

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 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) April 13, 2020

**REPRO MED SYSTEMS, INC.**

(Exact name of registrant as specified in its charter)

**New York**  
(State or other jurisdiction  
of incorporation)

**0-12305**  
(Commission  
File Number)

**13-3044880**  
(IRS Employer  
Identification No.)

**24 Carpenter Road, Chester, New York**  
(Address of principal executive offices)

**10918**  
(Zip Code)

Registrant's telephone number, including area code **(845) 469-2042**

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in 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.

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

<u>Title of each class</u>	<u>Trading symbol(s)</u>	<u>Name of each exchange on which registered</u>
<b>common stock, \$0.01 par value</b>	<b>KRMD</b>	<b>NASDAQ Capital Market</b>

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**ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.**

**(e) Compensatory Arrangements of Certain Officers.**

On April 13, 2020, upon recommendation of its Compensation Committee (the “Committee”), the Board of Directors (the “Board”) of Repro Med Systems, Inc. d/b/a KORU Medical Systems (“KORU”) approved a Management Incentive Compensation Plan (the “MICP”), providing the opportunity for a cash bonus to eligible participants, and set certain components of the MICP for each of KORU’s executive officers for the year ended December 31, 2020.

Under the MICP, upon recommendation of the Committee and taking into account the terms of any employment agreements, the Board will establish, on an annual basis, each executive officer’s maximum base bonus award potential and over-achievement bonus award potential, as a percentage of such executive officer’s annual base salary, each of which will be applied to the executive officer’s actual final year-end regular earnings to take into account any increases to base salary and employment commencing after the beginning of the year. In addition, upon recommendation of the Committee, the Board will establish, on an annual basis, the performance objectives, and the relative weightings thereof, applicable to each executive officer’s bonus opportunity. These performance objectives may include both financial and strategic objectives, measured on an absolute basis or relative to a pre-established target, in each case as specified and weighted by the Board (e.g., earnings before one or more of interest, taxes, depreciation and amortization; gross margin; operating margin or profit margin; strategic plan progress; and cash flow). The performance objectives can also include individual performance metrics established by the Board upon recommendation of the Chief Executive Officer upon consultation with the other individual participants (except with respect to his own individual performance metrics, if any). Following the completion of each year, the Committee will review KORU’s and each executive officer’s results relative to these objectives and determine the level of achievement for each executive officer.

The annual cash bonus payment to each executive officer will be made from a bonus pool established for all eligible participants under the MICP based on the amount by which any one or more measures of KORU’s financial performance for the year meets or exceeds budget targets for the year. Such measures of financial performance may include gross margin, adjusted earnings before one or more of interest, taxes, depreciation and amortization, or such other criteria as the Board may determine are appropriate. To receive the bonus, participants must be actively employed by KORU in an eligible position when the bonus is paid. The Board continues to have the right to reduce executive officers’ cash bonus payments under the MICP by any amount on the basis of such considerations as the Board in its sole discretion shall determine.

The foregoing description of the MICP is qualified in its entirety by reference to the actual terms of the MICP, which is filed as an exhibit hereto and incorporated herein by reference.

For the year ended December 31, 2020, upon recommendation of the Committee, the Board established the following maximum base bonus award potential, maximum over-achievement bonus award potential and relative corporate/personal performance objectives weightings for Donald Pettigrew, Chief Executive Officer, Karen Fisher, Chief Financial Officer and Manuel Marques, Chief Operating Officer:

<b>Executive Officer</b>	<b>Maximum Base Potential (as a percentage of base earnings)</b>	<b>Maximum Over-Achievement Potential (as a percentage of base earnings)</b>	<b>Corporate Objectives Weighting</b>	<b>Personal Objectives Weighting</b>
CEO	60%	60%	100%	0%
CFO	30%	30%	70%	30%
COO	30%	30%	70%	30%

The 2020 corporate objectives established by the Board were as follows: value and quality of revenue achievement; gross margin improvement; strategic plan execution; and quality of adjusted earnings before interest, taxes, depreciation and amortization (“AEBITDA”). The Board authorized the Chief Executive Officer to establish the 2020 personal objectives for the Chief Financial Officer and Chief Operating Officer.

The Board established bonus pools for 2020 consistent with KORU’s budget for the fiscal year ended December 31, 2020, with a provision for base bonus awards to the extent AEBITDA falls within 95%-100% of the budgeted amount for 2020 and a provision for over-achievement bonus awards to the extent gross margin exceeds the budgeted amount.

#### ITEM 8.01 OTHER EVENTS.

As previously reported in the Company’s reports filed under the Securities Exchange Act of 1934, as amended, on June 25, 2015, EMED Technologies Corporation (“EMED”) filed a case in the United States District Court for the Eastern District of Texas claiming patent infringement of U.S. Patent 8,961,476 (“476 Patent”) by the Company’s needle sets and seeking unspecified monetary damages (the “ED Texas 476 Case”), and that on June 28, 2019 the United States District Judge for the ED Texas ’476 matter issued a Final Judgment of non-infringement in favor of RMS Medical. The District Judge adopted the decision of the Magistrate Judge that was issued on June 24, 2019, overruled EMED’s objections, awarded court costs to RMS Medical, and dismissed the case.

The Company is filing this Current Report on Form 8-K to report that, on April 9, 2020, the United States Court of Appeals for the Federal Circuit (“the Federal Circuit Court”) affirmed that earlier decision by the United States District Court for the Eastern District of Texas (Case No. 2:15-CV-01167-JRG-RSP) that granted KORU Medical’s motion for summary judgement of non-infringement against EMED Technologies (“EMED”).

On April 13, 2020, the Company issued a press release announcing the events set forth in this Current Report on Form 8-K. A copy of the press release is furnished as Exhibit 99.1 hereto.

#### ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	<a href="#">Repro Med Systems, Inc. Management Incentive Compensation Plan dated as of April 13, 2020</a>
99.1	<a href="#">Press release dated April 13, 2020</a>

#### 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.

REPRO MED SYSTEMS, INC.  
(Registrant)

Date: April 14, 2020

By: /s/ Karen Fisher  
Karen Fisher  
Chief Financial Officer

**REPRO MED SYSTEMS, INC.  
d/b/a KORU MEDICAL SYSTEMS**

**MANAGEMENT INCENTIVE COMPENSATION PLAN**

1. **Purpose.** The Management Incentive Compensation Plan (the “MICP”) has been established by Repro Med Systems, Inc. (the “Company”) for the purposes of (a) reinforcing the link between compensation and performance, (b) motivating participants to achieve individual and/or corporate performance objectives, and (c) enabling the Company to attract and retain high quality executives. Pursuant to the MICP, all Covered Individuals (defined below) will be eligible to receive an incentive bonus as described herein (a “Incentive Bonus”).

2. **Covered Individuals.** All the “executive officers” of the Company (as defined in Rule 3b-7 under the Securities Exchange Act of 1934) and such other employees of the Company as the Board of Directors (the “Board”) shall determine in its sole discretion (each, a “Covered Individual”) are eligible to participate in the MICP for each year the MICP remains in effect.

3. **Plan Administration.** The Compensation Committee of the Board shall have the sole discretion and authority to administer and interpret the MICP, subject to the authority reserved to the Board set forth herein. Subject to the express provisions and limitations of the MICP, the Committee shall be authorized and empowered to do all things necessary or desirable, in its sole discretion, in connection with the administration of the MICP, including, without limitation, the following:

(i) To prescribe, amend, and rescind rules and regulations established by the Committee relating to the MICP and to define terms not otherwise defined herein, and to take or approve such further actions as it determines necessary or appropriate to the administration of the MICP, such as correcting a defect or supplying any omission, or reconciling any inconsistency so that the MICP or any award complies with applicable law, regulations, and listing requirements and so as to avoid unanticipated consequences or address unanticipated events deemed by the Committee to be inconsistent with the purposes of the MICP;

(ii) To consult with the Company’s Chief Executive Officer regarding, and recommend for the Board’s approval, the performance criteria, goals, and objectives under the MICP for any year and the level at which those goals and objectives are attained for such year;

(iii) To recommend to the Board Covered Individuals under the MICP; and

(iv) To interpret and construe the MICP, any rules and regulations established by the Committee under the MICP.

All decisions, determinations, and interpretations by the Committee and the Board regarding the MICP shall be final and binding on all Covered Individuals. The Committee and the Board shall consider such factors, as it deems relevant to making such decisions, determinations, and interpretations, including, without limitation, the recommendations or advice

of any director, officer, or employee of the Company and such attorneys, consultants and accountants as it may select.

4. Amount of Incentive Bonus.

(a) Incentive Bonus Opportunity. Taking into account the terms of any Covered Individual employment agreements, the Board will establish, on an annual basis, each Covered Individual's maximum Incentive Bonus award potential and over-achievement Incentive Bonus award potential, as a percentage of such Covered Individual's annual base salary (together, the "Maximum Potential"), which Maximum Potential will be applied to the Covered Individual's actual final year-end regular earnings to take into account any increases to base salary and/or employment commencing after the beginning of the applicable year.

(b) Performance Goals and Objectives. A Covered Individual's annual Incentive Bonus will be based on the attainment of performance goals and objectives as determined by the Board for such Covered Individual in its sole discretion with respect to each year. Different Covered Individuals may have different performance goals and objectives. The performance goals and objectives for any Covered Individual may include any one or more of the following performance criteria, measured on an absolute basis or relative to a pre-established target, in each case as specified and weighted by the Board: (i) cash flow, (ii) earnings per share, (iii) earnings before one or more of interest, taxes, depreciation, and amortization, (iv) return on equity, (v) revenue, (vi) income or net income, (vii) operating income or net operating income, (viii) gross margin, operating margin, or profit margin, (ix) strategic plan progress; (x) market segment share, (xi) new product innovation, (xii) customer satisfaction or (xiii) such other criteria as the Board may determine are appropriate to measure the performance of a Covered Individual in carrying out his or her assigned duties and responsibilities.

(c) Incentive Bonus Pool. The Incentive Bonus paid to each Covered Individual will be made from a pool established by the Board for all Covered Individuals under the MICP based on the amount by which any one or more measures of the Company's financial performance for the performance year meets or exceeds budgeted targets for the year. Such measures of financial performance may include gross margin, adjusted earnings before one or more of interest, taxes, depreciation, and amortization, or such other criteria as the Board may determine are appropriate.

5. Payment of Incentive Bonus.

(a) Incentive Bonuses shall be paid in cash, and except as provided in Section 6, no Incentive Bonus shall be paid to a Covered Individual unless he or she is an employee of the Company as of the date the Incentive Bonus is paid.

(b) If the Company's financial statements are the subject of a restatement due, in whole or in part, to a Covered Individual's misconduct, to the extent permitted by governing law, in all appropriate cases, the Company will seek reimbursement of excess incentive cash compensation paid under the MICP to Covered Individuals for the relevant year. For purposes of the MICP, excess incentive cash compensation means the positive difference, if any, between (i)

the Annual Incentive Payment paid to the Covered Individual and (ii) the Annual Incentive Payment that would have been made to the Covered Individual, not including the effect of any adjustments under Section 4(c), had the achievement of the performance goals been calculated based on the Company's financial statements as restated. The Company will not be required to award Covered Individuals an additional Annual Incentive Payment should the restated financial statements result in a higher Annual Incentive Payment.

(c) Notwithstanding anything to the contrary herein, a Covered Individual's Incentive Bonus may be reduced by the Board on the basis of such further considerations as the Board in its sole discretion shall determine.

6. Amendment, Suspension and Termination. The Board may, at any time, amend, suspend, or terminate the MICP in whole or in part.

7. Tax Withholding. The Company shall have the right to make all payments or distributions pursuant to the MICP to any person, net of any applicable federal, state, and local payroll or withholding taxes, or the applicable taxes of any foreign jurisdiction (collectively, "Taxes"), required to be paid or withheld. The Company shall have the right to withhold from wages or other amounts otherwise payable to such Covered Individual such Taxes as may be required by law, or if permitted by law, to otherwise require the Covered Individual to pay such Taxes. If such person shall fail to make such Tax payments as are required, the Company shall, to the extent permitted by law, have the right to deduct any such Taxes from any payment of any kind otherwise due to such Covered Individual or to take such other action as may be necessary to satisfy such Tax obligations.

8. Severability. If any provision of the MICP shall be held unlawful or otherwise invalid or unenforceable in whole or in part by a court of competent jurisdiction, such provision shall (a) be deemed limited to the extent that such court of competent jurisdiction deems it lawful, valid and/or enforceable and as so limited shall remain in full force and effect, and (b) not affect any other provision of the MICP or part thereof, each of which shall remain in full force and effect. If the making of any payment or the provision of any other benefit provided for under the MICP shall be held unlawful or otherwise invalid or unenforceable by a court of competent jurisdiction, such unlawfulness, invalidity, or unenforceability shall not prevent any other payment or benefit from being made or provided under the MICP, and if the making of any payment in full or the provision of any other benefit provided for under the MICP in full would be unlawful or otherwise invalid or unenforceable, then such unlawfulness, invalidity, or unenforceability shall not prevent such payment or benefit from being made or provided in part, to the extent that it would not be unlawful, invalid, or unenforceable, and the maximum payment or benefit that would not be unlawful, invalid, or unenforceable shall be made or provided under the MICP.

9. Non-Assignability. Unless the Committee expressly provides otherwise in writing, no Covered Individual nor any other person may sell, assign, convey, gift, pledge, or otherwise hypothecate or alienate any Incentive Bonus.

10. Non-Exclusivity of the MICP. The adoption of the MICP by the Board does not create any limitation on the power of the Board to adopt other cash or equity-based compensation programs. The adoption of the MICP by the Board shall not be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as either may deem desirable, including, without limitation, cash or equity-based compensation arrangements, either tied to performance or otherwise, and any such other arrangements as may be either generally applicable or applicable only in specific cases.

11. Employment at Will. Neither the MICP, the selection of a person as a Covered Individual, the payment of any Incentive Bonus to any Covered Individual, nor any action by the Company, the Board or the Committee shall be held or construed to confer upon any person any right to be continued in the employ of the Company. The Company expressly reserves the right to terminate the employment of any Covered Individual whenever in the sole discretion of the Company its interest may so require.

12. No Vested Interest. At no time before the actual payment of an Incentive Bonus to any Covered Individual or other person shall any Covered Individual or other person accrue any vested interest or right whatsoever under the MICP, and the Company has no obligation to treat Covered Individuals identically under the MICP.

13. Governing Law. The MICP and any agreements and documents hereunder shall be interpreted and construed in accordance with the laws of the State of New York and applicable federal law.

14. Section 409A. To the extent applicable, it is intended that the MICP and any Incentive Bonuses awarded hereunder comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "Code") and any related regulations or other guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service ("Section 409A"). Any provision that would cause the MICP or any Incentive Bonus granted hereunder to fail to satisfy Section 409A shall have no force or effect until amended to comply with Section 409A, which amendment may be retroactive to the extent permitted by Section 409A.

15. Unfunded Plan. The MICP shall not create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Covered Individual or any other person. To the extent that any person acquires a right to receive payments from the Company pursuant to the MICP, such right shall be no greater than the right of any general unsecured creditor of the Company.

16. Effective Date. The MICP has been adopted by the Board of Directors and is effective as of April 13, 2020.

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**FOR IMMEDIATE RELEASE**

**UNITED STATES FEDERAL COURT OF APPEALS RULES IN FAVOR OF KORU  
MEDICAL SYSTEMS**

**CHESTER, NY – April 13, 2020 - Repro Med Systems, Inc. dba KORU Medical Systems (NASDAQ: KRMD) (“KORU Medical” or the “Company”)** today announced that on April 9, 2020 The United States Court of Appeals for the Federal Circuit (“the Federal Circuit Court”) affirmed an earlier decision by the United States District Court for the Eastern District of Texas (Case No. 2:15-CV-01167-JRG-RSP) that granted KORU Medical’s motion for summary judgement of non-infringement against EMED Technologies (“EMED”).

As previously reported, EMED filed the case on June 25, 2015 claiming patent infringement on one of its patents by the Company’s needle sets and seeking unspecified monetary damages.

**About KORU Medical Systems**

KORU Medical Systems develops, manufactures and commercializes innovative and easy-to-use specialty infusion solutions that improve quality of life for patients around the world. The FREEDOM Syringe Infusion System currently includes the FREEDOM60<sup>®</sup> and FreedomEdge<sup>®</sup> Syringe Infusion Drivers, Precision Flow Rate Tubing<sup>™</sup> and HIgH-Flo Subcutaneous Safety Needle Sets<sup>™</sup>. These devices are used for infusions administered in the home and alternate care settings. For more information, please visit [www.korumedical.com](http://www.korumedical.com).

**Contacts:**

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