

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): March 31, 2023

CYTOSORBENTS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-36792

(Commission File Number)

98-0373793

(I.R.S. Employer Identification No.)

305 College Road East

Princeton, New Jersey

(Address of principal executive offices)

08540

(Zip Code)

Registrant’s telephone number, including area code: (732) 329-8885

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ 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))

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, \$0.001 par value	CTSO	The Nasdaq Stock Market LLC (Nasdaq Capital Market)

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 1.01 **Entry into a Material Definitive Agreement.**

The contents of Item 5.02 of this Current Report on Form 8-K with respect to the Consulting Agreement (as defined below) are hereby incorporated by reference into this Item 1.01.

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

As previously disclosed, Ms. Kathleen P. Bloch retired from her role as Chief Financial Officer of CytoSorbents Corporation (the “Company”), effective as of March 31, 2023. In connection with Ms. Bloch’s retirement, the Company and Ms. Bloch entered into a Consulting Agreement, dated as of March 31, 2023 (the “Consulting Agreement”), pursuant to which Ms. Bloch will serve as a consultant to the Company and as the Company’s Interim Chief Financial Officer.

In accordance with the terms of the Consulting Agreement, Ms. Bloch will continue to provide services to the Company which are customary in scope to those typically provided by a public company Chief Financial Officer. Unless terminated earlier by Ms. Bloch or by the Company upon fourteen days written notice, the Consulting Agreement will remain in effect until December 31, 2025 and thereafter as mutually agreed between the Company and Ms. Bloch (the “Term”).

During the Term, Ms. Bloch is anticipated to provide approximately 20 hours of service to the Company per week and will be compensated at an hourly rate of \$335 per hour. In connection with entering into the Consulting Agreement, Ms. Bloch was also awarded 20,000 stock options with an exercise price of \$3.37 per share, the closing share price of the Company’s common stock on March 31, 2023. Ms. Bloch's outstanding equity awards will continue to vest as scheduled during the Term and Ms. Bloch will be entitled to customary reimbursement for out-of-pocket expenses incurred in connection with her services under the Consulting Agreement.

The foregoing summary of the Consulting Agreement does not purport to be complete and is qualified in its entirety by reference to the copy of the Consulting Agreement filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference herein.

Item 9.01 **Exhibits**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
<u>10.1*</u>	<u>Consulting Agreement, dated March 31, 2023, by and between the Company and Ms. Kathleen P. Bloch.</u>
104	Cover Page Interactive Data File (embedded with the Inline XBRL document)

* Portions of this exhibit identified by [***] have been excluded pursuant to Item 601(b)(10)(iv) of Regulation S-K because it is both not material and is private or confidential.

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.

Dated: April 6, 2023

CYTOSORBENTS CORPORATION

By: /s/ Dr. Phillip P. Chan

Name: Dr. Phillip P. Chan

Title: Chief Executive Officer

Kathleen P. Bloch

[***]

Consulting Agreement

THIS AGREEMENT (The “Agreement”) entered into as of March 31, 2023 between Kathleen P. Bloch (“Consultant”) and CytoSorbents Corporation and its wholly-owned subsidiary CytoSorbents Medical, Inc., both Delaware corporations, with offices at 305 College Road East, Princeton, NJ 08540 (collectively, the “Company”).

Witnesseth

WHEREAS, the Consultant possesses capabilities in the areas of Finance and Accounting as the prior Chief Financial Officer of the Company and desires to make available her expertise for the benefits of the Company by providing interim services in such areas of expertise; and

WHEREAS, Company desires to engage Consultant during the term of this Agreement;

NOW, THEREFORE, in view of the foregoing premises which are hereby incorporated as part of this Agreement, and consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. The services to be rendered by Consultant (the “Services”) are set forth in Exhibit “B”. Services may be amended by written agreement of Consultant and the Company and in doing, additional Exhibits would be added.
2. Consultant agrees that during the term of this Agreement, Consultant shall perform the Services in a timely fashion to the best of the Consultant’s abilities and in accordance with the Company’s reasonable requests.

Consultant agrees to comply with the relevant standard operating procedures of the Company as applicable, while performing Services.

3. It is the express intention of the parties that Consultant be an independent contractor and not an employee, agent, joint venture, or partner of Company. Both parties acknowledge that Consultant is not an employee of Company for state or federal tax purposes. Consultant shall retain right to perform services for others during the term of this agreement.
4. The Agreement may be terminated by Consultant upon fourteen (14) days’ written notice, or by Company upon fourteen (14) days’ notice. Unless sooner terminated by either party, this Agreement shall remain in effect until December 31, 2025, and thereafter as mutually agreed to in writing.

Certain information identified by [***] has been excluded pursuant to Item 601(b)(10)(iv) of Regulation S-K because such information is not material and is private or confidential.

5. (a) Consultant recognizes and acknowledges that the data collected, developed, and maintained for Company by Consultant is a valuable property right of the Company and will be kept confidential and secret and therefore agrees to keep all information relating to such data in confidence and trust, and will not use or disclose any such information without the written consent of the Company, except as such use may be necessary in the ordinary course of Consultant's performance of the Services for the Company.

(b) Consultant agrees that all documents and other physical property furnished to Consultant or produced by Consultant in connection with the performance of the Services shall be and remain the sole property of the Company upon request or upon the termination of the Agreement.

(c) Consultant agrees to execute the Company's Non-Disclosure Agreement

(d) Consultant agrees any inventions or patents derived from consulting services, if applicable, shall be the property of CytoSorbents Medical, Inc. and assigned to the Company at no further cost.
6. In consideration of the Services rendered hereunder, Company shall compensate Consultant at the rate set forth in Exhibit "A" hereto, together with reimbursement for other out-of-pocket expenses actually incurred on behalf of the Company and approved in advance of the Company. Travel expenses will be submitted within 5 working days of completion of the travel. Company will reimburse the Consultant within 15 days from receipt of the expense report. Consultant shall invoice Company as set forth in Exhibit "A" hereto.
7. Consultant hereby represents that neither the execution of this Agreement, the consulting relationship with the Company nor the performance of the Services will violate any obligations of Consultant to any person, entity, including, without limitation, the obligation to keep confidential proprietary information of such person or entity.
8. Each party shall indemnify the other from and hold it harmless against any loss, liability, damage, action, cause of action, cost or expense (including without limitation attorney's fees) arising out of (a) any unauthorized act or omission of the indemnitor which may be determined to be binding upon the indemnitee, (b) any material breach of the obligations and undertakings of the indemnitor hereunder, or (c) the negligent, reckless or willful misconduct of the indemnitor.
9. Company agrees to comply with all reasonable requests of Consultant (and provide reasonable access to documents) necessary to the performance of Consultant's duties under this Agreement.
10. Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party may terminate this Agreement by written notification to the other party. For purposes of this section, material breach of this Agreement shall include, but not be limited to, failure to meet the deadlines, destruction of property, dishonesty, theft, or any actions which would tend to disparage the business reputation of either party in the community.

Certain information identified by [***] has been excluded pursuant to Item 601(b)(10)(iv) of Regulation S-K because such information is not material and is private or confidential.

- 11. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.
- 12. This Agreement cannot be altered or otherwise amended except pursuant to an instrument in writing signed by Consultant and Company.

IN WITNESS WHEREOF Company and Consultant have executed this Agreement as of the date first above written.

Consultant	CytoSorbents Corporation and CytoSorbents Medical, Inc.
<u>/s/ Kathleen Bloch</u>	<u>/s/ Phillip Chan</u>
Kathleen P. Bloch	Dr. Phillip Chan
Consultant	CEO, CytoSorbents Corporation

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EXHIBIT “A”

CONSULTANT:

Kathleen P. Bloch

RATE FOR SERVICE FOR:

Compensation:

- \$335 per hour, with an expected 20 hours per week
- Reimbursement for other reasonable out-of-pocket expenses actually incurred on behalf of the Company and approved in advance by the Company
- For clarity, RSUs issued in 2021 and 2022 will continue to vest as scheduled, provided Kathleen remains a consultant to the Company.
- 20,000 Non-qualified Options, with a 10-year exercise period, priced at the stock closing of CytoSorbents (NASDAQ: CTSO) on 3/31/23 of \$3.37 per share

Company will make payment to Consultant on a monthly basis following the receipt of an invoice.

Certain information identified by [***] has been excluded pursuant to Item 601(b)(10)(iv) of Regulation S-K because such information is not material and is private or confidential.

EXHIBIT “B”

Consultant: Kathleen P. Bloch

Scope of work:

You will report directly to Dr. Phillip Chan, CEO, and will work remotely. You are expected to maintain all files on the corporate server in an organized fashion.

[***]