. The provisions of this Agreement shall apply, to the full extent set forth herein with respect to the Shares, to any and all shares of capital stock or other securities which may be issued in respect of, in exchange for, or in substitution of the Shares, and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof.

5.2 Taxes. Holder has reviewed with Holder's own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by the Grant Notice and this Agreement. Holder is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. Holder understands that Holder (and not the Company) shall be responsible for Holder's own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement. Holder understands that Holder will recognize ordinary income for federal income tax purposes under Section 83 of the Code equal to the fair market value of the Shares on the Grant Date.

5.3 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Holder is subject to Section 16 of the Exchange Act, the Plan, the Shares and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

5.4 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Holder, the Company and all other interested persons. No member of the Administrator shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the Shares. In its absolute discretion, the Board of Directors of the Company may at any time and from time to time exercise any and all rights and duties of the Administrator under the Plan and this Agreement.

5.5 Restrictive Legends and Stop-Transfer Orders.

(a) Any share certificate(s) evidencing the Shares issued hereunder shall be endorsed with the following legend and any other legend required by any applicable federal and state securities laws:

THE SHARES OF STOCK REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO, AND ARE TRANSFERABLE ONLY IN COMPLIANCE WITH, THE TERMS AND CONDITIONS OF A CERTAIN RESTRICTED STOCK AWARD AGREEMENT, DATED _____, 2007, BETWEEN THE REGISTERED HOLDER OF THESE SHARES AND NEOPROBE CORPORATION, WHICH AGREEMENT IS ON FILE WITH THE SECRETARY OF THE CORPORATION, AND THE HOLDER HEREOF ACCEPTS AND HOLDS THIS CERTIFICATE SUBJECT TO AND WITH NOTICE OF ALL OF THE TERMS, CONDITIONS AND PROVISIONS OF SAID AGREEMENT AND AGREES TO BE BOUND THEREBY.

(b) Holder agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) The Company shall not be required: (i) to transfer on its books any common shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement, or (ii) to treat as owner of such common shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such shares shall have been so transferred.

5.6 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company, and any notice to be given to Holder shall be addressed to Holder at the address given beneath Holder's signature on the Grant Notice. By a notice given pursuant to this Section 5.6, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

5.7 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.8 Governing Law; Severability. This Agreement shall be administered, interpreted and enforced under the laws of the State of Ohio without regard to conflicts of laws thereof. Should any provision of this Agreement be determined by a court of law to be illegal or unenforceable, the other provisions shall nevertheless remain effective and shall remain enforceable.

5.9 Conformity to Securities Laws. Holder acknowledges that the Plan is intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Shares are to be issued, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

5.10 Amendments. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by Holder and by a duly authorized representative of the Company.

5.11 No Employment Rights. If Holder is an Employee, nothing in the Plan or this Agreement shall confer upon Holder any right to continue in the employ of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which are expressly reserved, to discharge Holder at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company and Holder.

5.12 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Agreement shall be binding upon Holder and his or her heirs, executors, administrators, successors and assigns.