

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Nuo Therapeutics, Inc.

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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 24, 2018

Nuo Therapeutics, Inc.

(Exact name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-32518
(Commission
File Number)

23-3011702
(IRS Employer
Identification No.)

207A Perry Parkway, Suite 1, Gaithersburg, MD 20877

(Address of Principal Executive Offices) (Zip Code)

(240) 499-2680

(Registrant's telephone number, including area code)

N/A

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

On October 24, 2018, Nuo Therapeutics, Inc. (“Nuo” or the “Company”), entered into an Agreement for Sale of Intellectual Property (the “IP Sale Agreement”) and a License and Service Agreement (the “Service Agreement” and collectively the “Agreements”) with Rohto Pharmaceutical Co., Ltd., Inc. (“Rohto”).

Background

As previously disclosed, in January 2015 the Company granted to Rohto a royalty bearing, nontransferable, exclusive license, with limited right to sublicense, to use certain of the Company’s intellectual property for the development, import, use, manufacturing, marketing, sale and distribution for all wound care and topical dermatology applications of the Aurix System and related intellectual property and know-how in human and veterinary medicine in Japan in exchange for an upfront payment from Rohto of \$3.0 million. The related agreement (the “Exclusive License and Distribution Agreement”) also contemplates additional royalty payments as described below and an additional future cash payment if and when the pricing event has occurred as described below. In connection with and effective as of the entering into the Exclusive License and Distribution Agreement, we amended an existing licensing and distribution agreement with Millennia Holdings, Inc. (“Millennia”) to terminate it and allow us to transfer the exclusivity rights from Millennia to Rohto. In connection with this amendment we paid a one-time, non-refundable fee of \$1.5 million to Millennia upon our receipt of the \$3.0 million upfront payment from Rohto, and we are required to make certain future payments to Millennia if we receive the milestone payment from Rohto as well as future royalty payments based upon net sales in Japan. The Millennia agreement, as amended, specifies that it automatically terminates upon termination of the Exclusive License and Distribution Agreement.

As previously disclosed, on May 28, 2018, the Company entered into an amendment (the “Amendment”) to the Exclusive License and Distribution Agreement, reflecting the following material revisions:

- The milestone payment that Rohto was obligated to make upon achievement of the pricing event was reduced from \$1,000,000 to \$300,000, and the definition of the pricing event was expanded to include a second trigger. As a result of the Amendment, the pricing event occurs on the earlier of (a) achievement of the National Health Insurance system (“NHI”) reimbursement price for the licensed product in Japan and (b) achievement of NHI reimbursement for the treatment by treating clinicians of patients using the licensed product in Japan in the field of use.
- The royalty payment structure was amended. Previously, the royalty was 9% of net sales. This was amended to provide that the royalty would be 9% of net sales so long as Rohto uses any Nuo patent, and 5% of net sales if Rohto does not use any Nuo patent and in certain other circumstances described in the Amendment. The royalty payment obligation expires at the later of December 31, 2029 or the expiration of the relevant Nuo patent. The two relevant patents have expiration dates in 2019 and 2032.

The Exclusive License and Distribution Agreement, as so amended, is referred to herein as the “Amended License and Distribution Agreement.”

The October 2018 Agreements

The IP Sale Agreement provides for the sale to Rohto of the intellectual property under license pursuant to the Amended License and Distribution Agreement (consisting of two Nuo patents in Japan, Nuo know-how in Japan and trademarks for Aurix and AutoloGel in Japan). The IP Sale Agreement provides that, upon the completion of such transfers and payments, the Amended License and Distribution Agreement will be terminated. Under the IP Sale Agreement, Nuo is subject to a five-year non-compete in Japan.

Under the Service Agreement, Nuo agreed to the sale of a patent application in Brazil, the grant of a royalty free license to Nuo know how in the Field of Use in Brazil and India, and the grant of a royalty-free non-exclusive license to the use of Nuo's device patent in the Field of Use in the United States, Canada and Mexico. The latter license becomes effective if and only if Nuo ceases its business with respect to the Aurix System or grants a non-exclusive license to a third party to use the device patent in the Field of Use in the United States, Canada and Mexico. The "Field of Use" is defined as the use of the Aurix System and the modified medical device being developed by Rohto under the Japan patents sold to Rohto for all wound care and topical dermatology applications in human and animal medicine. Under the Service Agreement, Nuo is subject to a non-compete in Brazil and India.

The aggregate consideration receivable by Nuo under the Agreements is \$750,000, with \$500,000 due by November 8, 2018 and the balance due within 15 days of the delivery by Nuo of the executed documents necessary to effect the transfer of the relevant intellectual property rights to Rohto.

The above description of the Agreements does not purport to be complete and is qualified in its entirety by the full text, attached as Exhibits 10.1 and 10.2, and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No. Exhibit Description

10.1 [Agreement for Sale of Intellectual Property between Nuo Therapeutics, Inc. and Rohto Pharmaceutical Co., Ltd.](#)

10.2 [License and Service Agreement between Nuo Therapeutics, Inc. and Rohto Pharmaceutical Co., Ltd.](#)

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.

Nuo Therapeutics, Inc.

By: /s/ David E. Jordan

David E. Jordan

Chief Executive Officer and
Chief Financial Officer

Date: October 26, 2018

**AGREEMENT
FOR
SALE OF INTELLECTUAL PROPERTY**

This AGREEMENT FOR SALE OF INTELLECTUAL PROPERTY ("Agreement") is made and entered into as of October 24, 2018 ("Effective Date"), between **Nuo Therapeutics, Inc.**, a Delaware corporation, with its principal office at 207A Perry Parkway, Suite 1, Gaithersburg, MD 20877 ("Nuo"), and **Rohto Pharmaceutical Co., Ltd.**, a Japanese company, with its principal office at 1-8-1 Tatsumi-nishi, Ikuno-ku, Osaka 544-8666, Japan ("Rohto"). Each of Nuo and Rohto is hereinafter referred to as a "Party" and collectively the "Parties."

WHEREAS, the Parties entered into the EXCLUSIVE LICENSE AND DISTRIBUTION AGREEMENT as of December 31, 2014 and the AMENDMENT I TO EXCLUSIVE LICENSE AND DISTRIBUTION AGREEMENT as of May 28, 2018 (collectively "License Agreement").

WHEREAS, Rohto desires to purchase all the intellectual property licensed under the License Agreement in Japan.

WHEREAS, Nuo desires to sell such intellectual property.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the Parties hereby agree as follows.

Article 1. Definition

Except as otherwise defined in this Agreement, all capitalized terms will have the meaning as set forth in the License Agreement.

Article 2. Nuo Technology

2.1 Nuo shall sell, and Rohto shall purchase all the Nuo Technology in Japan which Nuo has licensed to Rohto under the License Agreement.

2.2 Nuo shall transfer and assign to Rohto the Nuo Patent-1 and Nuo Patent-2, as set forth in ATTACHMENT 1 registered in Japan.

2.3 Nuo shall transfer the ownership of all Nuo Know-How in Japan which Nuo has licensed to Rohto under the License Agreement. Nuo Know-How shall include, but not limited to, Nuo Clinical Data, treatment method of patient using Wound Dressing, and PRP separation technology (from patient's blood) embodied in the Centrifuge.

2.4 Upon execution of this Agreement, the Parties shall cooperate with each other to transfer the rights described in this Article 2 to Rohto in Japan as soon as practically possible.

Article 3. Nuo Trademarks

3.1 Nuo shall transfer and assign to Rohto the Nuo Trademarks as set forth in ATTACHMENT 2 registered in Japan.

3.2 Upon execution of this Agreement, the Parties shall cooperate with each other to transfer the trademarks described in this Article 3 to Rohto in Japan as soon as practically possible.

Article 4. Termination of License Agreement

4.1 The Parties agree that, upon completion of the transfer of the Nuo Technology and Nuo Trademarks set forth in Articles 2 and 3, and completion of Rohto's payment of the consideration set forth in Article 7, the License Agreement shall be terminated.

4.2 Upon termination of the License Agreement, all the payment obligations of the consideration under the License Agreement shall be deemed fully paid up.

4.3 The obligations of the Parties under Section 11 (Confidentiality) of the License Agreement shall survive the termination of the License Agreement.

Article 5. No Competition

5.1 Nuo shall not compete with Rohto in Japan with respect to Rohto's business using the Aurix System in the Field of Use for five (5) years after the Effective Date.

5.2 Rohto reserves the rights to assert its intellectual property rights transferred under this Agreement to Nuo in Japan in the event Nuo's infringement thereof in Japan even after the five year period described in above Article 5.1.

Article 6. Consideration

6.1 In consideration of the transfer of the Nuo Technology and Nuo Trademarks set forth in Articles 2 and 3, Rohto shall pay to Nuo the amount of Six Hundred and Fifty Thousand United States dollars (\$650,000) by wire transfer of immediately available funds to the following account.

Company Name: Nuo Therapeutics, Inc.
Company Address: 207A Perry Parkway, Suite 1, Gaithersburg, MD 20877 USA

Bank Name: []
Bank Address: []

Swift Code: []
ABA Routing Number: []
ACH Routing Number: []
Account Number: []

6.2 Rohto shall pay to Nuo the amount in installments as follows.

(i) Within fifteen (15) days of the Effective Date:

Five Hundred Thousand United States dollars (\$500,000)

(ii) Within fifteen (15) days of the delivery by Nuo of executed documents necessary to accomplish the completion of the transfer of the Nuo Technology and Nuo Trademarks described in Article 2 and Article 3:

One Hundred and Fifty Thousand United States dollars (\$150,000).

Article 7. Term

7.1 This Agreement shall become effective on the Effective Date and shall continue until the completion of Rohto's payment described in Article 6.2 (ii).

7.2 Either Party may terminate this Agreement if the other Party breaches any of its material obligations under this Agreement and such breach continues for a period of thirty (30) days following breaching Party's receipt of written notice from non-breaching Party setting forth the nature of such breach.

7.3 Article 4.3, 5, and 8 shall survive the termination of this Agreement.

Article 8. Dispute Resolution

8.1 This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the Parties shall be governed, construed and interpreted in accordance with the laws of the State of New York, without reference to rules of conflicts or choice of laws.

8.2 Any disputes or controversies which may arise between parties in connection with this Agreement shall be finally settled by arbitration. Such arbitration shall be held in English, in Wilmington, Delaware, the United States, pursuant to the Commercial Arbitration Rules of the American Arbitration Association if arbitration proceedings are initiated by Rohto, and in Osaka, Japan, pursuant to the rules of Conciliation and Arbitration of the International Chamber of Commerce if arbitration proceedings are initiated by Nuo. The decision of the arbitrator(s) shall be final and binding, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitrator(s) shall be authorized to award any relief, whether legal or equitable, to the Party so entitled to such relief.

[Remainder of This Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed as of the Effective Date.

Nuo Therapeutics, Inc.

/s/ David E. Jordan
Name: David E. Jordan
Title: Chief Executive Officer

Rohto Pharmaceutical Co., Ltd

/s/ Kunio Yamada
Name: Kunio Yamada
Title: Chairman (CEO) and President

ATTACHMENT 1

Nuo Patents

Nuo Patent-1
Application No. JP2000-555609
Patent No. JP3993981

Nuo Patent-2
Application No. JP2012-534244
Patent No. JP5502207

ATTACHMENT 2

Nuo Trademarks

AURIX No. 1255138

AUTOLOGEL No. 1197248

LICENSE AND SERVICE AGREEMENT

This LICENSE AND SERVICE AGREEMENT ("Agreement") is made and entered into as of October 24, 2018 ("Effective Date"), between **Nuo Therapeutics, Inc.**, a Delaware corporation, with its principal office at 207A Perry Parkway, Suite 1, Gaithersburg, MD 20877 ("Nuo"), and **Rohto Pharmaceutical Co., Ltd.**, a Japanese company, with its principal office at 1-8-1 Tatsumi-nishi, Ikuno-ku, Osaka 544-8666, Japan ("Rohto"). Each of Nuo and Rohto is hereinafter referred to as a "Party" and collectively the "Parties."

WHEREAS, the Parties entered into the AGREEMENT FOR SALE OF INTELLECTUAL PROPERTY on the even date of October 24, 2018 ("IP Sale Agreement").

WHEREAS, the Parties entered into the EXCLUSIVE LICENSE AND DISTRIBUTION AGREEMENT as of December 31, 2014 and the AMENDMENT I TO EXCLUSIVE LICENSE AND DISTRIBUTION AGREEMENT as of May 28, 2018 (collectively "License Agreement"), and the Parties agree to terminate the License Agreement as fully paid up under the IP Sale Agreement.

WHEREAS, the Parties desire to enter into certain arrangements other than the IP Sale Agreement.

NOW THEREFORE, the Parties hereby agree as follows.

Article 1. Definition

- 1.1 "Aurix System" means a point of care cell separation device invented by Nuo which produces a platelet based therapeutic formulation for use on chronic, hard to heal wounds and ulcers.
- 1.2 "Existing Device Components" means the S-Monovette Syringe, Safety Multifly set and Centrifuge which Nuo is marketing as components of Aurix System in the US as of the Effective Date.
- 1.3 "Field of Use" means the use of the Aurix System and New Device for all wound care and topical dermatology application in human and animal medicine.
- 1.4 "Nuo Know-How" means the know how Nuo licensed to Rohto under the License Agreement.

1.5 "New Device" means the modified medical device being developed by Rohto covered by the Patent and the family patent of the Patent in Japan which Rohto will obtain the ownership rights to pursuant to the IP Sale Agreement.

1.6 "Patent" means the patent and/or patent application in the US, Canada, and Mexico set forth in EXHIBIT 1.

1.7 "Brazil Patent" means the patent application in Brazil set forth in EXHIBIT 2.

Article 2. Sleeping License

2.1 Nuo grants to Rohto a royalty free, non-exclusive license, to use the Patent in the Field of Use in the US, Canada and Mexico which becomes effective if and only if Nuo ceases its business with respect to the Aurix System or executes a non-exclusive license to use the Patent in the Field of Use in the US, Canada, and Mexico to a third party.

Article 3. Sale of Brazil Patent

3.1 Nuo shall sell, and Rohto shall purchase the rights to patent application with respect to family patent of Nuo Patent in Brazil as set forth in EXHIBIT 2.

3.2 Nuo shall transfer and assign to Rohto such patent rights in Brazil as soon as practically possible.

Article 4. Know-How License

4.1 Nuo grants to Rohto a royalty free, perpetual, exclusive license, to use the Nuo Know-How in the Field of Use in Brazil and India.

4.2 Nuo warrants that Nuo has no patent rights in India with respect to Aurix System.

4.3 Nuo shall not compete with Rohto in Brazil and India with respect to Rohto's business by using Aurix System in the Field of Use in Brazil and India.

Article 5. New Device

5.1 In the event Rohto completes the development of the New Device for commercial use in Japan, Nuo reserves the right to purchase such New Device for the territory of the United States, Canada, and Mexico at the price of Rohto's procurement cost of the New Device plus fifteen (15)% mark-up thereof. Nuo's purchase price of such New Devices for its territory other than the United States, Canada, and Mexico shall be discussed and determined by the Parties in good faith.

5.2 In the event Nuo ceases its business with respect to Aurix System or executes a non-exclusive license to use the Patent in the Field of Use in the US, Canada, and Mexico to a third party, Rohto shall have the rights to market the New Device in the US, Canada, and Mexico with its sole discretion.

Article 6. Supply

6.1 Upon Rohto's request from time to time, Nuo shall procure the Existing Device Components in the US and supply it to Rohto in Japan.

6.2 Nuo's supply price of the Existing Device Components shall be Nuo's procurement cost of the Existing Device Components plus fifteen (15)% mark-up thereof.

6.3 Upon request by Rohto, Nuo shall support Rohto's communication with the manufacturers of the Existing Device Components.

Article 7. Consideration

In consideration of the rights granted to Rohto under this Agreement, Rohto shall pay to Nuo the amount of One Hundred Thousand United States dollars (\$100,000) by wire transfer of immediately available funds to the following account within fifteen (15) days of the delivery by Nuo of executed documents necessary to accomplish the completion of the transfer of the Brazil Patent described in Article 3.

Company Name: Nuo Therapeutics, Inc.
Company Address: 207A Perry Parkway, Suite 1, Gaithersburg, MD 20877 USA

Bank Name: []
Bank Address: []

Swift Code: []
ABA Routing Number: []
ACH Routing Number: []
Account Number: []

Article 8. Term

8.1 This Agreement shall become effective on the Effective Date and shall continue until Nuo ceases its business with respect to Aurix System or transfer the rights to the Aurix System to any third parties.

8.2 Either Party may terminate this Agreement if the other Party breaches any of its material obligations under this Agreement and such breach continues for a period of thirty (30) days following breaching Party's receipt of written notice from non-breaching Party setting forth the nature of such breach.

8.3 Article 2 and 4 shall survive the termination of this Agreement.

Article 9. Dispute Resolution

9.1 This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the Parties shall be governed, construed and interpreted in accordance with the laws of the State of New York, without reference to rules of conflicts or choice of laws.

9.2 Any disputes or controversies which may arise between parties in connection with this Agreement shall be finally settled by arbitration. Such arbitration shall be held in English, in Wilmington, Delaware, the United States, pursuant to the Commercial Arbitration Rules of the American Arbitration Association if arbitration proceedings are initiated by Rohto, and in Osaka, Japan, pursuant to the rules of Conciliation and Arbitration of the International Chamber of Commerce if arbitration proceedings are initiated by Nuo. The decision of the arbitrator(s) shall be final and binding, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitrator(s) shall be authorized to award any relief, whether legal or equitable, to the Party so entitled to such relief.

[Remainder of This Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed as of the Effective Date.

Nuo Therapeutics, Inc.

/s/ David E. Jordan
Name: David E. Jordan
Title: Chief Executive Officer

Rohto Pharmaceutical Co., Ltd

/s/ Kunio Yamada
Name: Kunio Yamada
Title: Chairman (CEO) and President

EXHIBIT 1

Nuo Patents

United States Patent No.	US 7,927,563
Canada Patent No.	CA 2775352
Mexico Patent No.	MX 323018

EXHIBIT 2

Nuo Brazil Patent Application

Patent Application No. 112012007153-0