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): **June 22, 2021 (June 22, 2021)**

Nuwellis, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-35312**	**No. 68-0533453**
(State or Other Jurisdiction of Incorporation or Organization)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

12988 Valley View Road, Eden Prairie, MN 55344
(Address of Principal Executive Offices) (Zip Code)

(952) 345-4200
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	NUWE	Nasdaq Capital Market

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (Sec.230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (Sec.240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Appointment of George Montague as Chief Financial Officer and Treasurer

Effective June 28, 2021, George Montague was appointed as Chief Financial Officer and Treasurer of Nuwellis, Inc. (the ***"Company"***). Mr. Montague, age 56, previously served as the Chief Financial Officer and Chief Operating Officer of Smiths Medical, a $1.1 billion device manufacturer where he restored sales growth and improved profitability. He also worked as the Group Financial Controller to the $4.2 billion parent company in London, UK. Earlier in his career, Mr. Montague led finance and strategy for two of Medtronic plc's four operating groups. He served as the Vice President, Finance and Strategy for Medtronic's $6.5 billion operating group – Restorative Therapies Group. He also guided finance, strategy and business development for Medtronic's Diabetes franchise. With extensive expertise in acquisitions, Mr. Montague also worked on the largest-ever medical technology acquisition in China. Mr. Montague received his Bachelor of Science in Business Administration from the University of California, Berkeley and his Master of Business Administration from the Wharton School of the University of Pennsylvania.

Other than his employment arrangement, there are no arrangements or understandings between Mr. Montague and any other person with respect to the appointment described above, and Mr. Montague has no family relationship with any director or executive officer of the Company. Mr. Montague is not a party to any transaction that would require disclosure under Item 404(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended.

On June 12, 2021, the Company entered into an Offer Letter with Mr. Montague (the ***"Offer Letter"***). The following description of the Offer Letter is not complete and is qualified in its entirety by reference to the Offer Letter filed as Exhibit 10.1 hereto and incorporated herein by reference. The Offer Letter provides that Mr. Montague's employment with the Company is effective June 28, 2021, or another mutually agreed upon date, and that Mr. Montague's employment with the Company is "at will," meaning either Mr. Montague or the Company are entitled to terminate Mr. Montague's employment at any time for any reason, with or without cause. However, the Offer Letter provides that, if the Company terminates Mr. Montague's employment without Cause (as defined in the Offer Letter), then, subject to certain conditions, the Company will: (i) pay Mr. Montague an amount equal to his then current base salary during the one-year period following the end of his employment (the ***"Severance Period"***), payable semi-monthly or otherwise pursuant to the Company's regular payroll policies (the ***"Severance Payments"***); and (ii) during the Severance Period, if Mr. Montague elects and remains eligible for continuation coverage under COBRA, reimburse the monthly COBRA premium paid by Mr. Montague (the ***"Health Benefits"***), subject to satisfactory evidence of payment, continued copayment of premiums at the same level as if Mr. Montague were an employee, and such payment being in compliance with applicable law.

The Offer Letter entitles Mr. Montague to, among other benefits, the following compensation:

- An annual base salary of $325,000;
- A bonus of up to 45% of Mr. Montague's base salary, applied on a pro-rata basis in 2021, provided that Mr. Montague must be employed in good standing with the Company as of the bonus payment date;
- Participation in the Company's employee stock option program, benefit programs and arrangements that the Company makes available to its employees, including contributory and non-contributory welfare and benefit plans;
- An annual accrual of 152 hours of personal time off; and
- Participation in the Company's 401(k) plan.

Pursuant to the Offer Letter, Mr. Montague will be granted an option to purchase 62,535 shares of the Company's common stock under the Nuwellis, Inc. 2021 Inducement Plan, at a per share exercise price equal to the closing price of the Company's common stock on the Nasdaq Capital Market on the grant date, subject to approval by the Company's Board of Directors. The option awards will be evidenced by a stock option grant notice and option agreement substantially in the Company's form of Stock Option Grant Notice, Option Agreement and Notice of Exercise under the Nuwellis, Inc. 2021 Inducement Plan, which is attached to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 20, 2021 as Exhibit 10.2. The options will have a 10-year term, and the shares subject to the options shall vest and become exercisable as follows, subject to Mr. Montague's continuous service with the Company through such vesting dates:

- 25% of the shares subject to each option shall vest and become exercisable on the one-year anniversary of the grant date; and
- The remainder of the shares subject to each option shall vest and become exercisable in 36 equal consecutive monthly increments from the first anniversary of the grant date.

Also, in connection with Mr. Montague's appointment as Chief Financial Officer and Treasurer of the Company, Mr. Montague and the Company entered into a Change in Control Agreement (the ***"Change in Control Agreement"***). The following description of the Change in Control Agreement is not complete and is qualified in its entirety by reference to the form of Change in Control Agreement, which is attached to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 25, 2021 ("Form 10-K") as Exhibit 10.25. The Change in Control Agreement provides that, if a Change in Control (as defined in the Change in Control Agreement) occurs while Mr. Montague is actively employed by the Company, all of the unvested shares underlying any stock option or other equity based awards held by Mr. Montague on the effective date of such Change in Control shall vest and become exercisable immediately prior to the effectiveness of such Change in Control.

The Change in Control Agreement provides further that, subject to certain conditions, if (i) Mr. Montague's employment with the Company terminates during the period commencing on the effective date of a Change in Control and ending on the date one year thereafter at the initiative of the Company without Cause or due to a voluntary Resignation for Good Reason (each as defined in the Change in Control Agreement) or (ii) if Mr. Montague's employment terminates due to a voluntary Resignation for Good Reason and a Change in Control occurs within 90 days thereafter, then the Company shall provide to Mr. Montague the Severance Payments and the Health Benefits.

Pursuant to the Employee Proprietary Information, Inventions Assignment and Non-Competition Agreement between the Company and Mr. Montague dated as of June 12, 2021, attached as Exhibit A to the Offer Letter, Mr. Montague is subject to certain non-solicitation and non-competition requirements. Additionally, in accordance with the Company's customary practice, the Company is entering into its standard form of indemnification agreement with Mr. Montague, which will require the Company to indemnify him against certain liabilities that may arise as result of his status or service as an officer. The description of Mr. Montague's indemnification agreement is qualified in its entirety by the full text of the form of indemnification agreement, which is attached to the Company's Form 10-K as Exhibit 10.24.

Item 7.01 Regulation FD Disclosure.

On June 22, 2021, the Company issued a press release announcing the appointment of Mr. Montague as the Company's Chief Financial Officer and Treasurer. A copy of the press release is furnished herewith as Exhibit 99.1 hereto.

The information in this Item 7.01, including Exhibit 99.1 attached hereto, is being furnished, shall not be deemed "filed" for any purpose, and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Offer Letter by and between Nuwellis, Inc. and George Montague, effective as of June 28, 2021.
99.1	Nuwellis, Inc. Press Release, dated June 22, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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.

Date: June 22, 2021	**NUWELLIS, INC.**	
	By:	/S/ Nestor Jaramillo, Jr.
	Name:	Nestor Jaramillo, Jr.
	Title:	President and Chief Executive Officer

June 11, 2021

George Montague
gjmontague@gmail.com

Re: Employment Terms

Dear George:

We are pleased to offer you employment with Nuwellis, Inc., a Delaware corporation (the "***Company***"). The terms of your offer are as follows:

Your initial position with us will be as Chief Financial Officer (CFO), reporting to the President and CEO. This is a position exempt from overtime requirements on the basis of Minnesota Statute, Chapter 177. Your annualized salary will be three hundred twenty-five thousand dollars ($325,000.00), paid in semi-monthly installments of $13,541.67. The regularly scheduled paydays are the 15th and last day of each month in accordance with our normal payroll procedures. The number of days in the pay period varies from 13 to 16 depending on the month. In addition to the above base salary, you will be eligible to earn a bonus of up to 45% of your base salary, applied on a pro-rata basis in 2021. One condition of receiving a bonus is that you must be employed in good standing with the Company as of the bonus payment date.

Also, the Company is pleased to offer you stock options as detailed in ATTACHMENT 1, "***Stock Option Grant***". It is the Company's philosophy and practice to regularly assess whether management of the company is adequately incentivized on at least an annual basis. It is our intention during the course of your employment to regularly review on not less than annual basis your equity position with the company and to make awards based on the Company's existing capitalization at that time. As part of such assessment, the company intends to make any necessary awards to ensure such incentive as it relates to your equity position as determined and approved by the CEO and Board of Directors.

During your employment, you will be eligible to participate in the employee stock options program, benefit programs and arrangements that we make available to our employees, including contributory and non-contributory welfare and benefit plans. You will be eligible for an annual accrual of 152 hours of Personal Time Off which will be earned/accrued on a semi-monthly basis. You may also participate in the Company's 401(k) Plan.

Your job duties, title, responsibility and reporting level, compensation and benefits, as well as personnel policies and procedures, are subject to change.

Your employment is effective June 28, 2021 or other mutually agreed upon date. Based on this start date, the first payment of wages earned will be on July 15, 2021. By signing this letter agreement, you acknowledge and agree that your employment with the Company is "at will," meaning that either you or the Company are entitled to terminate your employment at any time for any reason, with or without cause. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express writing signed by you and a duly authorized officer of the Company.

Though your employment is at-will, you are eligible for a severance benefit, as follows:

(a) If the Company terminates your employment without Cause (as defined below), then the Company will: (i) pay you an amount equal to your then current base salary during the one-year period following the end of your employment (the "***Severance Period***"), payable semi-monthly or otherwise pursuant to the Company's regular payroll policies (the "***Severance Payments***"); and (ii) during the Severance Period, if you elect and remain eligible for continuation coverage under COBRA, reimburse the monthly COBRA premium paid by you, subject to satisfactory evidence of payment, continued copayment of premiums at the same level as if you were an employee, and such payment being in compliance with applicable law. The Severance Payments will be reduced by the amount of any compensation you receive, directly or indirectly, with respect to any other employment or engagement during the Severance Period. Upon request, you must furnish the Company with a true and complete certificate specifying any compensation earned during the Severance Period.

(b) To be eligible for any post-termination payments set forth above, you must: (i) within thirty (30) days following termination, sign, continue to honor, and not revoke a comprehensive release in a form prepared by the Company; and (ii) remain in compliance with your post-employment obligations under the Employee Proprietary Information, Inventions Assignment and Non-Competition Agreement attached hereto as EXHIBIT A and any similar agreements. The Severance Payments and COBRA reimbursements will start being paid on the first payroll date occurring more than forty-five (45) days following your last date of employment, with the first payment being retroactive to your last date of employment.

(c) "***Cause***" shall mean the Company's good faith determination that one or more of the following has occurred with respect to you: (i) the commission or conviction of (including upon a plea) a felony, a crime involving moral turpitude, or any other crime the conviction of which will likely result in incarceration (ii) the commission of any act or omission involving dishonesty, disloyalty or fraud with respect to the Company or any of its affiliates or subsidiaries or any of their customers or suppliers, (iii) reporting to work under the influence of alcohol, the use of illegal drugs, the abuse of prescription drugs, or other conduct having the potential to cause the Company or any of its subsidiaries or affiliates public disgrace, disrepute or economic harm, (iv) insubordination and/or the failure to timely perform duties reasonably directed by the Company, (v) breach of fiduciary duty, gross negligence or willful misconduct with respect to the Company, any of its subsidiaries or any of your services; or (vi) any material breach of this Agreement, any other agreement with the Company or any subsidiary or affiliate thereof, or any internal policies or procedures of the Company in effect from time to time.

This offer of employment is contingent upon the satisfactory completion of a drug screen, background check/consumer report, which may include verification of job required licensure, and the truthfulness of the information presented in your job application, résumé, and interview, as well as you providing us with proof of your eligibility to work in the United States within three (3) days of your start date. Also, you are required as a condition to your employment with the Company to; 1) sign the Company's standard Employee Proprietary Information, Inventions Assignment and Non-Competition Agreement attached hereto as EXHIBIT A, and 2) read the attached Nuwellis Code of Business Conduct and Ethics.

This letter agreement and its attachments contain all of the terms of your employment with the Company and supersede any prior understandings or agreements, whether oral or written, between you and the Company.

Nuwellis complies with all mandated payroll deductions such as federal and state income taxes, social security taxes and any other deductions required by law. In addition, we comply with any deductions required by court order such as wage garnishments or child support orders. Employee benefit deductions may also be made for group health, dental, vision, retirement savings, HSA/FSA accounts and other benefits elected by the employee.

This letter agreement may not be amended or modified except by an express written agreement signed by you and a duly authorized officer of the Company. The terms of this Agreement shall be governed by and construed in accordance with the internal laws of the State of Minnesota, without regard to its principles of conflicts of laws. By signing this Agreement, you irrevocably submit to the exclusive jurisdiction of the courts of the State of Minnesota for the purpose of any suit, action, proceeding or judgment relating to or arising out of this Agreement and the transactions contemplated hereby. By signing this Agreement, you also waive any right to request a trial by jury in any litigation with respect to this letter agreement and represent that counsel has been consulted specifically as to this waiver. Please notify Human Resources if you require this document in another language.

We hope that you find the foregoing terms acceptable. **You may indicate your agreement with these terms and accept this offer by signing and dating this letter agreement and the enclosed Employee Proprietary Information, Inventions Assignment and Non-Competition Agreement and returning them to me by June 14, 2021.**

Sincerely,

/s/ Sandra Eayrs
Sandra Eayrs

Sr. Vice President, Human Resources

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I have read and accept the employment offer as set forth in this Agreement. By signing this Agreement, I represent and warrant to the Company that I am under no contractual commitments inconsistent with my obligations to the Company. I hereby acknowledge that I have received and read the Company's Code of Business Conduct and Ethics, and that I understand the Code and its application to my performance of services to the Company.

/s/ George Montague
George Montague

6/12/21
Date

ATTACHMENT 1

Stock Option Grant

Stock Options for 62,535 shares under the New Hire Plan will be granted subject to approval by the Board of Directors.

One-fourth of the shares vest on the one-year anniversary of the Vesting Commencement Date; the balance of the shares vest in a series of thirty-six (36) successive equal monthly installments measured from the first anniversary of the Vesting Commencement Date.

12988 Valley View Road • Eden Prairie, Minnesota 55344 USA • Corporate (952) 345-4200 • Fax (952) 224 0181
www.nuwellis.com

Exhibit 99.1

Nuwellis Announces New Appointments to Leadership Team

George Montague to serve as Chief Financial Officer and Neil P. Ayotte, to serve as General Counsel and Chief Compliance Officer.

EDEN PRAIRIE, Minn., June 22, 2021 (GLOBE NEWSWIRE) **–** Continuing its dynamic growth in support of its commitment to expanding access to life-saving ultrafiltration therapies for adult and pediatric patients suffering from fluid overload, Nuwellis, Inc. (Nasdaq: NUWE), formerly CHF Solutions, Inc., today announced the appointment of George Montague as Chief Financial Officer, effective June 28, 2021. Neil P. Ayotte, Esq. also joined the Company as Senior Vice President, General Counsel, Secretary and Chief Compliance Officer on June 7, 2021.

“Nuwellis is entering an energizing new phase with significant opportunities in heart failure, pediatrics and critical care. The deep knowledge and experience in healthcare that George and Neil bring will be instrumental as we advance our mission of bringing our Aquadex SmartFlow(R) technology to more patients,” said Nestor Jaramillo, Jr., president and CEO of Nuwellis. “Their respective experiences with medical device companies, combined with their commitment to patients, make them each uniquely qualified for the next phase of our journey. I’m excited to welcome them to the team.”

Mr. Montague brings more than two decades of healthcare finance and leadership experience. Most recently, he served as the Chief Financial Officer and Chief Operating Officer of Smiths Medical, a $1.1 billion device manufacturer where he restored sales growth and improved profitability. He also worked as the Group Financial Controller to the $4.2 billion parent company in London, UK. Earlier in his career, Mr. Montague led finance and strategy for two of Medtronic plc’s four operating groups. He served as the Vice President, Finance and Strategy for Medtronic’s $6.5 billion operating group – Restorative Therapies Group. He also guided finance, strategy and business development for Medtronic’s Diabetes franchise. With extensive expertise in acquisitions, Mr. Montague also worked on the largest-ever medical technology acquisition in China. He holds an MBA from The Wharton School and a B.S. from the University of California at Berkeley.

“There is something special about the way Nuwellis invests in the patients and healthcare providers they serve,” said George Montague, CFO of Nuwellis. “The company’s dedication and desire to improve lives intrigued me, and I’m eager to apply my financial experience in this new and exciting opportunity to advance the care fluid-overloaded adults and children receive.”

Mr. Ayotte brings a wealth of legal and operational knowledge. He was formerly Executive Vice President, General Counsel & Secretary for Bluestem Group, Inc. a $1.8 billion, private equity sponsored, e-commerce and mail order retailer of seven distinct consumer brands. Prior to holding that position, Mr. Ayotte was Chief Legal Counsel for Medtronic's Americas Region, the largest of Medtronic's four super regions, where he played a significant role as strategic advisor to the senior leadership in the design, evaluation and implementation of new business models and Integrated Hospital Solutions. During his 16-year tenure at Medtronic, Neil was the Chief Legal Counsel to the Integration Management Office dedicated exclusively to leading Medtronic's integration of its $49 billion acquisition of Covidien plc, and he also served as Medtronic's Interim General Counsel in 2013. Mr. Ayotte holds a J.D. from the University of Minnesota Law School, an M.A. from the University of Wisconsin and a B.A. from St. Mary's University of Minnesota.

"It's an inspiring time to be joining Nuwellis, and I look forward to supporting the commercial organization as the company seeks to broaden its therapeutic footprint," said Neil P. Ayotte, Esq., SVP, general counsel, secretary and CCO of Nuwellis. "By expanding therapy indications and enhancing the clinical community's understanding of the benefits of ultrafiltration, we can reach more patients both domestically and abroad."

About Nuwellis

Nuwellis, Inc. (Nasdaq:NUWE), formerly CHF Solutions, Inc., is a medical device company dedicated to transforming the lives of patients suffering from fluid overload through science, collaboration, and innovation. The Company is focused on developing, manufacturing and commercializing the Aquadex SmartFlow(R) System for ultrafiltration therapy. Nuwellis is headquartered in Minneapolis, Minn., with a wholly-owned subsidiary in Ireland. The Company has been listed on the Nasdaq Capital Market since February 2012, previously branded as CHF Solutions (Nasdaq:CHFS).

About the Aquadex SmartFlow System

The Aquadex SmartFlow System delivers clinically proven therapy using a simple, flexible and smart method of removing excess fluid from patients suffering from hypervolemia (fluid overload). The Aquadex SmartFlow System is indicated for temporary (up to 8 hours) or extended (longer than 8 hours in patients who require hospitalization) use in adult and pediatric patients weighing 20 kg or more whose fluid overload is unresponsive to medical management, including diuretics. All treatments must be administered by a health care provider, within an outpatient or inpatient clinical setting, under physician prescription, both having received training in extracorporeal therapies.

Forward-Looking Statements

Certain statements in this release may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, statements regarding the new market opportunities and anticipated growth in 2021 and beyond. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this release, including, without limitation, those risks associated with our ability to execute on our commercialization strategy, the impact of the COVID-19 pandemic, the possibility that we may be unable to raise sufficient funds necessary for our anticipated operations, our post-market clinical data collection activities, benefits of our products to patients, our expectations with respect to product development and commercialization efforts, our ability to increase market and physician acceptance of our products, potentially competitive product offerings, intellectual property protection, our ability to integrate acquired businesses, our expectations regarding anticipated synergies with and benefits from acquired businesses, and other risks and uncertainties described in our filings with the SEC. Forward-looking statements speak only as of the date when made. Nuwellis does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

CONTACTS

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