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**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): March 12, 2010**

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**ATRICURE, INC.**

(Exact name of registrant as specified in charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-51470**  
(Commission  
File Number)

**34-1940305**  
(IRS Employer  
Identification No.)

**6217 Centre Park Drive**  
**West Chester, OH**  
(Address of principal executive offices)

**45069**  
(Zip Code)

**Registrant's telephone number, including area code: (513) 755-4100**

**Not Applicable**

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

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

On March 12, 2010, AtriCure, Inc. (the “Company”) entered into amendments to its employment agreements with David J. Drachman, President and Chief Executive Officer, and Julie A. Piton, Vice President, Finance and Administration and Chief Financial Officer, of the Company. The amendments to the employment agreements are attached as and incorporated by reference from Exhibits 10.1 and 10.2 to this Current Report on Form 8-K.

The amendments are each effective as of January 1, 2010. The amendments set the annual 2010 salaries of \$412,000 for Mr. Drachman and \$243,360 for Ms. Piton.

The amendments also provide that in the event of a termination of employment in connection with a Change in Control of the Company (as defined in the existing employment agreements), the Company will pay 24 months and 18 months, for Mr. Drachman and Ms. Piton, respectively, of each executive’s then base salary, payable over such period in equal installments at regular payroll intervals. Upon such termination of employment, each of Mr. Drachman and Ms. Piton will also receive, in a lump sum within 10 days after termination, his or her “target bonus” for the year in which the termination occurred. In addition, following a Change in Control, the Company will maintain for each of Mr. Drachman and Ms. Piton, medical, dental, life insurance or similar “welfare” benefits substantially similar in scope and cost to executive as such benefits available to executive immediately prior to the termination of employment. Such benefits will be provided to Mr. Drachman for 24 months and Ms. Piton for 18 months or until either obtains employment providing comparable benefits during such periods.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

10.1 Amendment No. 1 to Employment Agreement of David J. Drachman

10.2 Amendment No. 2 to Employment Agreement of Julie A. Piton

**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 thereunto duly authorized.

ATRICURE, INC.

Date: March 12, 2010

By: /s/ Julie A. Piton

Julie A. Piton  
Vice President, Finance and Administration and  
Chief Financial Officer

## AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT

THIS AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT ("Amendment No. 1") is effective as of the 1st day of January 2010 (the "Effective Date") between ATRICURE, INC., a Delaware corporation (the "Corporation") and David J. Drachman (the "Executive").

## RECITALS

A. The Corporation and the Executive have entered into that certain Employment Agreement, effective as of February 9, 2007 (the "Employment Agreement"), pursuant to which the Corporation retained the Executive as President and Chief Executive Officer.

B. The Corporation and the Executive now desire to amend the Employment Agreement as provided in this Amendment No. 1.

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

1. Capitalized terms used but not defined in this Amendment No. 1 have the meanings assigned such terms in the Employment Agreement.

2. The Corporation and Executive agree that Executive's Base Salary for 2010 shall be four hundred twelve thousand dollars (\$412,000) payable as set forth in Section 5(a) of the Employment Agreement.

3. Section 9(b)(ii) of the Employment Agreement is hereby amended and restated to read in its entirety as follows:

"(ii) Change of Control. In the event that (A) either the Company shall terminate the employment of the Executive hereunder Without Cause or the Executive shall terminate his employment hereunder for Good Reason and (B) the related Notice of Termination shall have been given during a Change of Control Period, the Executive shall, in addition to those rights provided under Section 9(a), be entitled to a severance payment equal to (x) twenty-four (24) months of the Executive's then Base Salary, which amount shall be paid to him during the twenty-four (24) month period following the Termination Date (the "Severance Period") in substantially equal installments, as and when regular payroll payments are made by the Company to its employees plus (y) an amount equal to Executive's "target bonus" for the year in which the Termination Date shall have occurred, which payment shall be made in a lump sum within ten (10) days of termination of Executive. In such circumstances, during the twenty-four (24) month Severance Period, the Executive shall also be entitled to medical, dental, life insurance or similar "welfare" benefits substantially similar in scope and cost to Executive as such benefits available to Executive immediately prior to the Change in Control Period; *provided* that such benefits shall be discontinued to the extent that Executive obtains employment providing comparable benefits during such Severance Period. For purposes of the proviso in the immediately preceding sentence, if Executive becomes employed by a new employer, for Executive's

health and welfare benefits to be determined to be “comparable,” new employer must maintain a major medical plan that does not limit, restrict or exempt Executive or Executive’s dependents with respect to any pre-existing conditions which were covered under the Company’s medical plan prior to Executive’s termination of employment. Executive’s right to continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”) shall be provided at the earlier of the end of the twenty-four (24) month Severance Period or the discontinuance of coverage because the Executive obtains employment providing comparable benefits.”

4. Other than as set forth in this Amendment No. 1, all of the terms and conditions of the Employment Agreement shall continue in full force and effect.

5. This Amendment shall be governed by and construed in accordance with the laws of the State of Ohio, without reference to the conflicts of laws of the State of Ohio or any other jurisdiction.

[signature page follows]

IN WITNESS WHEREOF, the parties have duly executed this Amendment No. 1 to Employment Agreement effective as of the date first above written.

ATRICURE, INC.

By: /s/ Julie A. Piton

Julie A. Piton

Vice President, Finance and Administration and Chief  
Financial Officer

EMPLOYEE

/s/ David J. Drachman

David J. Drachman

**AMENDMENT NO. 2 TO EMPLOYMENT AGREEMENT**

THIS AMENDMENT NO. 2 TO EMPLOYMENT AGREEMENT ("Amendment No. 2") is effective as of the 1st day of January 2010 (the "Effective Date") between ATRICURE, INC., a Delaware corporation (the "Corporation") and Julie A. Piton (the "Executive").

## RECITALS

A. The Corporation and the Executive have entered into that certain Employment Agreement, effective as of January 5, 2007 and amended by Amendment of Employment Agreement dated as of April 17, 2007 (as so amended, the "Employment Agreement"), pursuant to which the Corporation retained the Executive as Vice President of Finance and Administration and Chief Financial Officer.

B. The Corporation and the Executive desire to amend the Employment Agreement as provided in this Amendment No. 2.

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Amendment No. 2, the parties agree as follows:

1. Capitalized terms used but not defined in this Amendment No. 2 have the meanings assigned such terms in the Employment Agreement.

2. The Corporation and Executive agree that Executive's Base Salary for 2010 shall be two hundred forty three thousand three hundred sixty dollars (\$243,360) payable as set forth in Section 5(a) of the Employment Agreement.

3. Section 9(b)(ii) of the Employment Agreement is hereby amended and restated to read in its entirety as follows:

"(ii) Change of Control. In the event that (A) either the Company shall terminate the employment of the Executive hereunder Without Cause or the Executive shall terminate her employment hereunder for Good Reason and (B) the related Termination Notice shall have been given during a Change of Control Period, the Executive shall, in addition to those rights provided under Section 9(a), be entitled to a severance payment equal to (x) eighteen (18) months of the Executive's then Base Salary, which payment shall be paid to her during the eighteen (18) month period following the Termination Date (the "Severance Period") in substantially equal installments, as and when regular payroll payments are made by the Company to its employees plus (y) an amount equal to Executive's "full bonus potential" for the year in which the Termination Date shall have occurred, which payment shall be made in a lump sum within ten (10) days after the termination of Executive. In such circumstances, during the eighteen (18) month Severance Period, the Executive shall also be entitled to medical, dental, life insurance or similar "welfare" benefits substantially similar in scope and cost to Executive as such benefits available to Executive immediately prior to the Change in Control Period; *provided* that such benefits shall be discontinued to the extent that Executive obtains employment providing

comparable benefits during such Severance Period. For purposes of the proviso in the immediately preceding sentence, if Executive becomes employed by a new employer, for Executive's health and welfare benefits to be determined to be "comparable," new employer must maintain a major medical plan that does not limit, restrict or exempt Executive or Executive's dependents with respect to any pre-existing conditions which were covered under the Company's medical plan prior to Executive's termination of employment. Executive's right to continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") shall be provided at the earlier of the end of the eighteen (18) month Severance Period or the discontinuance of coverage because the Executive obtains employment providing comparable benefits."

4. Other than as set forth in this Amendment No. 2, all of the terms and conditions of the Employment Agreement shall continue in full force and effect.

5. This Amendment shall be governed by and construed in accordance with the laws of the State of Ohio, without reference to the conflicts of laws of the State of Ohio or any other jurisdiction.

[signature page follows]



