

**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): **August 4, 2023**

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, 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 (§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.

On August 4, 2023, Lynn Blake notified Nuwellis, Inc., a Delaware corporation (the “**Company**”) of her decision to resign as the Chief Financial Officer of the Company. Ms. Blake’s last date with the Company is expected to be September 1, 2023 (the “**Separation Date**”). Ms. Blake’s resignation is not the result of any disagreement with the Company on any matter relating to the Company’s operations, policies, or procedures. The Company intends to appoint Rob Scott, the Company’s current Senior Finance Director, as its new Chief Financial Officer, effective September 2, 2023.

In connection with Ms. Blake’s resignation, the Company and Ms. Blake entered into a Transition Agreement on August 4, 2023 (the “**Transition Agreement**”) whereby the Company has agreed: (i) to pay Ms. Blake her regular salary rate for the four (4) week period following the Separation Date and (ii) to continue to pay 100% of the premium for Ms. Blake to continue her healthcare benefits under COBRA through December 31, 2023, provided that (x) she timely and properly elects to continue health coverage under COBRA, and (y) she remains eligible for COBRA benefits and does not qualify for health care coverage from another employer during such period. The Transition Agreement contains non-competition and non-solicitation provisions, a release of claims, and a mutual non-disparagement provision.

The foregoing description of the Transition Agreement is qualified in its entirety by reference to the complete text of such agreement, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K, and incorporated herein by reference.

Additionally, on August 4, 2023, the Company and Ms. Blake entered into a Consulting Agreement (the “**Consulting Agreement**”) whereby Ms. Blake will provide consulting services to the Company related to the chief financial officer transition, beginning September 4, 2023, through March 31, 2024. For her services, Ms. Blake shall receive \$250 per hour, up to a maximum of \$750 per day and no more than \$2,500 per week, except upon prior agreement of the parties. The Consulting Agreement contains standard indemnification, confidentiality, non-solicitation and non-competition provisions.

The foregoing description of the Consulting Agreement is qualified in its entirety by reference to the complete text of such agreement, a copy of which is attached as Exhibit 10.2 to this Current Report on Form 8-K, and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On August 8, 2023, the Company issued a press release announcing the resignation of Ms. Blake. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated into this Item 7.01 by reference.

The information in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Exhibit Description
10.1	Transition Agreement dated August 4, 2023 by and between Nuwellis, Inc. and Lynn Blake
10.2	Consulting Agreement dated August 4, 2023 by and between Nuwellis, Inc. and Lynn Blake
99.1	Press Release dated August 8, 2023
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: August 8, 2023

NUWELLIS, INC.

By: /s/ NESTOR JARAMILLO, JR

Name: Nestor Jaramillo, Jr.

Title: President and Chief Executive Officer

TRANSITION AGREEMENT

THIS TRANSITION AGREEMENT (this “*Agreement*”) is made by and between NUWELLIS, INC., a Delaware corporation (the “*Company*”), and Lynn Blake (“*Employee*”). The parties agree as follows:

**ARTICLE 1
EMPLOYMENT TERMINATION AND PAYMENTS**

1.1 SEPARATION OF EMPLOYMENT. Employee’s employment with the Company will end on September 1, 2023 unless terminated early by either party (the “*Separation Date*”). Between the date of this Agreement and the Separation Date, Employee will continue to perform her regular job functions to the Company’s reasonable satisfaction, and she will attend to the transition of her responsibilities as directed by the Company. The Company will continue providing Employee’s regular salary and benefits through the Separation Date as in effect on the date hereof. As of the Separation Date, she will be deemed to have resigned from all elected and/or appointed positions with the Company. On or shortly after the Separation Date, she will receive her final salary pay as required by law, as well as payment for her accrued but unused PTO up to a number not to exceed forty (40) hours of PTO.

1.2 SEPARATION CONSIDERATION. Provided (a) this Agreement has become effective pursuant to Section 2.2 below, and (b) on or within seven (7) days after the Separation Date, Employee executes and delivers the Signature to Update Release Provision appearing after her signature page to this Agreement (without revoking the same) (the “*Update Provision*”), then the Company will continue paying Employee’s regular salary rate for the four (4) week period following the Separation Date (i.e., a gross amount of \$25,249.06), subject to all required withholding and payable on the Company’s regular payroll dates during such period. These payments will commence on the first payroll date after the Update Provision becomes effective, with the first payment being retroactive to the Separation Date. For clarity, if Employee resigns prior to September 1, 2023, absent mutual agreement of the parties, she will not be entitled to the severance payments set forth herein. Through December 31, 2023, the Company will continue to pay 100% of the premium for Employee to continue her healthcare benefits under the federal law known as COBRA, provided that (i) she timely and properly elects to continue health coverage under COBRA, and (ii) she remains eligible for COBRA benefits and does not qualify for health care coverage from another employer during such period.

1.3 CONFLICT WITH OTHER AGREEMENTS. In the event of any conflict of the provisions between this Agreement and the Offer Letter between Employee and the Company dated September 30, 2022, as amended, the provisions set forth in this Agreement shall control. In the event of any conflict between this Agreement and the provisions of that certain Employee Proprietary Information, Inventions Assignment and Non-Competition Agreement between the Company and Employee dated October 19, 2022 (the “*Invention Assignment Agreement*”), the terms and conditions of the Invention Assignment Agreement shall control over the terms of this Agreement.

1.4 ACKNOWLEDGEMENT. Except as provided in this Article 1, the Parties acknowledge and agree that Employee is not, and shall not after the Separation Date, be eligible for any additional payment by the Company of any bonus, salary, vacation pay, incentive pay, retirement pension, severance pay, back pay, or other remuneration or compensation of any kind in respect of employment by the Company, provided that nothing in this Agreement alters Employee's rights with respect to any existing stock options, which will continue to be governed by the applicable plan and any agreements specifically related thereto. Employee hereby confirms to the Company that Exhibit B to the Invention Assignment Agreement contains a complete list of all Inventions (as defined in the Invention Assignment Agreement) or improvements to which Employee claims ownership and desires to remove from the operation of the Inventions Assignment Agreement. Employee further agrees that the Invention Assignment Agreement remains in full force and effect and Employee hereby reaffirms Employee's obligations arising under the terms of the Invention Assignment Agreement. Employee agrees to return to the Company all Company Documents and Materials (as defined in the Invention Assignment Agreement and without retaining copies thereof), apparatus, equipment and other physical property in Employee's possession within two (2) days of the Separation Date and in the manner directed by the Company. Notwithstanding the foregoing, so long as Employee continues to provide consulting services to the Company, as currently contemplated by the parties, Employee shall be permitted to retain and use the Company issued laptop that she is currently using, but will return the same to the Company within two (2) days after termination of her consulting agreement, on the terms set forth therein.

ARTICLE 2
RELEASE, NON-DISPARAGEMENT AND COOPERATION

2.1 EMPLOYEE RELEASE OF CLAIMS. In consideration for the separation consideration set forth in this Agreement, Employee, on behalf of herself, Employee's heirs, executors, legal representatives, spouse and assigns ("**Employee Releasing Parties**"), hereby fully and forever releases the Company and its respective past and present officers, directors, employees, investors, stockholders, administrators, subsidiaries, affiliates, predecessor and successor corporations and assigns, attorneys and insurers (the "**Company's Released Parties**") of and from any claim, duty, obligation or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that any of them may possess arising from any omissions, acts or facts that have occurred up until and including the date Employee signs this Agreement, including, without limitation, any and all claims:

A. which arise out of, result from, or occurred in connection with Employee's employment by the Company or any of its affiliated entities, the termination of that employment, any events occurring in the course of that employment, or any events occurring prior to the execution of this Agreement;

B. for breach of contract, both express and implied; breach of a covenant of good faith and fair dealing, both express and implied; negligent or intentional infliction of emotional distress; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; termination in violation of public policy; defamation; misrepresentation; invasion of privacy; negligence; and any other tort;

C. relating to the violation of any federal, state or municipal statute pertaining to discrimination, harassment, retaliation, wrongful discharge and/or employment terms and conditions, including, without limitation, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1866; the Employee Retirement and Income Security Act of 1974; the Age Discrimination in Employment Act of 1967 (the "**ADEA**"); the Older Workers' Benefit Protection Act (the "**OWBPA**"); the Family and Medical Leave Act; the Worker Adjustment and Retraining Notification Act; the Americans with Disabilities Act of 1990; the Minnesota Human Rights Act (the "**MHRA**"); the Minnesota Equal Pay for Equal Work Law; the Minnesota healthcare worker whistleblower protection laws; Minnesota family leave law; Minnesota personnel record access statutes; and

D. for back pay, commissions or other unpaid compensation and/or for attorneys' fees and costs.

Employee represents that Employee has not filed any lawsuit, arbitration, or other claim against any of the Company's Released Parties. Employee states that Employee knows of no violation of state, federal, or municipal law or regulation by any of the Company's Released Parties and knows of no ongoing or pending investigation, charge, or complaint by any agency charged with enforcement of state, federal, or municipal law or regulation. Nothing in this Agreement limits state or federal agencies from investigating and enforcing laws within their jurisdiction, but (except as to possible whistleblower awards from the Securities and Exchange Commission) Employee agrees Employee will not receive any individual monetary damages, recovery and/or relief of any type related to any Released Claim(s), whether pursued by Employee or any governmental agency, other person or group.

2.2 ACKNOWLEDGMENT OF WAIVER OF CLAIMS UNDER ADEA AND MHRA. Employee acknowledges that she is waiving and releasing any rights she may have under the OWBPA and the ADEA, and that this waiver and release is knowing and voluntary. Employee acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Employee was already entitled. Employee further acknowledges that Employee has been advised by this writing that: (a) Employee should consult with an attorney of Employee's choice concerning the terms of this Agreement prior to executing this Agreement; (b) Employee has at least twenty-one (21) days within which to consider this Agreement and that if Employee signs this Agreement before expiration of that review period, Employee does so knowingly and voluntarily and with the intent of waiving Employee's right to utilize the full review period; (c) Employee has the right to revoke Employee's release of claims, insofar as it extends to potential claims arising under the ADEA, by informing the Company of such revocation within seven (7) calendar days following Employee's execution of this Agreement; and (d) Employee has the right to rescind Employee's release of claims, insofar as it extends to potential claims arising under the MHRA, by informing the Company of such revocation within fifteen (15) calendar days following Employee's execution of this Agreement. Employee further understands that these revocation and rescission periods shall run concurrently, and that this Agreement is not effective until the fifteen (15) day rescission period (the "**Revocation Period**") has expired without any revocation or rescission being communicated. Communication of any such revocation or rescission by Employee to the Company shall be provided in writing and mailed by certified or registered mail with return receipt requested and addressed to the Company at its principal corporate offices to the attention of its Chief Human Resources Officer

2.3 NO ADMISSION OF LIABILITY. Neither this Agreement nor any statement contained herein shall be deemed to constitute an admission of liability on the part of the parties herein released. This Agreement's execution and implementation may not be used as evidence, and shall not be admissible in a subsequent proceeding of any kind, except one alleging a breach of this Agreement or the Invention Assignment Agreement.

2.4 MUTUAL NON-DISPARAGEMENT. Employee covenants and agrees that Employee shall not make or cause to be made any statements, observations, or opinions, or communicate any information (whether in written or oral form), that defame, slander or are likely in any way to harm the reputation of the Company's Released Parties or tortiously interfere with any of the Company's respective business relationships. The Company will not, in any statement authorized by it to a third party, defame, disparage, criticize, or otherwise speak of Employee in a negative, derogatory, or unflattering manner.

2.5 COOPERATION AND ASSISTANCE. During the period in which she is receiving severance payments, Employee agrees to furnish such information and assistance to the Company as may be reasonably required by the Company in connection with any issues or matters of which Employee had knowledge during her employment with the Company. In addition, Employee shall make herself available to assist the Company in matters relating to the transition of her prior duties to other employees of the Company, as may be reasonably requested by the Company.

**ARTICLE 3
MISCELLANEOUS**

3.1 CONFIDENTIALITY. Employee agrees to maintain in confidence the existence of this Agreement, the contents and terms of this Agreement and the consideration for this Agreement (collectively, the **“Separation Information”**), provided that Employee may share the Separation Information with Employee’s spouse, Employee’s accountant or financial advisor to the limited extent needed for that person to prepare Employee’s tax returns, and Employee’s attorney. In addition, Employee may reveal to potential employers only those Sections of this Agreement that would restrict Employee’s activities or ability to disclose information with respect to any such future employer.

3.2 SEVERABILITY. Should any provision of this Agreement be declared or be determined by any arbitrator or court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement.

3.3 ENTIRE AGREEMENT. This Agreement represents the entire agreement and understanding between the Company and Employee concerning Employee’s separation from the Company, and supersedes and replaces any and all prior agreements and understandings concerning Employee’s relationship with the Company and Employee’s compensation by the Company; provided, however, that this Agreement does not supersede or modify the Invention Assignment Agreement, which shall remain in full force and effect. This Agreement may only be amended by a writing signed by Employee and the Company.

3.4 ASSIGNMENT. This Agreement may not be assigned by Employee without the prior written consent of the Company. The Company may assign this Agreement without Employee’s consent in connection with a merger or sale of its assets and/or to a corporation controlling, controlled by or under common control with the Company. This Agreement shall inure to the benefit of, and be binding upon, each Party’s respective heirs, legal representatives, successors and assigns.

3.5 GOVERNING LAW; CONSENT TO JURISDICTION, WAIVER OF JURY TRIAL. Minnesota law will govern this Agreement. In addition, should the Company prevail (in whole or in part) in enforcing any of the terms of this Agreement, Employee shall reimburse the Company for its reasonable fees and expenses (legal costs, attorney’s fees and otherwise) related thereto.

3.6 COUNTERPARTS/ FACSIMILE SIGNATURE. This Agreement may be executed in one or more counterparts and by facsimile, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Signatures of the parties transmitted by facsimile or via .pdf format shall be deemed to be their original signatures for all purposes.

The Parties have executed this Separation and Release Agreement as of the date set forth below.

NUWELLIS, INC.

By: /s/ Sandra Eayrs
Name: Sandra Eayrs
Title: CHRO

By: /s/ Lynn Blake
Name: Lynn Blake

Date: August 4, 2023

Date: August 4, 2023

Signature to Update Release Provision:

Capitalized terms used below have the meanings set forth in the foregoing Agreement. In consideration of the promises set forth in the Agreement, I fully and forever release, acquit, and discharge the Company's Released Parties from any liability relating to any claim and/or rights that may have arisen between my signature date on the preceding signature page and my signature date referenced below, consistent with my initial release of claims set forth under Section 2.1 of the Agreement.

I understand that I have had at least 21 days to consider this additional release provision (which releases all claims, including, without limitation, under the ADEA, OWBPA, and MHRA), that I am advised to consult with an attorney of my choice regarding this additional release provision, and that I may use as much of this review period as I wish prior to signing. I understand that I may expressly and voluntarily waive any part or all of the review period by signing and returning this additional release provision prior to the expiration of the review period. I understand that: (a) I have the right to revoke my release of claims under this additional release provision, insofar as it extends to potential claims arising under the ADEA, by informing the Company of such revocation within 7 calendar days following my execution of this additional release provision; and (b) I have the right to rescind my release of claims under additional release provision, insofar as it extends to potential claims arising under the MHRA, by informing the Company of such revocation within 15 calendar days following my execution of this additional release provision. I understand that these revocation and rescission periods shall run concurrently, and that this additional release provision is not effective until the 15-day rescission period has expired without any revocation or rescission being communicated. Any revocation or rescission must be communicated in the manner set forth in Section 2.2 of the Agreement. This additional release provision will not become effective unless the 15-day rescission period has expired without any revocation or rescission having been communicated. To avoid any doubt, I understand that my failure to sign this additional release provision or my revoking or rescinding it shall not affect the validity of the Agreement, including, without limitation, my initial release of claims thereunder.

(To be signed on or within 7 days after the Separation Date, and not earlier.)

By: _____ Date: _____
Lynn Blake

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this “**Agreement**”) is entered into on August 4, 2023, but will be effective as of September 4, 2023 (the “**Effective Date**”), between Nuwellis, Inc., a Delaware corporation, having a principal place of business at 12988 Valley View Road, Eden Prairie, Minnesota 55344 (the “**Company**”), and LL Blake Consulting, LLC, a Minnesota Limited Liability Company having a principal place of business at, 9728 Laforet Drive, Eden Prairie, MN 55347 (“**Consultant**”).

BACKGROUND

The Company desires to retain Consultant, and Consultant desires to be engaged by the Company, to perform certain consulting services pursuant to the terms and conditions of this Agreement.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the foregoing and the terms, conditions and covenants hereinafter set forth, the Company and Consultant agree as follows:

1. CERTAIN DEFINITIONS. Capitalized terms used in this Agreement and not otherwise defined shall have the following meanings:

(a) “**Company Documents and Materials**” means documents or other media, whether in tangible or intangible form, that contain or embody Proprietary Information or any other information concerning the business, operations or plans of the Company, whether such documents or media have been prepared by Consultant or by others. Company Documents and Materials include, without limitation, blueprints, drawings, photographs, charts, graphs, notebooks, tests, test results, experiments, customer lists, computer disks, tapes or printouts, sound recordings and other printed, electronic, typewritten or handwritten documents or information, sample products, prototypes and models.

(b) “**Inventions**” means, without limitation, all software programs or subroutines, source or object code, algorithms, improvements, inventions, works of authorship, trade secrets, technology, designs, formulas, ideas, processes, techniques, know-how and data, whether or not patentable or copyrightable, made or discovered or conceived or reduced to practice or developed by Consultant, either alone or jointly with others.

(c) “**Proprietary Information**” means information that was or will be developed, created, or discovered by or on behalf of the Company, or which became or will become known to, or was or is conveyed to the Company, which has commercial value in the Company’s business, whether or not patentable or copyrightable, including, without limitation, information about software programs and subroutines, source and object code, algorithms, trade secrets, designs, technology, know-how, processes, data, ideas, techniques, inventions, works of authorship, formulae, business and product development plans, customer lists, terms of compensation and performance levels of the Company’s employees and consultants, the Company’s customers and other information concerning the Company’s actual or anticipated business, research or development, or which is received in confidence by or for the Company from any other person or entity.

(d) **“Services”** means the consulting services to be performed by Consultant as the same shall be mutually agreed to from time to time, but primarily related to coaching and development of select members of the Company finance organization related to investor relations and capital formation.

2. **SERVICES.** The Company hereby engages Consultant, and Consultant accepts such engagement, to perform the Services. Consultant shall provide the Services at such specific times and at such particular locations as Consultant and the Company mutually determine from time to time. Consultant shall only accept engagement or work instructions from either the President and Chief Executive Officer or the Chief Financial Officer of the Company.

3. **TERM.** The term of this Agreement shall commence on the Effective Date and continue until the later of (i) March 31, 2024 or (ii) the termination by either party (a) for any reason, upon giving not less than 14 days’ notice to the other party or (b) immediately upon occurrence of any of the following events: (i) the breach of this Agreement by the other party, which breach is not cured within ten days after written notice of such breach; (ii) the dissolution, voluntary or involuntary bankruptcy of either party, or assignment by either party of all or substantially all of its assets for the benefit of creditors; or (iii) embezzlement, fraud or deceit in the performance of the other party’s obligations hereunder. Notwithstanding the termination of this Agreement, any liability or obligation of either party which may have accrued prior to such termination shall continue in full force and effect, including but not limited to the rights and obligations of the parties hereto under Sections 6 through 25 of this Agreement.

4. **COMPENSATION.** In exchange for Consultant’s performance of the Services, the Company shall compensate Consultant at the rate of \$250 per hour, up to a maximum of \$750 per day and no more than \$2,500 per week, except upon the prior agreement of the parties hereto.

5. **EXPENSES.** The Company shall reimburse Consultant for reasonable, documented and actual expenses incurred by Consultant in connection with its performance of the Services; provided, however, that Consultant shall not incur any such expense relating to a single activity or trip in excess of \$100 (the **“Threshold Amount”**) without first obtaining the written consent and approval of the Company. The Company shall make any such reimbursement within 30 days after receipt of an invoice therefor, accompanied by receipts, vouchers or other written evidence of the expenses incurred. The Company shall have no obligation to reimburse Consultant for expenses in excess of the Threshold Amount that were not approved in advance by the Company.

6. **CONFIDENTIALITY OF PROPRIETARY INFORMATION.**

(a) **Nature of Information.** Consultant understands that the Company possesses and will possess Proprietary Information which is important to its business. Consultant understands that Consultant’s engagement creates a relationship of confidence and trust between the Company and Consultant with respect to Proprietary Information.

(b) **Property of the Company.** Consultant acknowledges and agrees that all Company Documents and Materials, Proprietary Information and all patents, patent rights, copyrights, trade secret rights, trademark rights and other rights (including, without limitation, intellectual property rights) anywhere in the world in connection therewith is and shall be the sole property of the Company. Consultant hereby assigns to the Company any and all rights, title and interest Consultant may have or acquire in any Proprietary Information or Company Documents and Materials.

(c) **Confidentiality.** At all times, both during the term of Consultant's engagement by the Company and after Consultant's termination, Consultant shall keep in confidence and trust and shall not use or disclose any Proprietary Information or anything relating to it without the prior written consent of a duly designated officer of the Company, except as may be necessary in the ordinary course of performing the Services.

(d) **Compelled Disclosure.** In the event that Consultant is requested in any proceeding to disclose any Proprietary Information, Consultant shall give the Company prompt notice of such request so that the Company may seek an appropriate protective order. If, in the absence of a protective order, Consultant is nonetheless compelled by any court or tribunal of competent jurisdiction to disclose Proprietary Information, Consultant may disclose such information without liability hereunder; provided, however, that Consultant gives the Company notice of the Proprietary Information to be disclosed as far in advance of its disclosure as is practicable and uses Consultant's best efforts to obtain assurances that confidential treatment will be accorded to such Proprietary Information.

(e) **Records.** Consultant agrees to make and maintain adequate and current written records, in a form specified by the Company, of all Inventions, trade secrets and works of authorship assigned or to be assigned to the Company pursuant to this Agreement.

(f) **Handling of the Company Documents and Materials.** Consultant agrees that during Consultant's engagement by the Company, Consultant shall not remove any Company Documents and Materials from the business premises of the Company or deliver any Company Documents and Materials to any person or entity outside the Company, except as Consultant may be required to do in connection with performing the Services. Consultant further agrees that, immediately upon the termination of Consultant's engagement for any reason, or during Consultant's engagement if so requested by the Company, Consultant shall return all Company Documents and Materials, apparatus, equipment and other physical property, or any reproduction of such property, excepting only (i) Consultant's personal copies of personnel records and records relating to Consultant's compensation; and (ii) Consultant's copy of this Agreement.

7. INVENTIONS.

(a) **Disclosure.** Consultant shall promptly disclose in writing to Consultant's supervisor or to such person designated by the Company all Inventions made during the term of Consultant's engagement with the Company related to the Services. Consultant shall also disclose to Consultant's supervisor or such designee all Inventions made, discovered, conceived, reduced to practice or developed by Consultant either alone or jointly with others, within six (6) months after the termination of Consultant's engagement with the Company which resulted, in whole or in part, from Consultant's prior engagement with the Company and are related to the Services. Such disclosures shall be received by the Company in confidence, to the extent such Inventions are not assigned to the Company pursuant to subsection (b) below, and do not extend the assignments made in such subsection.

(b) **Assignment of Inventions to the Company.** Consultant agrees that all Inventions which Consultant makes, discovers, conceives, reduces to practice or develops (in whole or in part, either alone or jointly with others) during Consultant's engagement related to the Services, including, but not limited to, conceptions or ideas derived prior to Consultant's engagement but related to the Services and reduced to practice or developed (in whole or in part, either alone or jointly with others) during Consultant's engagement with the Company, shall be the sole property of the Company to the maximum extent permitted by law and Consultant agrees to assign and hereby does assign to the Company all right, title and interest to the Inventions.

(c) **Works Made for Hire.** Consultant agrees that the Company shall be the sole owner of all patents, patent rights, copyrights, trade secret rights, trademark rights and all other intellectual property or other rights in connection with Inventions related to the Services. Consultant further acknowledges and agrees that such Inventions related to the Services, including, without limitation, any computer programs, programming documentation and other works of authorship, are "works made for hire" for purposes of the Company's rights under copyright laws. Consultant hereby assigns to the Company any and all rights, title and interest Consultant may have or acquire in such Inventions.

() **Cooperation.** Consultant agrees to perform, during and after Consultant's engagement, all acts deemed necessary or desirable by the Company to permit and assist it, at the Company's expense, in further evidencing and perfecting the assignments made to the Company under this Agreement and in obtaining, maintaining, defending and enforcing patents, patent rights, copyrights, trademark rights, trade secret rights or any other rights in connection with such Inventions and improvements related to the Services in any and all countries. Such acts may include, without limitation, execution of documents and assistance or cooperation in legal proceedings. Consultant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents, as Consultant's agents and attorney-in-fact, coupled with an interest, to act for and on Consultant's behalf and in Consultant's place and stead, to execute and file any documents, applications or related findings and to do all other lawfully permitted acts to further the purposes set forth above in this Section, including, without limitation, the perfection of assignment and the prosecution and issuance of patents, patent applications, filing with the FDA, copyright applications and registrations, trademark applications and registrations or other rights in connection with such Inventions and improvements related to the Services with the same legal force and effect as if executed by Consultant.

() **Assignment or Waiver of Moral Rights.** Any assignment of copyright hereunder (and any ownership of a copyright as a work made for hire) includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as or referred to as "Moral Rights" (collectively, "**Moral Rights**"). To the extent such Moral Rights cannot be assigned under applicable law and to the extent the following is allowed by the law in the various countries where Moral Rights exist, Consultant hereby waives such Moral Rights and consents to any action of the Company that would violate such Moral Rights in the absence of such consent.

(f) **Holdover Assignment.**

(i) Consultant agrees to, after the termination of Consultant's engagement with the Company for any reason, (1) disclose immediately to the Company all Inventions related to the Services, patentable or not; (2) assist, at the Company's expense, such applications for United States patents and foreign patents covering such Inventions related to the Services as the Company may request; (3) assign to the Company without further compensation to Consultant the entire title and rights to all such Inventions and applications related to the Services that Consultant may have, and (4) execute, acknowledge, deliver, or act as otherwise necessary at the request of the Company all such papers, including but not limited to patent applications, assignments, power of attorney, as necessary to secure the Company the full rights to such Inventions and applications related to the Services.

(ii) The Inventions related to the Services which shall come under this Section 7(f) shall include all Inventions related to the Services that (1) Consultant conceives, reduces to practice, or otherwise makes or develops, either solely or jointly with others, within one year after the termination of this Agreement; and (2) are in any way based on any trade secret or confidential or proprietary information that Consultant learned during his engagement with the Company; or result from any work performed by Consultant for the Company under this Agreement; or are in any way related to the subject matter or activities of Consultant's engagement with the Company.

8. **NON-SOLICITATION OR HIRE OF THE COMPANY EMPLOYEES.** During the term of this Agreement and for one (1) year thereafter, Consultant shall not encourage or solicit any employee of the Company to leave the Company for any reason or to accept employment with Consultant or any other entity. As part of this restriction, Consultant shall not (a) interview or provide any input to any third party regarding any such employee during such time period, or (b) retain or hire in any capacity, either individually or for any person or entity by which Consultant may be engaged or with which Consultant may be affiliated, any person who is or was employed by the Company at any time during the term of this Agreement and six (6) months after the termination of such engagement. The Company will not encourage or solicit any employee of the Consultant's employer to leave the Consultant's employer for any reason or to accept employment with Consultant's employer or any other entity during the term of this Agreement and for one (1) year thereafter.

9. **NON-SOLICITATION OF NON-EMPLOYEES.** During the term of this Agreement and for one (1) year thereafter, Consultant shall not interfere with or attempt to impair the relationship between the Company and any of its non-employee consultants and advisors, nor shall Consultant attempt, directly or indirectly, to solicit, entice, hire or otherwise induce any non-employee consultant or advisor of the Company to terminate association with the Company. The Company will not interfere with or attempt to impair the relationship between the Consultant and any non-employee consultants and advisors during the term of this Agreement and for one (1) year thereafter.

10. **NON-COMPETITION.** During the term of this Agreement and for one (1) year thereafter, Consultant shall not, with or without consideration, render services in any capacity to any person, business, firm or corporation engaged in any business competitive with the business conducted by the Company during the term of this Agreement. Consultant shall not become interested in any such business involved in competitive activities with the Company, either directly or indirectly, as partner, stockholder, principal, member, employee, agent, trustee, consultant, or any other relationship or capacity; provided, however, that such restriction shall not apply with respect to a less than or equal to a one percent (1%) interest in any entity which is publicly traded and listed on a recognized securities exchange.

11. **COMPANY AUTHORIZATION FOR PUBLICATION.** Prior to Consultant's submitting or disclosing for possible publication or dissemination outside the Company any material prepared by Consultant that incorporates information that concerns the Company's business or anticipated research, Consultant agrees to deliver a copy of such material to the President of the Company for review. Within twenty (20) days following such submission, the Company agrees to notify Consultant in writing whether the Company believes such material contains any Proprietary Information or Inventions related to the Services, and Consultant agrees to make such deletions and revisions as are reasonably requested by the Company to protect its Proprietary Information and Inventions related to the Services. Consultant further agrees to obtain the written consent of the Company prior to any review of such material by persons outside the Company.

12. **FORMER EMPLOYER INFORMATION.** Consultant represents and warrants to the Company that Consultant's performance of all the terms of this Agreement and as a consultant of the Company does not and shall not breach any agreement to keep in confidence Proprietary Information, knowledge or data acquired by Consultant in confidence or in trust prior to Consultant's engagement by the Company, or violate the terms of any covenant not to compete between Consultant and any other person or entity. Consultant shall not disclose to the Company or induce the Company to use any confidential or Proprietary Information or material belonging to any previous employers of Consultant or any other person or entity. Consultant has not entered into and Consultant shall not enter into any agreement, either written or oral, in conflict herewith or in conflict with Consultant's engagement with the Company. Consultant further agrees to conform to the policies, procedures, rules and regulations of the Company, as in effect from time to time.

13. **INDEPENDENT CONTRACTOR.** The Company and Consultant mutually understand and agree that Consultant shall be at all times acting and performing as an independent contractor. Nothing in this Agreement is intended to create an employer/employee relationship or a joint venture relationship between the parties. . The parties agree that Consultant is not eligible for any compensation, fringe benefits, pension, workers' compensation, sickness or health insurance benefits, or other similar benefits accorded employees of the Company. The parties agree that the Company will not withhold any sums for income tax, unemployment insurance, social security, or any other withholding pursuant to any law or requirement of any governmental body on behalf of Consultant. Consultant acknowledges and agrees that the Company has no obligation under local, state, or federal laws regarding Consultant and that the total commitment and liability of the Company in regard to any arrangement with, or work performed by, Consultant hereunder is to pay the fees and expenses pursuant to the provisions hereof. Consultant shall indemnify and hold the Company harmless from any and all loss, damage, claims, payments, or liability arising with respect to any such payment, withholdings, and benefits, if any. Nothing in this Agreement is intended to allow the Company to exercise control or direction over the manner or method by which Consultant performs the Services under the terms of Consultant's engagement by the Company.

14. **MAINTENANCE OF RECORDS.** During the term of this Agreement and, until the expiration of five (5) years after the furnishing of the Services pursuant to this Agreement, Consultant shall make available, upon written request of the Company or its designee, any records maintained by Consultant regarding any of the Services performed hereunder by Consultant.

15. **NO AUTHORITY TO BIND.** Consultant shall have no power or authority to execute any agreements or contracts for or on behalf of the Company nor to bind the Company in any other manner.

16. **INDEMNIFICATION.** The Company shall indemnify, defend and hold Consultant, its directors, officers, shareholders, employees, representatives and assigns harmless from and against any and all costs, liabilities, losses and expenses (including, but not limited to, reasonable attorneys' fees) (collectively, "Losses") resulting from any claim, suit, action or proceeding (each, an "Action") brought by any third party against Consultant or its affiliates based on the Company's negligence or willful misconduct. Consultant shall indemnify, defend and hold the Company, its directors, officers, shareholders, employees, representatives and assigns harmless from and against any and all Losses resulting from any Action brought by any third party against the Company or its affiliates based on Consultant's negligence or willful misconduct. Each party's indemnification obligations hereunder will be subject to (a) receiving prompt written notice of the existence of any Action; (b) being able to, at its option, control the defense of such Action; (c) permitting the indemnified Party to participate in the defense of any Action; and (d) receiving full cooperation of the indemnified party in the defense thereof.

17. **NO ASSIGNMENT.** This Agreement may not be assigned by either party without the written consent of the other party.

18. **SEVERABILITY.** Consultant agrees that if one or more provisions of this Agreement are held to be unenforceable under applicable law, such provisions shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

19. **AMENDMENT.** This Agreement may not be amended except by mutual written Agreement of the parties.

20. **NOTICES.** All notices, requests, demands and other communications shall be in writing and shall be deemed to have been duly given or made if delivered by hand, in which case notice will be deemed effective upon receipt, or, if by mail by certified or registered mail, with postage prepaid to the address of such party set forth in the introductory paragraph of this Agreement or to such address directed by a party in writing, in which case notice will be deemed effective upon mailing. The return receipt, the delivery receipt, or the affidavit of messenger will be deemed conclusive but not exclusive evidence of delivery; delivery will also be presumed at such time as delivery is refused by the addressee upon presentation.

- 21. ENTIRE AGREEMENT.** This Agreement shall constitute the entire agreement between the parties and supersedes any and all other written or oral agreements between Consultant and the Company with respect to the subject matter of this Agreement.
- 22. INJUNCTIVE RELIEF.** Consultant acknowledges that breach of any of the provisions of this Agreement could cause the Company irreparable injury for which no adequate remedy at law exists. Accordingly, the Company shall have the right, in addition to any other rights it may have, and by executing this Agreement Consultant hereby consents, to the entry in any court having jurisdiction of a temporary or permanent restraining order or injunction restraining or enjoining Consultant from any violation of this Agreement. Consultant further agrees to waive, and to use Consultant's best efforts to cause Consultant's directors, officers, employees and agents, if any, to waive, any requirement for the securing or posting of any bond in connection with such remedy.
- 23. GOVERNING LAW; CONSENT TO JURISDICTION, WAIVER OF JURY TRIAL.** 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. Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the courts of the State of Minnesota and any United States District Court in 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. Service of process in connection with any such suit, action or proceeding may be served on each party hereto anywhere in the world by the same methods as are specified for the giving of notices under this Agreement. Each of the parties hereto irrevocably consents to the jurisdiction of any such court in any such suit, action or proceeding and to the laying of venue in such court. Each party hereto irrevocably waives any objection to the laying of venue of any such suit, action or proceeding brought in such courts and irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. EACH OF THE PARTIES HERETO WAIVES ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY LITIGATION WITH RESPECT TO THIS AGREEMENT AND REPRESENTS THAT COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER.
- 24. COLLECTION COSTS AND ATTORNEYS' FEES.** If a party shall fail to perform an obligation or otherwise breaches one or more of the terms of this Agreement, the other party may recover from the non-performing breaching party all its costs (including actual attorneys' and investigative fees) to enforce the terms of this Agreement.
- 25. COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same instrument.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the Company and Consultant have made this Agreement effective as of the date first set forth above.

CONSULTANT:

THE COMPANY:

LL BLAKE CONSULTING, LLC

NUWELLIS, INC.

BY: /s/ Lynn L. Blake

BY: /s/ Nestor Jaramillo, Jr.

NAME: Lynn L. Blake

NAME: Nestor Jaramillo, Jr.

TITLE: Principal

TITLE: Chief Executive Officer

SIGNATURE PAGE TO CONSULTING AGREEMENT

NUWELLIS ANNOUNCES PLAN FOR CFO TRANSITION

Minneapolis, August 8, 2023 (GLOBE NEWSWIRE) Nuwellis, Inc. (Nasdaq: NUWE), a medical technology company dedicated to transforming the lives of people with fluid overload, announced today that Lynn Blake will be transitioning from her role as Chief Financial Officer to pursue broader career goals. To ensure a smooth transition, Ms. Blake has agreed to remain in her current role through September 1, 2023 and then consult with the Company through March 31, 2024.

In connection with Ms. Blake's pending departure, the Company intends to appoint Rob Scott as its Chief Financial Officer at its next regularly scheduled Board of Directors meeting, to be held later this month. Mr. Scott, a 10-year veteran of Nuwellis, is currently the Company's Senior Finance Director. He joined the Company in 2013 and has held various positions of increasing responsibility in finance, strategic planning, and financial reporting. Mr. Scott was instrumental in the acquisition of the CHF Solutions assets from Baxter in 2016 and has played a lead role in the financial planning and integration success of Nuwellis. Mr. Scott previously spent five (5) years at UnitedHealth Group (NYSE: UNH) in various finance roles. He is a graduate of the University of Minnesota, Carlson School of Management, where he earned a Bachelor of Science in Finance and Entrepreneurial Studies.

"We sincerely thank Lynn for her invaluable contributions. She joined the Company in the wake of an important financing and quickly came up to speed to understand the challenges and opportunities facing Nuwellis. Her insights into the capital markets and role during the negotiations of the DaVita Supply and Collaboration agreement will be felt long after her departure, and we are fortunate to continue to benefit from her skillset through the first quarter of next year in ensuring a smooth transition for Mr. Scott into his new role as CFO," said Nestor Jaramillo, President and CEO of Nuwellis.

"We are also excited to promote Rob to the CFO role. Rob has a thorough understanding of our therapy, our markets and our customer requirements. He has deep knowledge of the business and understands the revenue drivers of the Company. He will be a great addition to our leadership team," continued Mr. Jaramillo.

Speaking to the transition plans, Ms. Blake said, "Having a strong internal successor in Rob will allow for a very smooth CFO transition, and Rob's deep institutional knowledge of the business will further bolster the Company's leadership team. I have enjoyed my time at Nuwellis and look forward to continuing to support Rob and the Company through the transition."

"As a long-standing member of the Nuwellis team, I look forward to applying my deep knowledge of the business in the CFO role and partnering even more closely with the leadership team through the next stage of growth for the Company," said Mr. Scott.

About Nuwellis

Nuwellis, Inc. (Nasdaq: NUWE) is a medical technology company dedicated to transforming the lives of patients suffering from fluid overload through science, collaboration, and innovation. The company is focused on commercializing the Aquadex SmartFlow® system for ultrafiltration therapy. Nuwellis is headquartered in Minneapolis, Minnesota with a wholly owned subsidiary in Ireland. For more information visit www.nuwellis.com or visit us on [LinkedIn](#).

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.

CONTACTS

INVESTORS:

Vivian Cervantes
Gilmartin Group LLC
ir@nuwellis.com
