

NEPHROS INC  
Form 8-K  
July 24, 2008

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

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Date of Report (Date of earliest event reported): July 23, 2008

**Nephros, Inc.**

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-32288 (Commission File Number)	13-3971809 (IRS Employer Identification No.)
3960 Broadway New York, NY (Address of Principal Executive Offices)		10032 (Zip Code)

Registrant's telephone number, including area code: (212) 781-5113

N/A

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

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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))
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**Item 8.01. Other Events.**

On July 23, 2008, Nephros, Inc. (the “Company”) sold all of its auction rate securities (“ARS”), having an aggregate outstanding principal amount of approximately \$4.1 million, for approximately \$4.1 million in cash. As a result of such sale, the Company has exchanged non-current assets for current assets and has reversed the approximately \$114,000 impairment loss on such ARS that it had recorded during the three months ended March 31, 2008.

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**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 thereunto duly authorized.

**Nephros, Inc.**

Date: July 24, 2008

By: /s/ Gerald J. Kochanski

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Gerald J. Kochanski  
Chief Financial Officer