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): October 18, 2011

ELECTROMED, INC.

(Exact Name of Registrant as Specified in Its Charter)

Minnesota (State or Other Jurisdiction of Incorporation) 001-34839 (Commission File Number) 41-1732920 (I.R.S. Employer Identification Number)

500 Sixth Avenue NW New Prague, MN 56071

(Address of Principal Executive Offices)(Zip Code)

(952) 758-9299 (Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

□ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

□ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

□ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

□ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

On October 19, 2011, Electromed, Inc. (the "Company") announced the appointment of Jeremy Brock, 32, to the position of Chief Financial Officer. Since August 8, 2011, Mr. Brock has served as the Company's Financial Controller, in which he oversaw the operations of the Company's Accounting Department and performed the functions of principal accounting officer.

In the five years prior to joining the Company, Mr. Brock served as a certified public accountant with LarsonAllen LLP, where he focused on performing and managing audit and tax engagements in the manufacturing, distribution and technology sectors. Mr. Brock holds a bachelors degree in accounting and finance from the University of Northern Iowa.

Mr. Brock's employment with the Company as Chief Financial Officer is pursuant to an employment agreement dated effective October 18, 2011, by and between the Company and Mr. Brock (the "Employment Agreement"). The Employment Agreement provides for an initial annualized base salary of \$115,000, with a 10% increase in base salary to \$126,500 commencing on or about January 1, 2012 and continuing through the end of the Company's 2012 fiscal year. There is not currently, nor has there been in the past, any transaction with the Company in which Mr. Brock has or had a direct or an indirect material interest. In addition to the Employment Agreement, the Company and Mr. Brock entered into a Non-Competition, Non-Solicitation and Confidentiality Agreement dated effective October 18, 2011 (the "Non-Competition Agreement"), pursuant to which Mr. Brock agreed that during the term of his employment and for the 12 months following his termination with the Company, that he will not (i) compete with the Company or (ii) solicit any customers, employees, or business contacts of the Company.

The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Employment Agreement and the Non-Competition Agreement, a copy of which is attached hereto as Exhibit 10.1 and Exhibit 10.2, respectively, and are incorporated herein by reference. A copy of the press release announcing Mr. Brock's appointment is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

- (a) Financial statements: None.
- (b) Pro forma financial information: None.
- (c) Shell company transactions: None.
- (d) Exhibits:
 - 10.1 Employment Agreement dated effective October 18, 2011, by and between the Company and Jeremy Brock
 - 10.2 Non-Competition, Non-Solicitation and Confidentiality Agreement dated effective October 18, 2011, by and between the Company and Jeremy Brock
 - 99.1 Press Release dated October 19, 2011

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.

Electromed, Inc.

Date: October 19, 2011

 By
 /s/ Robert D. Hansen

 Name:
 Robert D. Hansen

 Title:
 Chairman and Chief Executive Officer

EXHIBIT INDEX

Electromed, Inc. Form 8-K Current Report

Exhibit	
Number	Description
10.1	Employment Agreement dated effective October 18, 2011, by and between the Company and Jeremy Brock
10.2	Non-Competition, Non-Solicitation and Confidentiality Agreement dated effective October 18, 2011, by and between the Company and Jeremy Brock
99.1	Press Release dated October 19, 2011

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is effective as of October 18, 2011 (the "Effective Date"), by and among Electromed, Inc., a Minnesota corporation (the "Corporation"), and Jeremy Brock ("Employee").

RECITALS

- A. Employee is currently employed by the Corporation in the capacity of Controller.
- B. The Corporation wishes to promote Employee to the position of Chief Financial Officer and Employee wishes to accept such employment pursuant to the terms and conditions set forth in this Agreement.
- C. The Corporation and Employee desire to enter into this Agreement, and it is the intention of the Corporation and Employee that this Agreement entirely supersedes any prior agreements with respect hereto.

AGREEMENT

In consideration of the above recitals and the mutual promises set forth in this Agreement, the parties agree as follows:

1. <u>Nature and Capacity of Employment</u>. Effective October 18, 2011, the Corporation hereby agrees to employ the Employee as its Chief Financial Officer, subject to the direction of the Board of Directors of the Corporation and pursuant to the terms and conditions set forth in this Agreement. The Employee hereby accepts employment under the terms and conditions set forth in this Agreement. The Employee agrees to perform or be available to perform the functions of this position, pursuant to the terms of this Agreement.

2. <u>Term of Employment</u>. The term of the Employee's employment hereunder shall commence on the Effective Date of this Agreement and shall continue thereafter through the last day of calendar year 2012 ("<u>Initial Term</u>"), unless terminated earlier in accordance with Paragraph 4 of this Agreement. The term of this Agreement and the Employee's employment hereunder shall automatically renew for successive one calendar year periods beyond the expiration of the Initial Term, unless at least sixty (60) days prior to the expiration of the Initial Term or any Renewal Term either party hereto gives written notice to the other party that it does not intend to renew this Agreement for the coming calendar year. During the Initial Term or any Renewal Term, this Agreement may be terminated pursuant to the terms of Paragraph 4 of this Agreement.

3. Compensation and Benefits.

3.1. <u>Base Salary</u>. As of the Effective Date, the Corporation agrees to pay the Employee an annualized base salary of \$115,000.00, which amount shall be earned by the

Employee on a pro rata basis as the Employee performs services and which shall be paid according to the Corporation's normal payroll practices. If Employee remains employed as of January 1, 2012, the Base Salary shall be increased to \$126,500.00. On or about July 1, 2012, and periodically thereafter during the term of this Agreement or any Renewal Term, the Board of Directors acting reasonably shall review and determine the amount of Base Salary payable pursuant to this Paragraph 3.1.

3.2. <u>Employee Benefits</u>. During the Employee's employment with the Corporation, the Employee shall be entitled to participate in the retirement plans, health plans, and all other employee benefits made available by the Corporation, and as they may be changed from time to time. The Employee acknowledges and agrees that he will be subject to all eligibility requirements and all other provisions of these benefits plans, and that the Corporation is under no obligation to the Employee to establish and maintain any employee benefit plan in which the Employee may participate. The terms and provisions of any employee benefit plan of the Corporation are matters within the exclusive province of the Corporation's Board of Directors, subject to applicable law.

3.3. <u>Paid Time Off</u>. The Corporation agrees that the Employee shall be entitled to Paid Time Off ("PTO") of up to ten (10) days per calendar year, prorated for any partial calendar year of employment, without reduction of the minimum annual base salary payable to the Employee pursuant to Paragraph 3.1 of this Agreement. PTO which is unused at the end of any calendar year will carry over to the next calendar year, subject to the Corporation's limitations on carry-over and accrual maximums. At end of Employee's employment for any reason, the Corporation will pay Employee for his ending balance of unused PTO.

3.4. <u>Other Benefits</u>: During the Term or Renewal Term, the Corporation shall directly pay the cost of a cell phone or wireless handheld device for the Employee's use. Additionally, during the Term or any Renewal Term, the Corporation shall provide automobile lease payments up to an amount of \$400 per month. The Corporation shall also provide a corporate credit card for approved business expenses and shall otherwise reimburse the Employee for, or pay directly, all reasonable business expenses incurred by the Employee in the performance of his duties under this Agreement, provided that the Employee incurs and accounts for such expenses in accordance with all Corporation policies and directives in effect from time to time.

4. <u>Termination of Employment Prior to the End of the Initial Term or Renewal Term</u>. The Employee's employment may be terminated prior to the expiration of the Term or a Renewal Term as follows:

4.1. For Cause Termination, Without Severance. Notwithstanding anything contained herein to the contrary, the Corporation may discharge the Employee for Cause and terminate this Agreement immediately upon written notice to the Employee. For the purposes of this Agreement, "Cause" shall mean the occurrence of any of the following:

(i) Employee's material failure to perform his job duties competently as reasonably determined by the Corporation's Board of Directors;

(ii) gross misconduct by the Employee which the Corporation's Board of Directors determines is (or will be if continued) demonstrably and materially damaging to the Corporation; or

(iii) fraud, misappropriation, or embezzlement by the Employee; or

(iv) conviction of a felony crime or a crime of moral turpitude; or

(v) conduct in the course of employment that the Corporation's Board of Directors determines is unethical; or

(vii) the material breach of this Agreement by the Employee.

If the Corporation terminates the Employee's employment for Cause pursuant to this Paragraph 4.1, the Employee shall not be entitled to severance pay.

4.2. Without Cause, With Severance. The Corporation may terminate the Employee's employment immediately at any time and for any reason without Cause upon providing notice to the Employee. However, in such event, provided that the Employee meets all of the conditions set forth in this paragraph for receiving severance pay, the Corporation shall pay the Employee severance pay in a lump sum in an amount equal to his ending base salary from the date of termination through the expiration of the then-current Term ("Severance Amount"), payable within sixty (60) days after termination. The Employee shall only be entitled to receive the severance pay described herein if the Employee (a) complies with his separate Non-Competition, Non-Solicitation, and Confidentiality Agreement with an effective date of October 18, 2011 and (b) signs, does not rescind, and complies with a Confidential Separation Agreement at the time of termination in a form prepared by the Corporation that includes in part: (i) agreement to a general release of any and all legal claims; (ii) return of all of the Corporation's property in the Employee's possession; and (iii) agreement not to disparage the Corporation and its representatives.

4.3. <u>Resignation by the Employee Due to Change of Control, With Severance</u>. For purposes of this Agreement, "Change of Control" means:

i. A "change in ownership," as described in Section 1.409A-3(i)(5)(v) of the Treasury Regulations.

ii. A "change in effective control," as described in Section 1.409A-3(i)(5)(vi) of the Treasury Regulations.

iii. A "change in ownership of a substantial portion of the assets," as described in Section 1.409A-3(i)(5)(vii) of the Treasury Regulations.

Employee shall have the right to terminate the Employee's employment for any reason within six (6) months following a Change of Control in the Corporation upon providing thirty (30) days advance written notice to the Corporation. The Corporation may then elect either (a) to have the Employee continue performing work for the Corporation throughout the 30 day notice period; or (b) to accept the Employee's resignation effective immediately.

In the event of the Employee's termination of employment with the Corporation following a Change of Control under this Paragraph 4.3, provided that the Employee meets all of the conditions set forth in this paragraph for receiving severance pay, the Corporation shall pay the Employee the Severance Amount in a lump sum within sixty (60) days after termination. The Employee shall only be entitled to receive the severance pay described herein if the Employee (a) complies with his separate Non-Competition, Non-Solicitation, and Confidentiality Agreement with an effective date of October 18, 2011 and (b) signs, does not rescind, and complies with a Confidential Separation Agreement at the time of termination in a form prepared by the Corporation that includes in part: (i) agreement to a general release of any and all legal claims; (ii) return of all of the Corporation's property in the Employee's possession; and (iii) agreement not to disparage the Corporation and its representatives.

4.4. <u>Other Resignation by the Employee, Without Severance</u>. The Employee may resign the Employee's position upon providing sixty (60) days advance, written notice to the Corporation. The Corporation may then elect either (a) to have the Employee continue performing work for the Corporation throughout the 60 day notice period; or (b) to accept the Employee's resignation effective immediately. In the event of the Employee's termination of employment with the Corporation under this Paragraph 4.4, the Employee shall not be paid any severance pay.

4.5. Because of Death, Disability or Incapacity of the Employee, Without Severance. In the event of the Employee's death, this Agreement shall terminate immediately. If the Employee is unable to perform the Employee's essential job functions, with or without reasonable accommodation, for more than ninety (90) days, or such longer period as required by law, in any consecutive twelve (12) month period by reason of physical or mental disability or incapacity, the Corporation may terminate the Employee's employment upon thirty (30) days advance written notice to the Employee. This Paragraph does not relieve the Corporation of any duty to reasonably accommodate a qualifying disability under the Americans with Disabilities Act, the Minnesota Human Rights Act, any legal duty under the Family Medical Leave Act, or any of its other duties pursuant to applicable law. If the Employee's employment is terminated pursuant to this Paragraph, the Employee shall not be entitled to severance pay.

4.6 <u>Non-Renewal By Either Party Upon Expiration of the Initial or Renewal Term</u>. For the avoidance of doubt, the parties agree that either party may elect, with or without cause, not to renew this Agreement at the end of the then-current Term and that Employee shall not be entitled to severance pay in the event of non-renewal by either party.

5. Miscellaneous.

5.1. Integration. This Agreement embodies the entire agreement and understanding among the parties relative to subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter, including but not limited to any earlier employment agreements of or offer letters to the Employee.

5.2. <u>Applicable Law</u>. This Agreement and the rights of the parties shall be governed by and construed and enforced in accordance with the laws of the state of Minnesota.

5.3. Payments. All amounts paid under this Agreement shall be subject to normal withholdings or such other treatment as required by law.

5.4 <u>Employee's Representations</u>. The Employee represents that he is not subject to any agreement or obligation that would prevent or limit him from entering into this Agreement or that would be breached upon performance of his duties under this Agreement, including but not limited to any duties owed to any former employers not to compete. If the Employee possesses any information that he knows or should know is considered by any third party, such as a former employer of the Employee's, to be confidential, trade secret, or otherwise proprietary, the Employee shall not disclose such information to the Corporation or use such information to benefit the Corporation in any way.

5.5. Counterparts. This Agreement may be executed in several counterparts and as so executed shall constitute one agreement binding on the parties hereto.

5.6. <u>Binding Effect</u>. Except as herein or otherwise provided to the contrary, this Agreement shall be binding upon and inure to the benefit of the Corporation and its successors, assigns and personal representatives without any requirement of the consent of the Employee for assignment of its rights or obligations hereunder.

5.7. Modification. This Agreement shall not be modified or amended except by a written instrument signed by the parties.

5.8. Severability. The invalidity or partial invalidity of any portion of this Agreement shall not invalidate the remainder thereof, and said remainder shall remain in fully force and effect.

5.9. Opportunity to Obtain Advice of Counsel. The Employee acknowledges that the Employee has been advised by the Corporation to obtain legal advice prior to executing this Agreement, and that the Employee had sufficient opportunity to do so prior to signing this Agreement.

*****remainder of page intentionally left blank—signature page to follow*****

THIS AGREEMENT was voluntarily and knowingly executed by the parties effective as of the date and year first set forth above.

ELECTROMED, INC.

Date: October 19, 2011

Date: October 19, 2011

/s/ Robert D. Hansen By: Robert D. Hansen

Its: Chairman/CEO

EMPLOYEE:

/s/ Jeremy Brock

Jeremy Brock

NON-COMPETITION, NON-SOLICITATION, AND CONFIDENTIALITY AGREEMENT

This NON-COMPETITION, NON-SOLICITATION, AND CONFIDENTIALITY AGREEMENT (the "<u>Agreement</u>") is effective as of the 18th day of October, 2011, by and between Electromed, Inc. (the "<u>Corporation</u>") and Jeremy Brock (the "<u>Employee</u>").

RECITALS

A. Effective October 18, 2011, the Employee will be promoted to the position of Chief Financial Officer of the Corporation;

B. In this position, Employee will be employed by the Corporation in a capacity in which the Employee may create or have access to proprietary confidential and/or trade secret information of the Corporation; and

B. The Corporation has expended substantial time and resources to develop proprietary confidential and/or trade secret information and to develop valuable relationships and goodwill within its industry; and

C. The Employee recognizes that the Corporation operates in a highly competitive environment and the importance to the Corporation of ensuring the Employee's loyalty and protecting the Corporation's actual and prospective customers, business relations, employees, and confidential information; and

D. The Employee has entered into this Agreement in consideration of the Corporation and Employee entering into the Employment Agreement of even date which provides, among other things, for employment as Chief Financial Officer, increased base salary and benefits, severance pay under those circumstances set forth in the Employment Agreement, and in consideration of being given access to Corporation's proprietary confidential and/or trade secret information, the receipt and sufficiency of which consideration is hereby acknowledged by the Employee.

AGREEMENT

In consideration of the above recitals and the promises set forth in this Agreement, the parties agree as follows:

1. Protection of Confidential Information.

1.1 Definition of Confidential Information. As used in this Agreement, the term "Confidential Information" shall mean any information which the Employee learns or develops during the Employee's employment with the Corporation that derives independent economic value from being not generally known or readily ascertainable by other persons who could obtain economic value from its disclosure or use, and includes, but is not limited to, trade secrets, financial information, personnel information, and information relating to such matters as existing or contemplated products, services, profit margins, fee schedules, pricing, design, processes, formulae, business plans, sales techniques, marketing techniques, training manuals

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and materials, policies or practices related to the Corporation's business, personnel or other matters, computer databases, computer programs, software and other technology, customer lists and requirements, vendor lists, or supply information. Confidential Information includes such information of the Corporation, its customers, vendors, and other third parties or entities with whom the Corporation does business. Any information disclosed to the Employee or to which the Employee has access during the time of the Employee's employment that the Employee reasonably considers to be Confidential Information, or which the Corporation treats as Confidential Information, will be presumed Confidential Information.

1.2 <u>Restrictions on Use or Disclosure of Confidential Information</u>. The Employee shall keep the Confidential Information in absolute confidence both during the Employee's employment with the Corporation and after the termination of the Employee's employment, regardless of the reason for such termination. The Employee agrees that the Employee will not, at any time, disclose to others, use for the benefit of any entity or person other than the Corporation, or otherwise take or copy any such Confidential Information, whether or not developed by the Employee, except as required in the Employee's duties to the Corporation.

1.3 <u>Return of Confidential Information and the Corporation's Property</u>. When the Employee's employment terminates with the Corporation, regardless of the reason for such termination, the Employee will promptly turn over to the Corporation in good condition all Corporation property in the Employee's possession or control, including but not limited to all originals, copies of, or electronically stored documents or other materials containing Confidential Information, regardless of who prepared them. In the case of electronically stored information retained by the Employee outside of the Corporation's electronic systems, the Employee will promptly make a hard copy of such information in paper, audio recording, disc format, or other format as appropriate, turn that hard copy over to the Corporation, and then destroy the Employee's electronically stored information.

2. Noncompetition/Non-Solicitation.

2.1. <u>Acknowledgement by the Employee</u>. The Employee acknowledges that (a) the Employee's services to be performed for the Corporation are of a special and unique nature; (b) the Corporation operates in a highly competitive environment and would be substantially harmed if the Employee were to compete with the Corporation or divulge its confidential information; (c) the Employee has received valuable and sufficient consideration for entering into this Agreement, including but not limited to employment with the Corporation in the promoted position of Chief Financial Offer, and the receipt of Confidential Information; and (d) the provisions of this Section 2, including all of its subparts, are reasonable and necessary to protect the Corporation's business.

2.2. <u>"Corporate Product" Defined</u>. For purposes of this Agreement, "Corporate Product" means any product or service (including any component thereof and any research to develop information useful in connection with a product or service) that has been or is being designed, developed, manufactured, marketed, or sold by the Corporation or with respect to which the Employee has acquired Confidential Information.

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The Employee understands and acknowledges that, at the present time, Corporate Products includes the SmartVest® Airway Clearance System and related products. The Employee understands and acknowledges that the foregoing description of Corporate Products may change, and the provisions of this Section 2 and all of its subparts shall apply to the Corporate Products of the Corporation in effect upon the termination of the Employee's employment with the Corporation.

2.3 <u>"Competitive Product" Defined</u>. For purposes hereof, "Competitive Product" means any product or service (including any components thereof and any research to develop information useful in connection with the product or service) that is being designed, developed, manufactured, marketed, or sold by any person or entity other than the Corporation that is of the same general type, performs similar functions, or is used for the same purpose as a Corporate Product or about which the Employee has acquired Confidential Information.

2.4 <u>Noncompete Obligations</u>. The Employee agrees that, during the Employee's employment with the Corporation and for a period of twelve (12) months following the Employee's termination of employment with the Corporation, regardless of the reason for termination, the Employee will not, directly or indirectly, render services to any person or entity that designs, develops, manufactures, markets, or sells a Competitive Product in any geographic area where the Corporation designs, develops, manufactures, markets, or sells a Corporate Product. It is expressly understood, however, that the Employee is free to work for a competitor of the Corporation provided that such employment does not include any responsibilities for or in connection with a Competitive Product.

The Employee understands and acknowledges that, at the present time, the geographic market of the Corporation includes North America. The Employee understands and acknowledges that the foregoing description of the Corporation's geographic market may change, and the provisions of this Section 2 and all of its subparts shall apply to the geographic market of the Corporation in effect upon the termination of the Employee's employment with the Corporation.

2.5 <u>No Solicitation of Customers</u>. During the Employee's employment with the Corporation and for a period of twelve (12) months after the Employee's termination of employment with the Corporation, regardless of the reason for such termination, the Employee agrees that the Employee shall not, directly or indirectly, solicit business from, work for, or otherwise interfere with or attempt to interfere with the Corporation's relationship with any customer or prospective customer of the Corporation. For purposes of this Section, "customer" shall mean any purchaser of the Corporation about its products or services within the prior twelve (12) month period and "prospective costumer" shall mean any person or entity who has consulted with the Corporation about its products or services within the prior six (six) month period.

2.6 <u>No Solicitation of Employees or Business Contacts</u>. During the Employee's employment with the Corporation and for a period of twelve (12) months after the Employee's termination of employment with the Corporation, regardless of the reason for such termination, the Employee agrees that the Employee shall not, directly or indirectly, take any action to encourage, solicit or recruit any then-current current employee, consultant, independent contractor, subcontractor, supplier, vendor, or other business relation of the Corporation to terminate or curtail their relationship with the Corporation.

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2.7 <u>Disclosure of Obligations</u>. The Employee agrees that, during the Employee's employment with the Corporation and for a period of twelve (12) months after the Employee's termination of employment with the Corporation, regardless of the reason for such termination, the Employee shall, prior to accepting employment or any other business relationship with any other person or entity, inform that person or entity of the Employee's obligations under this Section 2, including all of its subparts.

3. <u>Compliance and Remedies</u>. The Employee recognizes that if the Employee violates this Agreement, including but not limited to Paragraphs 1 and 2 of this Agreement, irreparable damage will result to the Corporation that could not adequately be remedied by monetary damages. As a result, the Employee hereby agrees that notwithstanding any other dispute resolution provisions of this Agreement, in the event of any breach by the Employee of this Agreement, including but not limited to Paragraphs 1 and 2 of this Agreement, the Corporation shall be entitled, in addition to any other legal or equitable remedies available to it, to an injunction to restrain the Employee's violation of any portion of this Agreement.

4. Miscellaneous.

4.1 Integration. This Agreement embodies the entire agreement and understanding among the parties relative to subject matter hereof and supersedes all prior agreements, understandings, or past practices, whether written or oral, relating to such subject matter.

4.2 <u>Survival of Sections 1 and 2</u>. Employee's obligations set forth in Sections 1 and 2 of this Agreement, including all of these sections' subparts, shall survive the termination of this Agreement and Employee's termination of employment with the Corporation, regardless of the reason for such terminations.

4.3 <u>Applicable Law; Venue</u>. This Agreement and the rights of the parties shall be governed by and construed and enforced in accordance with the laws of the state of Minnesota, without regard to any state's choice of law principles or rules. The venue for any action hereunder shall be in the state of Minnesota, whether or not such venue is or subsequently becomes inconvenient, and the parties consent to the jurisdiction of the courts of the state of Minnesota, county of Hennepin, and the federal district courts of Minnesota.

4.4 Counterparts. This Agreement may be executed in several counterparts and as so executed shall constitute one agreement binding on the parties

hereto.

4.5 <u>Modification by the Parties</u>. This Agreement shall not be modified or amended except by a written instrument signed by the parties. In addition, no waiver of any provision of this Agreement shall be binding unless set forth in a writing signed by the party effecting the waiver. Any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term of this Agreement or of the same circumstance or event upon any recurrence thereof.

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4.6 Severability: Blue Pencil. The invalidity or partial invalidity of any portion of this Agreement shall not invalidate the remainder thereof, and said remainder shall remain in full force and effect. Moreover, if one or more of the provisions contained in this Agreement shall, for any reason, be held to be excessively broad as to scope, activity, subject or otherwise, so as to be unenforceable at law, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with then applicable law.

4.7 Headings. The section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

*****remainder of page intentionally left blank—signature page to follow*****

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

Date: October 19, 2011

Date: October 19, 2011

ELECTROMED, INC.

/s/ Robert D. Hansen By: Robert D. Hansen Its: Chairman/CEO

EMPLOYEE:

/s/ Jeremy Brock Jeremy Brock

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Creating superior care through innovation*

FOR IMMEDIATE RELEASE

Contact: Robert D. Hansen Chairman and Chief Executive Officer Electromed, Inc. 952-758-9299 bhansen@electromed.com

Pankti Shah Director of Strategic Marketing The Event Group, Incorporated 763-548-1304 pankti.shah@eventshows.com

ELECTROMED, INC. NAMES JEREMY T. BROCK, CPA AS CFO

New Prague, Minnesota- October 19, 2011- Electromed, Inc. (NYSE Amex: ELMD), maker of the SmartVest® Airway Clearance System, today announced that the Company's Board of Directors, upon the recommendation of the CEO, Mr. Robert D. Hansen, appointed Mr. Jeremy Brock to the position of Chief Financial Officer. In this role, Mr. Brock will oversee the Company's financial reporting and provide financial strategy, planning, and forecasts in consultation with the Company's officers and managers.

"Jeremy Brock has proven that he understands the complexities of modern accountancy," said Robert D. Hansen, CEO of Electromed, Inc. "He is also a very energetic person who shares management's commitment to maintain an innovative edge and an exceptional growth rate in providing airway clearance products of superior quality to people who are at risk of developing life threatening lung infections."

Prior to his appointment as the Company's Financial Controller in August 2011, Mr. Brock spent five years with the CPA firm LarsonAllen LLP. While with LarsonAllen, he focused on performing and managing audit and tax engagements in the manufacturing, distribution and technology sectors. His prior audit experience at LarsonAllen included certain assignments that enabled him to develop a detailed understanding of the financial operations of the Company. As a Certified Public Accountant, Mr. Brock has also worked on strategic business planning, risk assessments, and the design and implementation of internal controls. Mr. Brock brings additional management and leadership experience, from his time serving in the United States Marine Corps from 1998 to 2002. Mr. Brock has a bachelors degree in Accounting and Finance from the University of Northern Iowa.

"I am very excited to continue working with Bob Hansen, the Board of Directors, and the rest of the Electromed team in this new role," commented Mr. Jeremy Brock. "I remain committed to the Company's continued growth and its mission to provide superior products and superior customer service to people with impaired lung conditions."

About Electromed, Inc.

Electromed, Inc., founded in 1992 and headquartered in New Prague, Minnesota, manufactures, markets, and sells products that provide airway clearance therapy, including the SmartVest[®] Airway Clearance System and related products, to patients with compromised pulmonary function. Further information about the Company can be found at www.Electromed.com.