

**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): **June 3, 2020**

One World Pharma, Inc.

(Exact name of registrant as specified in charter)

Nevada

(State or other Jurisdiction
of Incorporation)

333-200529

(Commission
File Number)

61-1744826

(IRS Employer
Identification No.)

3471 West Oquendo Road, Suite 301 Las Vegas, NV

(Address of principal executive offices)

89118

(zip code)

Registrant's telephone number, including area code: **(800) 605-3201**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of 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(b) under the Exchange Act (17 CFR 240.14a-12(b))
- 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

N/A

Trading Symbol(s)

N/A

Name of each exchange on which registered

N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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.

Craig Ellins Separation

On June 3, 2020, One World Pharma, Inc. (the “Company”) entered into a Separation and Release Agreement with Craig Ellins (the “Separation Agreement”), pursuant to which Mr. Ellins has resigned from all of his positions with the Company and its subsidiaries, including his positions as Chief Executive Officer and Chairman of the Board of the Company. Pursuant to the Separation Agreement, the Company will (i) issue Mr. Ellins 2,000,000 shares of the Company’s Common Stock, (ii) reimburse Mr. Ellins for \$55,000 of expenses previously incurred by him on behalf of the Company, and (iii) make 12 monthly payments to Mr. Ellins in the amount of \$8,000 each in the 12-month period following the date on which the Company has raised \$1.5 million in gross proceeds from the sale of its securities following the date of the Separation Agreement.

The Separation Agreement also contains mutual releases and prohibits Mr. Ellins from competing with the Company for a period of two years.

The foregoing description of the Separation Agreement is qualified in its entirety by reference to the actual terms of the Separation Agreement, which has been filed as Exhibit 10.1 to this Current Report on Form 8-K, and which is incorporated herein by reference.

Appointment of Isiah L. Thomas III as Chief Executive Officer and Vice Chairman

On June 3, 2020, Isiah L. Thomas III was appointed to serve as the Company’s Chief Executive Officer and Vice Chairman pursuant to a letter agreement with the Company (the “Employment Agreement”).

Mr. Thomas, 59, has been the Chairman and Chief Executive Officer of Isiah International, LLC, a holding company with interests in a diversified portfolio of businesses, since 2011. Mr. Thomas also has been a Commentator and Analyst for NBA TV, since 2014, and Turner Sports, since 2012. He previously served as the President & Alternate Governor of the New York Liberty of the Women’s National Basketball Association from 2015 to February 2019, the Head Basketball Coach at Florida International University, from 2009 to 2012, the General Manager, President of Basketball Operation and Head Coach of the New York Knicks of the National Basketball Association (“NBA”), from 2006 to 2008, the Head Coach of the Indiana Pacers of the NBA from 2000 to 2003, the Owner of the Continental Basketball Association from 1998 to 2000, Minority Owner & Executive Vice President of the Toronto Raptors of the NBA from 1994 to 1998 and point guard for the Detroit Pistons of the NBA from 1981 to 1994. Mr. Thomas has served as a director of Get in Chicago, an organization focused on stopping gun and related violence in Chicago, since 2013, and as a director of Madison Square Garden Entertainment Corp. since April 2020. He is also the Founder of Mary’s Court Foundation, a charitable organization established in 2010.

Pursuant to the Employment Agreement:

- Mr. Thomas will be entitled to be paid a base salary of \$120,000 in the first year of his employment; \$240,000 in the second year of his employment; and \$300,000 in the third year of his employment.
 - The Company will have the option to pay Mr. Thomas’s salary with shares of the Company’s Common Stock until the Company has raised gross proceeds of at least \$1.5 million from the sale of its securities following the date of his employment. If the Company so elects to pay his salary with shares of Common Stock, the number of shares of Common Stock shall be equal to (a) 1.25 times the cash payment to which he would have been otherwise entitled, divided by (b) the closing price of the Common Stock on the day such cash payment was due.
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- The Company has awarded Mr. Thomas 500,000 shares of the Company’s Common Stock, and an option (the “Option”) to purchase 5,500,000 shares of the Company’s Common Stock at an exercise price equal to \$0.55 per share. The Option will vest as to 1,500,000 shares immediately, as to 1,000,000 shares 120 days following the issuance of the Option (the “Second Vesting Date”), and as to the remaining 3,000,000 shares quarterly over the three years following the Second Vesting Date.
- Mr. Thomas will be employed by the Company on at-will basis.

The foregoing description of the Employment Agreement is qualified in its entirety by reference to the actual terms of the Employment Agreement, which has been filed as Exhibit 10.2 to this Current Report on Form 8-K, and which is incorporated herein by reference.

Dr. Kenneth Perego, II Appointment as Executive Chairman of the Board

On June 3, 2019, Dr. Kenneth Perego, II, who has been a director of the Company since February 2019, was appointed to serve as the Executive Chairman of the Company’s Board of Directors.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 10.1 [Separation and Release Agreement between One World Pharma, Inc. and Craig Ellins, dated June 3, 2020](#)

Exhibit 10.2 [Letter Agreement between One World Pharma, Inc. and Isiah L. Thomas III, dated June 3, 2020](#)

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.

One World Pharma, Inc.

Date: June 9, 2020

By: /s/ Brian Moore

Name: Brian Moore

Title: Chief Operating Officer

SEPARATION AND RELEASE AGREEMENT

This Agreement (this "Agreement") is made as of June 3, 2020, by and between ONE WORLD PHARMA, INC., a Nevada corporation (the "Company"), and CRAIG ELLINS ("Ellins").

RECITALS

WHEREAS, Ellins is currently employed as the Company's Chief Executive Officer and Chief Financial Officer, serves as a director of the Company, and serves as a director and officer of OWP Ventures, Inc., the Company's wholly-owned subsidiary ("OWP Ventures"); and

WHEREAS, the Company and Ellins have mutually agreed to a termination of their relationship on the terms set forth herein.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Termination of Employment Relationship; Resignation as Officer and Director. Effective as of June __, 2020 (the "Effective Date"), without any further action of the parties hereto, Ellins shall cease to be a director, officer and/or employee of the Company and each of its subsidiaries (including, without limitation, OWP Ventures).

2. Severance Payments.

(a) The Company shall (i) issue Ellins 2,000,000 shares of the Company's Common Stock promptly following the execution of this Agreement, (ii) reimburse Ellins in the amount of \$55,000 for expenses incurred by him on behalf of and as an officer of the Company, within 30 days following the date of this Agreement, and (iii) during the 12-month period following the date on which the Company has raised \$1.5 million in gross proceeds from the sale of its securities following the date hereof, make monthly payments to Ellins in the amount of \$8,000 per month, payable in periodic installments in accordance with the Company's regular practices (resulting in aggregate payments under this Section 2(iii) in the amount of \$96,000).

(b) All references herein to compensation to be paid to Ellins are to the gross amounts thereof which are due hereunder. The Company shall have the right to deduct therefrom all taxes which may be required to be deducted or withheld by applicable law.

3. Releases.

(a) In exchange for the consideration provided for by Section 2 hereof, Ellins for himself and for his heirs, executors, administrators and assigns (collectively, "Releasors"), forever releases and discharges the Company, OWP Ventures, One World Pharma SAS, and all other now or hereafter existing subsidiaries, parent companies, divisions, affiliates or related business entities, successors and assigns of the Company, and any of their past or present shareholders, directors, officers, attorneys, agents, trustees, administrators, employees or assigns (whether acting as agents for the Company or in their individual capacities) (hereinafter referred to collectively as "Releasees"), from any and all claims, demands, causes of action, fees and liabilities of any kind whatsoever, whether known or unknown, which Releasors ever had, now have or may have against Releasees by reason of any actual or alleged act, omission, transaction, practice, conduct, occurrence or other matter up to and including the date hereof.

(b) Without limiting the generality of the foregoing, this Agreement is intended to and shall release Releasees from any and all claims, whether known or unknown (but excluding any claims or rights that Ellins may have as a stockholder of the Company or under COBRA), which Releasers ever had, now have and may have against Releasees, including but not limited to any claims, whether or not asserted, arising out of Ellins' employment with Releasees and/or his termination from such employment, including but not limited to: (i) any claim under the Civil Rights Act of 1964, as amended; (ii) any other claim of discrimination or retaliation in employment (whether based on federal, state or local law, statutory or decisional); (iii) any claim arising out of the terms and conditions of Ellins' employment with the Company, his termination from such employment, and/or any of the events relating directly or indirectly to or surrounding such termination; (iv) any claim of discrimination or breach of fiduciary duty under the Employee Retirement Income Security Act of 1974, as amended (except claims for accrued vested benefits under any employee benefit plan of the Company in accordance with the terms of such plan and applicable law); (v) any claim arising under the Federal Age Discrimination in Employment Act of 1997, as amended, and the applicable rules and regulations thereunder; and (vi) any claim for attorney's fees, costs, disbursements and/or the like.

(c) In exchange for the release provided under Section 3(a) hereof, the Company, on behalf of itself OWP Ventures and One World Pharma SAS, forever releases and discharges Ellins from any and all claims, demands, causes of action, fees and liabilities of any kind whatsoever, whether known or unknown, which any of them ever had, now have or may have against Ellins by reason of any actual or alleged act, omission, transaction, practice, conduct, occurrence or other matter up to and including the date hereof.

4. Covenants not to Sue.

(a) Ellins covenants, except to the extent prohibited by law, not to commence, maintain, prosecute or participate in any action, charge, complaint or proceeding of any kind (on their own behalf and/or on behalf of any other person or entity and/or on behalf of or as a member of any alleged class of persons) in any court, or before any administrative or investigative body or agency (whether public, quasi-public or private), except if otherwise required by law, against Releasees with respect to any act, omission, transaction or occurrence up to and including the date on which this Agreement is executed.

(b) The Company covenants, except to the extent prohibited by law, not to commence, maintain, prosecute or participate in any action, charge, complaint or proceeding of any kind (on their own behalf and/or on behalf of any other person or entity and/or on behalf of or as a member of any alleged class of persons) in any court, or before any administrative or investigative body or agency (whether public, quasi-public or private), except if otherwise required by law, against Ellins with respect to any act, omission, transaction or occurrence up to and including the date on which this Agreement is executed.

5. Non-Disparagement.

(a) Ellins agrees that he will not at any time, orally or in writing, willfully denigrate, disparage, ridicule or criticize, or willfully make any derogatory, disparaging or damaging statements (or induce or encourage others to engage in any such act) regarding the Company or any of its subsidiaries, divisions, affiliates or related business entities, successors and assigns or any of their past or present directors, officers, attorneys, agents, trustees, administrators, employees, consultants or any other representatives of the Company, or any of their products or services, including by way of news interviews or the expression of personal views, opinions or judgments to the media.

(b) The Company agrees that it will not at any time, orally or in writing, willfully denigrate, disparage, ridicule or criticize, or willfully make any derogatory, disparaging or damaging statements (or induce or encourage others to engage in any such act) regarding Ellins, including by way of news interviews or the expression of personal views, opinions or judgments to the media.

(c) Disparaging remarks include, without limitation, comments or statements that impugn the character, honesty, integrity, morality or business acumen or abilities of the individual or entity being disparaged.

6. Cooperation. Ellins agrees to cooperate with the Company and its counsel in any action, proceeding or litigation relating to any matter in which Ellins was involved or of which Ellins has knowledge as a result of or in connection with his service to the Company.

7. Non-Compete and Non-Solicit.

(a) During the two-year period following the date of this Agreement (the "Restriction Period"), unless otherwise agreed to in writing by the Company, Ellins shall not directly or indirectly, own, manage, invest or acquire any economic stake or interest in, or otherwise engage or participate in any manner whatsoever in any Competitor (as defined below), whether as a proprietor, partner, shareholder, investor, manager, director, officer, employee, venturer, representative, agent, broker, independent contractor, consultant, or other participant. Ellins, however, shall not be prohibited from owning a passive investment of less than two percent (5%) of the outstanding shares of capital stock of a corporation which is listed on a national securities exchange or publicly traded in the over-the-counter market. "Competitor" means any individual, partnership, corporation, association or other business enterprise in any form, other than the Company and its subsidiaries, which, either directly or indirectly engages in the business of cultivating, processing, distributing, marketing or selling cannabis (including hemp) or products derived from cannabis, in Colombia.

(b) During the Restriction Period, Ellins shall not, directly or indirectly, solicit, induce or influence, or attempt to induce or influence, any customer of the Company or any of its subsidiaries to terminate a relationship which has been formed or that Ellins knows is being formed with the Company or any of its subsidiaries, or to reduce the extent of, discourage the development of, or otherwise harm its relationship with the Company or any of its subsidiaries.

(c) During the Restriction Period, Ellins shall not, directly or indirectly, recruit, solicit, induce or influence, any employee, contractor or consultant of the Company or any of its subsidiaries to discontinue, reduce the extent of, discourage the development of, or otherwise harm their relationship or commitment to the Company or any of its subsidiaries.

(d) If the Restriction Period, the restriction area or the scope of activity restricted in Section 7 should be adjudged unreasonable in any proceeding, then the Restriction Period shall be reduced by such number of months, the restriction area shall be reduced by the elimination of such portion thereof or the scope of the restricted activity shall be modified, or any or all of the foregoing, so that such restrictions may be enforced in such area and for such time as is adjudged to be reasonable. If Ellins violates any of the restrictions contained in Section 7, the Restriction Period shall not run in favor of Ellins from the time of commencement of any such violation until such time as such violation shall be cured by Ellins to the reasonable satisfaction of the Company.

8. Acknowledgment. Ellins acknowledges that he: (i) has carefully read this Agreement in its entirety; (ii) has had an opportunity to consider fully the terms of this Agreement; (iii) fully understands the significance of all the terms and conditions of this Agreement; (v) has had answered to his satisfaction any questions he has asked with regard to the meaning and significance of any of the provisions of this Agreement; and (v) is signing this Agreement voluntarily and of his own free will and assents to all the terms and conditions contained herein.

9. Specific Performance. In view of the irreparable harm and damage which would be incurred by the Company in the event of any violation by Ellins of any of the provisions of Sections 4 through 7 hereof, Ellins hereby consents and agrees that in any such event, in addition to any other rights the Company may have, and without prejudice to any other remedies which may be available at law or in equity, the Company shall be entitled to an injunction or similar equitable relief to be issued by any court of competent jurisdiction restraining Ellins from committing or continuing any such violation, without the necessity of proving damage, or posting any bond or other security.

10. Governing Law. This Agreement shall be governed in all respects by the laws of the State of Nevada without reference to its choice of law rules.

11. Successors and Assigns. Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

12. Entire Agreement; Amendment. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof. Neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party to be charged.

13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

14. Severability. The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

ONE WORLD PHARMA, INC.

By: /s/ Brian Moore

Name: Brian Moore

Title: Chief Operating Officer

/s/ Craig Ellins

Craig Ellins

One World Pharma, Inc.
3471 W. Oquendo Road, Suite 301
Las Vegas, NV 89118

June 3, 2020

Isiah L. Thomas III

Dear Mr. Thomas:

We are pleased to confirm the terms of your employment with One World Pharma, Inc. (the "**Company**"), effective June 3, 2020. The details of your employment are as follows:

Title; Duties: You will be employed as the Chief Executive Officer performing such duties as are normally associated with this position and as may be assigned to you from time to time by the Board of Directors of the Company. While serving as CEO, you will also be a member of the Board of Directors and serve as its Vice Chairman.

At-Will Employment: Your employment will be at-will, meaning you or the Company can terminate the employment relationship between you and the Company at any time.

Compensation: Your annual base salary will be \$120,000 in year 1 of your employment; \$240,000 in year 2 of your employment; and \$300,000 in year 3 of your employment. Your annual salary will be paid in accordance with the Company's regular payroll practices and may be paid with shares of the Company's Common Stock until the Company has raised gross proceeds of at least \$1.5 million from the sale of its securities following the date hereof. If the Company elects to pay your compensation with shares of Common Stock, the number of shares of Common Stock to be issued to you shall be equal to (a) 1.25 times the cash payment to which you would have been otherwise entitled, divided by (b) the closing price of the Common Stock on the day such cash payment was due.

You will be eligible to receive a performance bonus at the sole discretion of the Board of Directors for each fiscal year that you are in the employment of the Company, beginning with the Company's fiscal year ending December 31, 2020. The determination of the Board of Directors with respect to your bonus will be final and binding. The Company will pay the bonus (if any) within 120 days following the end of the fiscal year.

Equity Compensation:

The Board of Directors has approved the issuance to you, on the effective date of your employment, of 500,000 shares of the Company's Common Stock (the "**Shares**"), and an option (the "**Option**") to purchase 5,500,000 shares of the Company's Common Stock, at an exercise price equal to the closing price of the Common Stock on the date hereof. The Option will be issued under and be subject to the terms and conditions of the Company's 2019 Stock Incentive Plan, and the Stock Option Agreement (together, the "**Plan Documents**") with respect to the Option. The Option will vest as to 1,500,000 shares immediately, as to 1,000,000 shares 120 days following the issuance of the Option (the "**Second Vesting Date**"), and as to the remaining 3,000,000 shares of Common Stock quarterly over the three years following the Second Vesting Date.

For the avoidance of doubt and purposes of clarity, in the event your employment terminates, you will be entitled to retain all of the Shares, and the vested portion of the Option will continue to be exercisable as provided in the Plan Documents.

Expenses:

You will be reimbursed for all reasonable out-of-pocket business expenses incurred by you while employed by the Company in the performance of your services upon submission of expense statements, invoices or such other supporting information as the Board may reasonably require.

Benefits:

During your employment, you will be entitled to receive health and other benefits under the Company's benefit plans, as in effect from time to time.

Directors and Officers Insurance:

Within 60 days following the commencement of your employment, the Company will obtain directors and officers insurance covering you. Such policy will be at least \$1 million.

Indemnification:

The Company shall indemnify, defend, and hold you harmless to the maximum extent permitted by law against all liability and loss suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred, in connection with the defense of or as a result of any action or proceeding (or any appeal from any action or proceeding) in which you are made or are threatened to be made a party by reason of the fact that you are or were an officer or director of the Company. In addition, the Company shall advance to you reasonable attorneys' fees and expenses as such fees and expenses are incurred (subject to an undertaking from you to repay such advances if it shall be finally determined by a judicial non-appealable decision that you were not entitled to the reimbursement of such fees and expenses).

Personnel Policies: Your employment is subject to the Company's personnel policies and procedures as they may be adopted, interpreted or revised from time to time in the Company's sole discretion.

Vacation: In addition to legal holidays observed by the Company, you will be entitled to four weeks of paid vacation per year beginning three months following the commencement of your employment with the Company.

Location: Your place of employment may be, at your election, in the Chicago, IL, New York, NY or Washington D.C. metropolitan areas.

No Conflict Representation: You hereby represent that the provision of services by you to the Company does not and will not breach any agreement with any current or former employer.

Confidential Information Obligations: You and the Company will enter into a Confidential Information Agreement that contains provisions that will survive termination or expiration of this letter agreement.

Nothing other than an express written agreement signed by both parties may modify any term of this letter agreement. This letter agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Nevada without reference to principles of conflicts of law.

Please sign this letter agreement to acknowledge your acceptance and agreement to the terms herein. We look forward to working with you and expect that you will be a great asset to our team.

Sincerely,

ONE WORLD PHARMA, INC.

By: /s/ Brian Moore

Name: Brian Moore

Title: President

Acknowledged and agreed
this 3rd day of June 2020:

/s/ Isiah L. Thomas III

Isiah L. Thomas III
