

## **MRI INTERVENTIONS, INC. GUIDELINES ON GOVERNANCE ISSUES**

The Board of Directors (the “Board”) of MRI Interventions, Inc., a Delaware corporation (the “Company”) adopted on February 27, 2012 the following guidelines to reflect the principles by which the Company and the Board operate. These guidelines are not intended to supersede or interpret any law or regulation or the Company’s Certificate of Incorporation or its Bylaws.

### **I. RESPONSIBILITIES OF THE BOARD**

The Company’s business is conducted by its employees and officers under the direction of the Company’s Chief Executive Officer and the oversight of the Board, to enhance stockholder value over time. The Board is the ultimate decision-making and oversight body of the Company, except with respect to matters reserved to the stockholders. The directors are charged with the responsibility of exercising their fiduciary duty to act in the best interests of the Company and its stockholders. The Board selects and oversees members of executive management who have the authority and responsibility for the conduct of the day-to-day operations of the business.

In discharging their responsibilities, the directors must exercise their business judgment to act on an informed basis in a manner that they believe in good faith is in the best interest of the Company and its stockholders. In doing so, the directors are entitled to rely on the honesty and integrity of the Company’s senior management and its outside advisors and auditors.

Directors are expected to attend all Board meetings and meetings of the committees of the Board on which they serve and to review in advance of the meetings all meeting materials. Directors are expected to spend the necessary time to discharge their responsibilities appropriately and to ensure that other existing or future commitments do not materially interfere with their responsibilities as members of the Board.

The Board believes that its objectives will be best served by following the fundamental corporate governance principles described in this document and the charters of its various committees. Collectively, these principles demonstrate the Board’s accountability and its desire that the Company achieve superior business results.

### **II. STRUCTURE OF THE BOARD**

1. Size. The authorized number of directors of the Corporation will be determined from time to time exclusively by resolution adopted by the affirmative vote of a majority of the authorized number of directors at any regular or special meeting of the Board. On an annual basis, the Corporate Governance and Nominating Committee (the “Governance Committee”) will consider the size and composition of the Board and report to the Board the results of its review and any recommendations for change.

2. Mix of Inside and Independent Directors. At least a majority of the Board will be independent directors. An “independent director” means a person who fully complies with applicable legal and stock exchange requirements for serving as such, as determined by the Board. Each director’s status under this definition should be reviewed annually by the Governance Committee (to determine if any director’s status has changed). If the Governance Committee should determine that a director’s status has changed, the change in status will be reported to the

Board, which will determine if (i) the Company remains in compliance with applicable legal and stock exchange requirements, (ii) the director should be replaced, or (iii) whether additional directors should be considered for the Board.

3. Board Membership Criteria. The Governance Committee is responsible for recommending to the Board the type of skills and characteristics required of directors, based on the needs of the Company from time to time. This assessment should include issues of relevant experience, intelligence, independence, commitment, compatibility with the Chief Executive Officer and the Board culture, prominence, understanding of the Company's business, and other factors deemed relevant. The Governance Committee should confer with the full Board about the criteria it intends to apply before a search for a new director is commenced.

4. New Director Candidates. The Board will nominate new directors only from candidates screened and approved by the Governance Committee. Any director or any executive officer of the Company may recommend a candidate to the Governance Committee for its consideration. If the Board approves a candidate recommended by the Governance Committee, either the Chief Executive Officer or the Chairperson of the Board should extend the invitation to the candidate.

5. Directors Who Materially Change Their Job Responsibility. Any director who changes his or her employer or otherwise has a significant change in job responsibilities will give written notice to the Board, specifying the details, as soon as feasible and will submit to the Board a letter of resignation offering their resignation from the Board and from each Board committee on which such director serves. It is not necessary in every instance for a director who retires or otherwise has a significant change in position or job responsibilities to leave the Board and/or each Board committee on which such director serves. Submission of a letter of resignation as provided above, however, will provide an opportunity for the Board, through the Governance Committee, to review the continued appropriateness of such director's membership on the Board and each applicable Board committee under these circumstances, taking into account all relevant factors. In some instances, it may be appropriate for such person to be replaced as a member of one or more Board committees even if such person is retained as a director.

6. Retirement Age. The Board does not believe that arbitrary age limits on directors' service are appropriate. However, a director's nomination and reappointment to the Board is at the discretion of the Governance Committee, and the directors should not expect that they will again be nominated when their respective terms expire.

7. Former Chief Executive Officers. The Chief Executive Officer (and any other member of management who is a member of the Board) will resign from the Board when he or she ceases to be the Chief Executive Officer (or such other officer of the Company, as the case may be).

8. Board Compensation. The Company's Compensation Committee is charged with the responsibility of reviewing the compensation of the Board and recommending changes thereto to the Board from time to time. In this regard, the Compensation Committee may request that management report to the Committee periodically on the status of the Board's compensation in relation to other similarly situated companies. Directors who are Company employees will not be compensated for their services as a director.

9. Term Limits. The Board does not believe that it is advisable to establish arbitrary term limits for its directors because they may deprive the Company and its stockholders of the contribution of directors who have been able to develop valuable insights into the Company and its operations over time. In lieu of pre-determined term limits for directors, the Governance Committee will evaluate each director's continued services on the Board in connection with each annual decision regarding whether such director should be re-nominated to the Board and at such other times as may be appropriate in particular circumstances. In connection with each annual decision regarding re-nominations, each director should be given an opportunity to confirm his or her desire to continue as a member of the Board.

10. Other Directorships. Independent directors are encouraged to limit the number of other boards on which they serve, taking into account potential Board attendance and their participation and effectiveness on the Board. Independent directors and the Chief Executive Officer should also advise the Chairperson of the Board and the Chairperson of the Governance Committee in advance of accepting an invitation to serve on another board of a public company. No director should serve on the Audit Committee of more than two other public companies. Approval of the Governance Committee is required before any executive officer, including the Chief Executive Officer, accepts any directorship with any public company, provided that the Chief Executive Officer, in any event, should not serve as a director of more than two other public companies.

### **III. BOARD PROCEDURAL MATTERS**

1. Selection of Chairperson and Chief Executive Officer. The Board does not have a fixed policy as to whether the role of the Chief Executive Officer and Chairperson should be separate. The Board should be free to make these choices in any manner that it deems best for the Company from time to time. When the Chairperson is a member of Company management, the Chairperson of the Governance Committee, who will be an independent director, will also act ex officio as the Lead Independent Director of the Board, with responsibility for coordinating the activities of the other independent directors and for performing the duties specified in these guidelines and such other duties as are assigned from time to time by the Board.

2. Lead Independent Director. The Lead Independent Director will serve as the principal liaison on board-wide issues between the independent members of the Board and the Chairperson of the Board. The Lead Independent Director will preside at all meetings of the Board at which the Chairperson of the Board is not present, including executive sessions of the independent members of the Board. The Lead Independent Director may call meetings of the independent members of the Board.

3. Board Meetings.

(a) Agenda. The Chairperson of the Board will establish in advance the agenda and have it distributed to each director. Any director is free to suggest additional items for the agenda.

(b) Frequency of Meetings. The Board expects to have at least four regularly scheduled meetings each year. In addition, special meetings may be called from time to time as determined by the needs of the business.

(c) Executive Sessions of Independent Directors. The independent directors will meet in executive session at all regularly scheduled Board meetings, and otherwise as needed. These sessions will be chaired by the Chairperson as long as he or she is not the Chief Executive Officer or, in the absence of the Chairperson, by the Lead Independent Director of the Board.

(d) Attendance of Non-Directors at Board Meetings. Attendance of any non-director at any Board meeting is subject to the discretion of the Board. Subject to the Board deciding otherwise, the Board encourages management to bring officers and employees into the Board meetings from time to time when these persons can provide additional insight into the matters being discussed or if these persons have the potential in the future to become members of senior management.

(e) Conduct of Meetings. The Chairperson should conduct the Board meetings on the assumption that each director has carefully reviewed all Board materials supplied to each director prior to the meeting. Additionally, the Chairperson should expect, and encourage open, candid and respectful discussion by and among the directors.

4. Information Provided to the Board; Communications.

(a) Pre-Meeting.

(i) Management will be responsible for assuring that, as a general rule, information and data that are important to the Board's understanding of the Company's business and to all matters expected to be considered and acted upon by the Board are distributed in writing to the Board sufficiently in advance of each Board meeting and each action to be taken by written consent to provide the directors a reasonable time to review and evaluate such information and data. Management will make every attempt to see that this material is as concise as feasible, while still providing sufficient information to permit the Board to be appropriately informed of material matters to be considered at each Board meeting or other Board action.

(ii) It is recognized that circumstances will arise when it is not feasible to provide information relating to certain agenda items in advance (or at least not very much in advance) of a Board meeting or an action to be taken by written consent. In such event, reasonable steps will be taken (which may include extending the length of the Board meeting to allow more discussion, adjourning the meeting for a brief period to allow directors time to review such information, deferring a vote until a follow-up telephonic meeting, or other measures as appropriate) to permit the directors to become reasonably informed as to the matter before voting on it.

(iii) As a general rule, presentations on specific subjects also should be sent to the Board members in advance so that the Board meeting time may be conserved and discussion time focused on questions that the Board has about the material. On those occasions in which the subject matter is too sensitive to distribute in written form, there will be an opportunity for full discussion of the presentation at the meeting.

(b) Between Meetings. The Chief Executive Officer should continue to advise the Board candidly of any significant developments between meetings, through a suitable method of communication.

(c) Communications among CEO and Directors. Candid, regular discussions between directors and the Chief Executive Officer, and among directors, are encouraged.

5. Access to Management and Advisors. Directors will have full and free access to management and other employees of the Company. Management will be responsive to requests for information from Board members. The Board encourages the Chairperson of the Board to invite members of management to make presentations at Board meetings in order to provide particular insights into aspects of the Company's business or to provide individuals with exposure to the Board for purposes of management development. Directors may suggest possible guests to the Chairperson of the Board. Where necessary or appropriate, the Board and each committee of the Board will have the authority and power to engage and compensate independent advisors, without consulting or obtaining the approval of any officer of the Company in advance.

6. Expectations of Directors.

(a) Attendance; Availability. Each director should make every reasonable effort to attend each meeting of the Board and any Committee of which the director is a member, either in person or, if necessary, via telephone conference, and to be reasonably available to management and the other directors for consultation between meetings. In particular, directors should attend sufficient meetings to avoid falling below the attendance level that would require disclosure in the Company's annual proxy statement pursuant to Item 407(b)(1) of Regulation S-K, which requires the proxy to name any director who during the last full fiscal year attended fewer than 75% of the aggregate number of meetings of the Board and the Committees of the Board on which he or she served.

(b) Review of Materials. Directors should carefully review information distributed to them prior to Board and Committee meetings.

(c) Corporate Opportunities. Directors will make business opportunities relating to the Company's business available to the Company before pursuing the opportunity for the director's own or another's account.

(d) Stock Ownership. Directors should be stockholders and have a financial stake in the Company. While the Board does not believe it appropriate to specify the level of stock ownership for individual directors, each director should develop a meaningful ownership position in the Company over time.

(e) Orientation and Education. When a new director joins the Board, management will provide an orientation program to enable the new director promptly to gain an understanding of the Company and its industry. The Board, through its Governance Committee, and the Company's management will work together to develop and provide appropriate continuing education programs to assist directors in developing and maintaining skills necessary or appropriate for the performance of their responsibilities. Additionally, each director is expected to take steps reasonably necessary to be adequately informed about the Company and external matters affecting it and to enable the director to function effectively on the Board and on the Committees on which the director serves. Management will distribute to directors any analyst or investment banking research report about the Company on a timely basis. The Governance Committee will monitor and make recommendations with respect to the process by which management makes

information about the Company and developments in the Company's industry available to the Board.

(f) Board Interaction With Third Parties. The Board believes that senior management speaks for the Company. Directors may, from time to time, be contacted by institutional investors, other stockholders, sellers of businesses or merger partners, governmental or community officials, analysts or the press or other constituencies of the Company to comment on or discuss the business of the Company. Directors are expected to refrain from communicating with any of the foregoing and instead to direct such communication or inquiries through the Chief Executive Officer, or, if the situation warrants, the Company's outside legal counsel. It is expected that directors maintain the confidentiality of all information about the Company learned through their service on the Board. Directors should remember that they are expressly included in the group of issuer personnel subject to the Securities and Exchange Commission's Regulation FD.

7. Board Evaluations; Assessing the Board's Performance. The Board will conduct a self-evaluation annually. The Governance Committee will be responsible for establishing the evaluation criteria and implementing the process for the evaluation. There should be regular, candid discussions between the Chief Executive Officer and the directors, individually and/or as a group, about how best to maximize each director's contribution to the Board. The Chairperson of the Governance Committee and the Chief Executive Officer should periodically discuss the Board's performance and the contributions made by directors, with a view to making full and productive use of directors' talents and improving the performance of the Board.

8. Attendance at the Company's Annual Meeting. The Board believes it is advantageous for directors to attend the annual stockholder meeting and encourages all directors to do so; however, the Board recognizes that from time to time scheduling conflicts may occur that will prevent a director from attending.

#### **IV. COMMITTEE MATTERS**

1. Number, Titles and Charters of Committees. The current standing Committees of the Board are (a) Audit, (b) Compensation, (c) Corporate Governance and Nominating, and (d) Executive. This structure meets the Company's present needs. Each standing Committee must have a written charter, which has been reviewed by the Governance Committee and then approved by the Board and which states the purpose of such committee. Committee charters will be reviewed not less frequently than annually to reflect the activities of each of the respective committees, changes in applicable law or regulations and other relevant considerations, and proposed revisions to such charters will be approved by the Board. Committee charters will be publicly disclosed as required by law or, as applicable, stock exchange listing standards.

2. Independence of Committees. All members of the Audit, Compensation and Governance Committees will be independent directors.

3. Assignment and Rotation of Committee Members. The Governance Committee is responsible, after consideration of the desires of individual directors, for recommending the assignment of directors to various Committees. Each independent director is expected to serve at all times on at least one, and sometimes two, Committees. Consideration will be given to rotating Committee assignments periodically, but rotation should not be mandated, as there may be reasons, at a given point in time, to maintain an individual director's Committee membership.

4. Committee Chairpersons. All standing Board Committees, except for the Executive Committee, will be chaired by independent directors, and their Chairpersons will be appointed by the Board. Each Committee Chairperson should normally have had previous service on the applicable Committee.

5. Frequency and Length of Committee Meetings. Each Committee Chairperson, in consultation with the Committee members, will determine the frequency and length of each Committee's meeting.

6. Committee Agenda. Each Committee Chairperson, in consultation with the appropriate members of the Committee and management, will develop the Committee's agenda. Each Committee will issue annually a schedule of proposed meeting dates for the upcoming year. Each Committee will share its agenda with all other Board members.

7. Attendance at Committee Meetings. Attendance of non-Committee persons at Committee meetings will be at the pleasure of the Committee. Committees should regularly meet in executive session.

8. Minutes and Reports. Minutes of each Committee meeting or action will be kept and distributed to the Board. Each Committee will report regularly to the Board on substantive matters considered by the Committee.

9. Term of Committee Service. Formal term limits for Committee membership are not necessary; however no Committee member should have an expectation of permanent membership.

10. Self-Evaluation. Each Committee will be responsible for annually conducting a self-evaluation. The Governance Committee will be responsible for monitoring the processes and evaluation criteria established by each Committee. The results of such evaluation will be reported to the full Board.

## **V. MANAGEMENT DEVELOPMENT MATTERS; SUCCESSION PLANNING**

1. Evaluation and Compensation of the Chief Executive Officer and Other Executive Officers. The Compensation Committee should develop with the Chief Executive Officer and discuss with the Board appropriate criteria upon which the Chief Executive Officer's and other executive officers' compensation and performance will be evaluated annually. The Compensation Committee will have the sole authority to determine the Chief Executive Officer's compensation level based on this evaluation and should meet in executive session to discuss its determination regarding the Chief Executive Officer's compensation and overall performance. Additionally, the Compensation Committee should meet in sessions in which the Chief Executive Officer participates, but does not vote, in order to discuss the compensation and overall performance of other executive officers.

2. Succession Planning and Management Development. There should be an annual report to the Board by the Chief Executive Officer on succession planning and management development, both short-term and long-term. The Governance Committee should monitor issues associated with succession planning and management development, and report to the Board on them at least annually. This report should include issues associated with preparedness for the possibility of an emergency situation involving senior management, the long-term growth and

development of the senior management team, and identifying the successors to the Chief Executive Officer and other key management members.

**VI. REVIEW AND AMENDMENTS**

The Governance Committee will review these Guidelines at least annually to ensure that they remain suitable for the needs of the Company. The Governance Committee will recommend needed changes to the Board.