

**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 5, 2022

Nuwellis, Inc.

(Exact Name of Registrant as Specified in its Charter)

**Delaware
(State or Other Jurisdiction of Incorporation or
Organization)**

001-35312

(Commission File Number)

**No. 68-0533453
(I.R.S. Employer Identification No.)**

**12988 Valley View Road , Eden Prairie, MN55344
(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 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§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 Lynn Blake as Chief Financial Officer

Effective October 24, 2022, Lynn Blake will be appointed as Chief Financial Officer of Nuwellis, Inc. (the “*Company*”). Ms. Blake, age 55, previously served as a Managing Director at Growth Operators Advisory Services LLC since January 2020. Prior to that, she served as the SVP, Chief Financial Officer of Tactile Systems Technology, Inc. (NASDAQ: TCMD) from 2016 to 2018. Earlier in her career, she served as SVP, Chief Financial Officer of Taylor-Wharton International LLC and as SVP, Chief Financial Officer of Analysts International Corporation. Ms. Blake earned her Bachelor of Business Administration degree from the University of Wisconsin-Madison, with majors in Accounting and Finance and she earned her MBA from the University of Minnesota, Carlson School of Management with a dual concentration in Finance and Strategic Management.

Other than her employment arrangement, there are no arrangements or understandings between Ms. Blake and any other person with respect to the appointment described above, and Ms. Blake has no family relationship with any director or executive officer of the Company. Ms. Blake 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 September 30, 2022, the Company entered into an Offer Letter with Ms. Blake (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 Ms. Blake’s employment with the Company is effective October 24, 2022, or another mutually agreed upon date (“*Effective Date*”), and that Ms. Blake’s employment with the Company is “at will,” meaning either Ms. Blake or the Company are entitled to terminate Ms. Blake’s employment at any time for any reason, with or without cause.

The Offer Letter entitles Ms. Blake to, among other benefits, the following compensation:

- An annual base salary of \$325,000;
- A bonus of up to 45% of Ms. Blake’s base salary, for the applicable bonus year, provided that Ms. Blake 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, Ms. Blake will be granted an option to purchase a number of the shares of common stock equal to one percent (1%) of the Deemed Outstanding Shares (as defined in the Offer Letter) determined as of the date of the issuance of the Initial Option Award (as defined in the Offer Letter) subject to the terms of the Nuwellis, Inc. 2021 Inducement Plan (the “*Plan*”). The option award 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 Initial Option Award shall have the following terms: (1) the exercise price per share for the Initial Shares (as defined in the Offer Letter) shall equal the fair market value of the Company’s common stock on the date of the grant of the Initial Option Award; (2) subject to Ms. Blake’s continued employment with the Company and the terms and conditions of the Plan, twenty-five percent (25%) of the Initial Shares shall vest and become exercisable on the one (1) year anniversary of the Effective Date and the balance of the Initial Shares subject to the Initial Option Award shall vest and become exercisable in equal monthly installments on the last day of each month over the next thirty-six (36) months; and (3) upon the occurrence of a Change in Control (as defined in the Plan) all of the Initial Shares subject to the Initial Option Award shall fully vest and become exercisable immediately prior to the effectiveness of such Change in Control, subject to Ms. Blake’s continued employment with the Company as of each such date and as further provided in the terms and conditions of the Offer Letter, the Initial Option Award and the Plan.

Also, in connection with Ms. Blake's appointment as Chief Financial Officer of the Company, upon the commencement of her employment, Ms. Blake and the Company will enter 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 Ms. Blake is actively employed by the Company, all of the unvested shares underlying any stock option or other equity-based awards held by Ms. Blake on the effective date of such Change in Control shall vest and become exercisable immediately prior to the effectiveness of such Change in Control.

Pursuant to the Employee Proprietary Information, Inventions Assignment and Non-Competition Agreement between the Company and Ms. Blake dated as of September 30, 2022, attached as Exhibit A to the Offer Letter, Ms. Blake 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 Ms. Blake, which will require the Company to indemnify her against certain liabilities that may arise as result of her status or service as an officer. The description of Ms. Blake'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 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On October 5, 2022, the board of directors of Nuwellis, Inc. (the "**Company**") approved an amendment (the "**Bylaws Amendment**") to the Second Amended and Restated Bylaws of the Company (the "**Bylaws**"), effective immediately. The Bylaws Amendment amended Section 8 of ARTICLE III of the Bylaws to reduce the quorum requirement for all meetings of stockholders of the Company from a majority of the voting power of the outstanding shares of stock entitled to vote to one-third of the voting power of the outstanding shares of stock entitled to vote.

The foregoing description of the Bylaws Amendment is qualified in its entirety by reference to the full text of the Bylaws Amendment, a copy of which is filed with this Current Report on Form 8-K as Exhibit 3.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Exhibit Description
3.1	Amendment to Second Amended and Restated Bylaws of Nuwellis, Inc.
10.1	Offer Letter by and between Nuwellis, Inc. and Lynn Blake, effective as of October 24, 2022.
104	Cover Page Interactive Data File (embedded within 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: October 5, 2022

NUWELLIS, INC.

By: /s/ NESTOR JARAMILLO, JR
Name Nestor Jaramillo, Jr.
Title: President and Chief Executive Officer

AMENDMENT TO THE
SECOND AMENDED AND RESTATED BYLAWS
of
NUWELLIS, INC.

The Second Amended and Restated Bylaws (the “*Bylaws*”), of Nuwellis, Inc., a Delaware corporation, are hereby amended as follows, effective as of October 5, 2022.

1. Section 8 of ARTICLE III of the Bylaws is hereby amended and restated in its entirety to read as follows:

“Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the corporation’s Fourth Amended and Restated Certificate of Incorporation, as it may be amended from time to time (the “*Certificate of Incorporation*”), or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of one-third of the voting power of the outstanding shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairman of the meeting or by vote of the holders of a majority of the voting power of the shares represented thereat, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute or by applicable stock exchange rules, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of the majority of voting power of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, or by applicable stock exchange rules, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by the statute, or by applicable stock exchange rules, or by the Certificate of Incorporation or these Bylaws, one-third of the voting power of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute, or by applicable stock exchange rules, or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting shall be the act of such class or classes or series.”

2. Except as specifically amended herein, the Bylaws shall remain unchanged and in full force and effect.

[Remainder of page intentionally left blank]

NUWELLIS, INC.
CERTIFICATE OF ADOPTION OF
AMENDMENT TO SECOND AMENDED AND RESTATED BYLAWS

The undersigned hereby certifies that he is the duly elected, qualified, and acting Secretary of Nuwellis, Inc., a Delaware corporation, and that the foregoing Amendment to the Second Amended and Restated Bylaws constitutes the entire amendment to the Second Amended and Restated Bylaws, as duly adopted by the Board of Directors on October 5, 2022.

/s/ Neil P. Ayotte

Neil P. Ayotte

Secretary



September 29, 2022

Lynn Blake
9728 Laforet Drive Eden Prairie, MN 55347

Re: Employment Terms

Dear Lynn:

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

Your initial position with us will be as Chief Financial Officer (CFO) of the Company, reporting to the President and CEO of the Company. 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, you will be eligible to earn an annual performance bonus up to 45% of your effective annual base salary for the applicable bonus year based upon your performance and the Company's performance, subject to payroll deductions and all required withholdings (the "**Performance Bonus**"). You must be an employee in good standing on the Performance Bonus payment date to earn and be eligible to receive a Performance Bonus. The Company's Board of Directors (the "**Board**") (or the Compensation Committee of the Board) will determine whether you have earned the Performance Bonus and the amount of any Performance Bonus based upon achievement of milestones which shall be determined in sole discretion of the Board (or the Compensation Committee of the Board). Your annual base salary amount shall be subject to review and may be adjusted based upon the Company's normal performance review practices.

As a material inducement for your acceptance of employment with the Company, subject to the terms of the Nuwellis, Inc. 2021 Inducement Plan (as such plan may be amended, modified or replaced, the "**Plan**") and the form of stock option agreement issued thereunder, following approval by the Board after the Effective Date, the Company will issue you a "nonstatutory stock option," which is not intended to satisfy the requirements of an "incentive stock option" as described in Section 422 of the Internal Revenue Code of 1986, as amended (the "**Initial Option Award**") to purchase a number of shares of the Company's common stock equal to one percent (1%) of the Deemed Outstanding Shares (the "**Initial Shares**") determined at the date of the issuance of the Initial Option Award (the "**Option Grant Date**"). The Initial Option Award shall include the following additional terms: (1) the exercise price per share for the Initial Shares shall equal the fair market value of the Company's common stock on the date of the grant of the Initial Option Award; and (2) subject to your continued employment with the Company and the terms and conditions of the Plan, twenty-five percent (25%) of the Initial Shares shall vest and become exercisable on the one (1) year anniversary of the option grant date and the balance of the Initial Shares subject to the Initial Option Award shall vest and become exercisable in equal monthly installments on the last day of each month over the next thirty-six (36) months; and (3) upon the occurrence of a Change in Control (as defined in the Plan) all of the Initial Shares subject to the Initial Option Award shall fully vest and become exercisable immediately prior to the effectiveness of such Change in Control, subject to your continued employment with the Company as of each such date and as further provided in the terms and conditions of this Agreement, the Initial Option Award and the Plan. For the purposes of this letter agreement: "**Deemed Outstanding Shares**" shall mean as of each such date of determination the sum of the following: (x) all of the issued outstanding shares of the Company's common stock; and (y) all issued and outstanding shares of the Company's preferred stock calculated on an as-converted to shares of the Company's common stock basis (excluding any shares of the Company's preferred stock that are issued or issuable in connection with any rights plan or rights agreement implemented by the Company).

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 the Board.

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 October 24, 2022 or other mutually agreed upon date. Based on this start date, the first payment of wages earned will be on October 31, 2022. 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.

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.

By your execution of this letter agreement, you hereby represent and warrant to the Company that your performance of all of the terms of this letter agreement and engagement of you as an employee of the Company does not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by you from any of your former employers or other third party to whom you have an obligation of confidentiality and that your engagement as an employee of the Company does not and will not violate the terms of any covenant not to compete between you and any other such person or entity. You further hereby agree to not disclose to the Company or use in performing services for the Company any confidential or proprietary information belonging to any of your former employers or other third party to whom you have an obligation of confidentiality. By your execution of this letter agreement, you additionally hereby represent and warrant to the Company that you can perform and render services to the Company and serve as an employee of the Company without disclosing or using in the performance of such services for the Company any confidential or proprietary information belonging to any of your former employers or other third party to whom you have an obligation of confidentiality. By execution of this letter agreement, you hereby agree that you will not bring onto premises of the Company or use in your work for the Company any unpublished documents or property (including but not limited to proprietary information) belonging to any of your former employers or other third party that you are not authorized to use or disclose. By execution of this letter agreement, you hereby represent that you are able to perform your job duties within these guidelines.

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 September 30, 2022.**

Sincerely,

/s/ Sandra Eayrs

Sandra Eayrs
Chief Human Resources Officer

ACKNOWLEDGEMENT AND ACCEPTANCE

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/ Lynn Blake
Lynn Blake

September 30, 2022
Date