

**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 2, 2022

QSAM BIOSCIENCES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-55148
(Commission File
Number)

20-1602779
(IRS Employer
Identification Number)

9442 Capital of Texas Hwy N, Plaza 1, Suite 500
(Address of principal executive offices)

78759
(Zip Code)

Registrant's telephone number, including area code

(512) 343-4558

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
N/A	N/A	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.

Appointment of Independent Director

On March 2, 2022, Jeffrey M. Soinski accepted an offer to be appointed to the board of directors (the "Board") of QSAM Biosciences, Inc. (the "Company") and to serve as Chair of the Company's Audit Committee, effective immediately prior to the closing of the Company's proposed underwritten equity offering and uplisting of its common stock to The NASDAQ Capital Market. Prior to this time, Mr. Soinski will serve as senior advisor to the Company and will attend Board meetings. In connection with Mr. Soinski's appointment to the Board and these committees, the Board has determined that Mr. Soinski satisfies the definition of "independent director" and the heightened independence standards for service on the Board's Audit and Compensation Committees under the NASDAQ listing standards.

Mr. Soinski has 30 years of experience building successful operating companies in diverse healthcare segments. Since December 2014, Mr. Soinski has served as President and CEO and a member of the board of directors of Avinger, Inc., (NASDAQ: AVGR), a developer and manufacturer of proprietary image-guided medical devices for the treatment of vascular disease. From its formation in 2009 until the acquisition of its Unisyn business by GE Healthcare in 2013, Mr. Soinski served as Chief Executive Officer of Medical Imaging Holdings and its primary operating company Unisyn Medical Technologies, a national provider of technology-enabled products and services to the medical imaging industry. Mr. Soinski was a Director of Medical Imaging Holdings and its remaining operating company Consensus Imaging Service from 2009 until its sale in 2017. Mr. Soinski served periodically as a Special Venture Partner from 2008 to 2013 and as a Special Investment Partner since 2016 for Galen Partners, a leading healthcare-focused private equity firm, which included Medical Imaging Holdings as one of its portfolio companies. From 2001 until its acquisition by C.R. Bard in 2008, Mr. Soinski was President and CEO of Specialized Health Products International, a publicly-traded manufacturer and marketer of proprietary safety medical products. Mr. Soinski served as President and CEO of ViroTex Corporation, a venture-backed pharmaceutical drug-delivery company, which had five established drug delivery technologies and two prescription drugs in clinical testing at the time of its acquisition in 1998. From 2008 until 2016, Mr. Soinski served on the board of directors of Merriman Holdings, parent of Merriman Capital, a publicly-traded investment banking and brokerage firm. Mr. Soinski received a B.A. degree from Dartmouth College.

Mr. Soinski will stand for election at the Company's next annual meeting of shareholders, and will participate in the Company's standard outside director compensation program.

Appointment of Chief Financial Officer

On March 3, 2022, the Company appointed Adam King to serve as Chief Financial Officer of the Company. Since December 6, 2021, Mr. King served as Interim CFO for the Company. Mr. King is the founder and CEO of King Consulting Group, where he provides a range of financial and reporting services for clients that range from large private equity-backed international companies to small start-ups. Before founding King Consulting Group in January 2021, Mr. King was the CFO for Netsertive, a venture-backed digital marketing company in Research Triangle Park, North Carolina. From 2016 to 2018, he was the Office Managing Audit Director for BDO's Greenville, SC office, in addition to Audit Director in Raleigh, NC, and Boston. While at BDO, Mr. King worked with various clients, from Tech and Life Science start-ups to large billion-dollar publicly traded companies. Before his time at BDO, he served as the Director of Revenue Assurance and Internal Controls at Bandwidth.com and as Audit Manager at Ernst & Young. Mr. King holds a Bachelor of Science in Accounting from Elon University and is a CPA in Raleigh, NC.

Mr. King signed a one year Employment Agreement with the Company which can be renewed by the parties for additional terms. Under this agreement, Mr. King shall receive a base salary of \$275,000 with the opportunity to earn cash and stock bonuses up to 50% of his base salary each year, and also was granted 500,000 common stock options vesting 10 years from the date of issuance, exercisable at \$0.25 per share and vesting over the next two years. If Mr. King is terminated for cause, as defined in the agreement, or he leaves the employment of the Company on his own volition, he shall receive salary and benefits that have accrued up to the date of termination. If he is terminated without cause or following a material change, as defined in the agreement, Mr. King will receive salary through the date of termination plus a pro-rated portion of bonus that would be earned during the full year when the termination became effective (or a lump sum of 50% of the full target bonus), all stock options shall vest immediately, and base salary and healthcare benefits will continue for 3 months.

This description of Mr. King's agreement is qualified in its entirety by the full Employment Agreement filed as Exhibit 10.1 to this Form 8-K.

Mr. King is not related to any officer, director, or director nominee.

Resignation of Directors

On March 4, 2022, Christopher Nelson and Joel Mayersohn both resigned from the Board. Both Messrs. Nelson and Mayersohn have served on the Board since 2015. Mr. Mayersohn served on our audit and compensation committees at the time of his resignation. Their departure from the Board was effected to provide open seats to new independent directors in contemplation of the Company's listing on, and pursuant to the independent board requirements of, NASDAQ. Neither Mr. Nelson nor Mr. Mayersohn had any disagreements with the Board or the Company. Mr. Nelson will remain General Counsel of the Company.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Employment Agreement for Adam King, CFO
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

QSAM Biosciences, Inc.

By: /s/ Christopher Nelson

Christopher Nelson
General Counsel

Date: March 4, 2022

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") by and between QSAM Biosciences, Inc., a Delaware corporation with an address of 9442 Capital of Texas Hwy N, Plaza 1, Suite 500, Austin, TX 78759 (the "Company"), and **Adam King** with a current residence located in Wendell NC (the "Executive") is dated as of March 3, 2022.

RECITALS

WHEREAS, the Company desires to continue to secure the employment of the Executive upon the terms and conditions hereinafter set forth; and

WHEREAS, the Executive desires to accept such employment with the Company upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises contained herein, the parties, each intending to be legally bound hereby, agree as follows:

1. *Employment.*

1.1 The Company hereby agrees to employ the Executive and the Executive hereby agrees to serve the Company on the terms and conditions set forth in this Agreement.

2. *Term; Renewal.*

2.1 The initial term of the Executive's employment under this Agreement shall commence as of March 3, 2022 (the "Effective Date") and shall continue for a period of one (1) year ending on the first anniversary of the Effective Date (the "Initial Term"), unless such employment is sooner terminated by either the Executive or the Company in accordance with the terms of this Agreement.

2.2 The term of this Agreement may be extended for such periods (the "Renewal Term(s)") as the parties may mutually agree on or before the scheduled expiration of the Initial Term or any Renewal Term. To be effective, any such agreement to extend the term of the Agreement for an additional Renewal Term must be by mutual consent in writing at least three (3) months prior to the scheduled expiration of the Initial Term or any Renewal Term, as the case may be, signed by the Executive and a duly authorized representative of the Company; such negotiation(s) and signatures shall not be unreasonably withheld. If no such agreement is reached, the Executive's employment under this Agreement shall cease as of the end of the Initial Term or any then current Renewal Term, as the case may be.

2.3 As used in this Agreement, the term "Employment Period" shall be deemed to refer to and include the period during the Initial Term and any Renewal Term that the Executive is employed by the Company pursuant to the terms and provisions of this Agreement.

3. *Duties and Responsibilities.*

3.1 During the Employment Period, the Executive shall be employed as **Chief Financial Officer** of the Company, or such other similar title as the Company and the Executive may hereinafter agree. The Executive shall report to the CEO of the Company, and ultimately to the Board of Directors ("Board"), and perform such duties and have such responsibilities, consistent with her position and past experience, as may be assigned to her from time to time, by the Board.

3.2 The Executive shall devote his time, attention and energies to the business and affairs of the Company, shall faithfully, diligently and competently perform the duties of her employment, and shall do all reasonably within her power to promote, develop and extend the business of the Company. Notwithstanding the foregoing, the Executive shall be permitted to (a) serve on company, consulting, industry, civic, educational or charitable boards or committees, or (b) provide limited accounting services to other clients, so long as such activities do not compete directly with the available Company services or products or unduly interfere with the performance of the Executive's duties and responsibilities as an employee of the Company. The Executive may not serve as a Chief Financial Officer or Principal Accounting Officer on a part-time, full time or interim basis, for any other company during the Term hereof.

3.3 The Executive shall perform his duties hereunder at the offices of the Company or such other site or sites as may be selected by the Company within a 50 mile radius of the Executive's current residence. The Executive shall be available for travel as needed for the performance of her job duties. In the event that the Company does not supply an office, the Executive, at her own expense, will maintain an office consistent with the image, mission and goals of the Company. Such office shall be appropriate for conducting business on behalf of the Company including conducting necessary business meetings.

4. *Compensation.*

4.1 *Base Salary.* The Company shall pay the Executive a base salary (the "Base Salary") as approved by the Compensation Committee of the Board (the "Compensation Committee"). The Executive's Base Salary upon closing of the Company's next funding of at least \$5 million ("Salary Start Date") shall be \$275,000 per year. Until the Salary Start Date, the Executive shall continue to bill the Company hourly per his current arrangement. The Base Salary shall be payable in accordance with the Company's regular payroll practice for its executives. During the Employment Period, the Base Salary shall be reviewed annually beginning no later than December 31, 2022, for increase in accordance with the Company's compensation policies pertaining to executive personnel at the senior management level, as determined by the Compensation Committee. Following any increase in the Base Salary, the new salary shall be considered the Base Salary. Any increase in the Base Salary shall not limit or reduce any other obligation of either party under this Agreement.

4.2 *Management Incentive Plan.* In addition to the Base Salary referred to in Section 4.1, the Executive shall be entitled to participate in the QSAM Management Incentive Plan (the "MIP"). The MIP generally provides for the payment of stock and/or cash bonus awards to the executive officers of the Company based on the achievement of performance objectives, and equal up to 50% of the Executive's Base Salary, as determined by the Compensation Committee, and which maximum bonus under the MIP will be re-evaluated and adjusted prior to the first Renewal Term. The stock and/or cash bonus amount, qualifying performance objectives and terms required to earn the incentive bonus for the Executive shall be based upon the annual business plan, corporate objectives and budget prepared by the executive team and approved by the Compensation Committee prior to the start of the new fiscal year but no more than sixty (60) days following the start of the relevant fiscal year. Bonuses awarded under the MIP generally are paid during the month of February in the year following the plan year for which the bonuses are awarded, notwithstanding such, bonuses awarded under the MIP shall be paid no later than March 31st following the plan year for which the bonuses are awarded.

4.3 *Stated Performance Bonus.* The Executive shall receive a one-time performance bonus of \$25,000 upon his completion of developing and implementing the initial required accounting and financial control processes and procedures as required in Sarbanes Oxley (SOX) rules and regulations pertaining to public companies on a national securities exchange, as reasonably approved by the Company's Chair of the Audit Committee.

4.4 *Stock Options.* The Executive shall receive on the Effective Date a grant of 500,000 incentive common stock options (such number subject to adjustment in the instance of a reverse split of the Company's common stock), vesting as follows: (1) 25% upon completion of SOX controls and procedures (per Section 4.3 above); (2) 25% upon completion of two additional milestones (to be agreed upon by the Executive and the Board), and (3) 50% monthly vesting starting upon 1st year anniversary of full

employment over following 36 months (i.e., 1/36 of the time vested option amount each month starting on month 12 and ending on month 48 of full employment). The options shall have a 10-year term; and be exercisable at market price upon grant. The option agreement shall provide for accelerated vesting in the case of a change of control, termination without cause and other standard conditions. Additional annual stock option awards will be issued at the discretion of the Compensation Committee.

5. Benefits.

5.1 The Executive shall be entitled to participate in all employee benefit plans and programs that are generally available to the salaried employees of the Company during the Employment Period (the "Regular Benefits").

5.2 In addition to the Regular Benefits, the Executive shall be eligible to participate in any additional compensation programs or arrangements relating to, or arising out of, a change in control of the Company that are adopted by the Company after the date of this Agreement and made generally available to the other senior executive officers of the Company as a group.

6. Expenses and Vacations.

6.1 *Expenses.* The Executive shall be reimbursed for the reasonable business expenses incurred by her in connection with the performance of their duties under this Agreement upon presentation of an itemized account and written proof of such expenses and provided that such expenses are of the type customarily reimbursed by the Company and have been approved in accordance with any procedures of the Company then in effect.

6.2 *Vacations, Sick Leave and Personal Time Off.* The Executive shall be entitled on the first year of the Term to three (3) weeks of paid vacation, paid sick leave and paid personal time off ("PTO") administered under the Company's Employee Leave Time Programs, as applicable and in effect (the "Leave Program"), which amount of time will be re-evaluated prior to the initial Renewal Term or as provided in the Company's formal Leave Program when instituted. The Company may modify the Leave Program at any time within its sole and absolute discretion, however the Executive shall receive written notice of any modifications to the Leave Program sixty (60) days before such modifications are implemented. The Employee shall not take PTO during periods when time sensitive SEC filings are due.

7. *Termination.* The Executive's employment by the Company under this Agreement may be terminated prior to the end of the Initial Term or any then-current Renewal Term in accordance with the provisions of this Section 7.

7.1 *Termination by the Company for Cause.* The Company may terminate the employment of the Executive hereunder at any time and without prior notice for "Cause." For purposes of this Section 7.1, the term "Cause" shall mean and include any of the following:

- (a) the conviction of the Executive, or the entry of a plea of *nolo contendere* by the Executive, for a felony or a crime of moral turpitude; or
- (b) the commission by the Executive of any act of fraud, misappropriation, embezzlement, regardless of whether such act is related to their duties under this Agreement; or
- (c) the violation of a published Company policy which stipulates the Executive may be terminated by the Company for cause.

7.2 *Termination by the Executive for any Reason.* The Executive may terminate their employment hereunder at any time for any reason whatsoever by giving the Company written notice of the intent to do so at least thirty (30) days prior to the date on which the proposed termination is to be effective.

7.3 *Termination by the Company without Cause.* The Company may terminate the employment of the Executive hereunder at any time without Cause, for any reason whatsoever, by giving the Executive written notice of its intent to do so at least thirty (30) days prior to the date on which the proposed termination is to be effective.

7.4 *Termination by the Executive Following a Material Change.* The Executive may terminate their employment hereunder upon thirty (30) days prior written notice to the Company following a "Material Change." For purposes of this Section 7.4, the term "Material Change" shall mean and include any of the following:

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- (a) a fundamental change in the duties and responsibilities of the Executive (excluding Interim Assignments, if applicable) which is inconsistent with the duties and responsibilities normally associated with the position of Chief Financial Officer (or such other position Executive may be promoted to during the Employment Period), which change has not been reversed within thirty (30) days after the delivery to the Company of written notice from the Executive objecting to such change; or
 - (b) Executive is required to report to a person other than the Board of Directors of the Company, which such reporting obligation is not reversed within thirty (30) days after the delivery to the Company of written notice from the Executive objecting to such reporting obligation; or
 - (c) reduction in or failure by the Company to pay to Executive the Base Salary as set forth in Section 4.1 hereof unless agreed to by the Executive; or
 - (d) failure of the Company to pay, if and when due, any bonus to which the Executive is entitled under the MIP or Transaction Bonus, as then in effect; or
 - (e) any other material breach by the Company of any material term hereof, which breach has not been remedied within 30 days after the delivery to the Company of written notice thereof; or
 - (f) a relocation of the Executive office more than fifty miles from the current location as of the execution of this agreement.

7.5 *Termination Upon the Death of the Executive.* In the event that the Executive shall die at any time during the Employment Period, the Executive's employment hereunder shall terminate immediately.

7.6 *Termination Upon the Disability of the Executive.* In the event that the Executive shall become "disabled" at any time during the Employment Period, the Company shall have the right (but not the obligation) to terminate the Executive's employment hereunder on thirty (30) days prior written notice to the Executive. For purposes of this Section 7.6, the Executive shall be deemed to be "disabled" when she or she is considered disabled by two (2) medical professionals, and such consideration is documented in a writing to the Company and the Executive of such disability.

7.7 *Termination Upon Expiration of Initial Term or Renewal Term.* Unless action is taken to extend the Initial Term or any then-current Renewal Term in accordance with the provisions of Section 2.2 above, the Executive's employment under this Agreement shall terminate automatically and without the taking of any action by the Company or the Executive as of the end of the Initial Term or any then-current Renewal Term.

8. Effect of Termination.

8.1 *Termination by the Company for Cause.* Upon a termination of the Executive's employment hereunder in accordance with the terms and provisions of Section 7.1, the Executive shall be entitled to receive their current Base Salary and Regular Benefits, including a lump-sum payment in respect of any accrued but unused PTO under the Leave Program ("Accrued Salary and Benefits"), calculated through the date such termination is effective, but the Executive thereafter shall not be entitled to receive any additional compensation from the Company. The Executive shall continue to be bound by the terms and provisions of Sections 10, 11, 12, 13 and 14 in accordance with their terms.

8.2 *Termination by the Executive for any Reason*

(a) Upon a termination of the Executive's employment hereunder in accordance with the terms and provisions of Section 7.2, the Executive shall be entitled to receive all Accrued Salary and Benefits calculated through the date such termination is effective. The Executive thereafter shall not be entitled to receive any additional compensation from the Company.

(b) Notwithstanding the termination of Executive's employment, the Executive shall continue to be bound by the terms and provisions of Sections 10, 11, 12, 13 and 14 in accordance with their terms.

8.3 *Termination by the Company without Cause; Termination by the Executive Following a Material Change.*

(a) Upon a termination of the Executive's employment hereunder in accordance with the terms and provisions of Section 7.3 or Section 7.4, the Executive shall be entitled to receive the following (sometimes hereinafter referred to collectively as the "Accrued Total Compensation and Benefits"):

(i) all Accrued Salary and Benefits calculated through the date such termination is effective, and

(ii) a pro-rated portion of any bonus to which the Executive otherwise would have been entitled under the MIP or Transaction Bonus with respect to the plan year during which the termination is effective (the "Pro-Rated Current Year Bonus"), or

(iii) a lump sum payment equal to fifty percent (50%) of Executive's then-current full target bonus opportunity under the MIP (payable during the month of March in the year following the year during which the Executive's employment hereunder is terminated), whichever of Sections 8.3(a)(ii) or 8.3(a)(iii) is greater; and

(iv) any and all remaining stock options and/or restricted stock previously granted to the Executive by the Company that has not already vested through the date such termination is effective, will immediately vest upon the date such termination is effective. Furthermore, the executive will be granted a two year period to exercise any outstanding options.

(b) In addition to the foregoing, the Executive shall be entitled to receive the following additional compensation and benefits upon a termination of employment in accordance with the terms and provisions of Section 7.3 or Section 7.4:

(i) salary continuation and health care coverage for 3 months (which may include COBRA premiums) (payable in accordance with the Company's regular payroll practices) following the effective date of the termination of the Executive's employment hereunder, which severance period shall be extended to 6 months starting in the initial Renewal Term;

(c) Except for the compensation and benefits specified in paragraphs (a) and (b) above, the Executive thereafter shall not be entitled to receive any additional compensation from the Company.

(d) Notwithstanding the termination of Executive's employment and except as set forth in paragraph (c) below, the Executive shall continue to be bound by the terms and provisions of Sections 10, 11, 12, 13 and 14 in accordance with their terms.

(e) In the event that the Executive desires to obtain relief from the non-competition provisions set forth in Section 11, the Executive may submit a written waiver request to the Company, which shall reasonably be granted by the Company within sixty (60) days after receipt. The written waiver request shall include disclosure of the organization, role and responsibilities the Executive intends to pursue. Provided the Company agrees to the waiver, the non-competition provisions set forth in Section 11 shall terminate subject to any reasonable qualifications stipulated by the Company, and the Executive thereafter shall not be entitled to any additional compensation or benefits under paragraph (b) above (it being understood that nothing in this paragraph (e) shall affect or impair the Executive's right to receive the Accrued Total Compensation and Benefits specified in paragraph (a) above). In the event that a waiver granted under this paragraph (e) shall be effective for less than the full nine (9) month period of restriction, the Executive shall be entitled to a pro-rated portion of the compensation and benefits specified in paragraph (b).

8.4 *Termination Upon the Death of the Executive.* Upon a termination of the Executive's employment hereunder in accordance with the terms and provisions of Section 7.5, the Company shall have no further liability or obligation to the Executive's estate, except that the Executive's estate shall be entitled to receive (a) all Accrued Total Compensation and Benefits calculated through the date such termination is effective, and (b) the payments provided under any group life insurance policy or policies, if any, which may be in effect generally for the benefit of all full-time salaried employees of the Company.

8.5 *Termination Upon the Disability of the Executive.* Upon a termination of the Executive's employment hereunder in accordance with the terms and provisions of Section 7.6, the Company shall have no further liability or obligation to the Executive, except that the Executive shall be entitled to receive (a) all Accrued Total Compensation and Benefits calculated through the date such termination is effective, and (b) the payments provided under any group disability benefit insurance policy, if any, which may be in effect generally for the benefit of all full-time salaried employees of the Company. Notwithstanding the termination of Executive's employment, the Executive shall continue to be bound by the terms and provisions of Sections 10, 11, 12, 13 and 14 in accordance with their terms.

8.6 *Termination Upon Expiration of Initial Term or Renewal Term.*

(a) Upon a termination of the Executive's employment hereunder in accordance with the terms and provisions of Section 7.7, the Executive shall be entitled to receive all Accrued Total Compensation and Benefits calculated through the date such termination is effective, and all stock options due to vest within 6 months after the termination under this subsection shall immediately vest and be exercisable for two years following termination.

(b) Notwithstanding the termination of Executive's employment, the Executive shall continue to be bound by the terms and provisions of Sections 10, 11, 12, 13 and 14 in accordance with their terms.

9. *Representations and Warranties by the Executive.* The Executive hereby represents and warrants to the Company that the execution and delivery by the Executive of this Agreement do not, and the performance by the Executive of the Executive's obligations hereunder will not, with or without the giving of notice or the passage of time, or both: (a) violate any judgment, writ, injunction or order of any court, arbitrator or governmental agency applicable to the Executive, or (b) conflict with, result in a breach of the

provisions of or the termination of, or constitute a default under, any agreement to which the Executive is a party or by which the Executive is or may be bound.

10. *Inventions and Confidential Information.* The Executive hereby covenants, agrees and acknowledges that employment under this Agreement is pursuant to execution of the Company's form of Proprietary Information and Inventions Assignment Agreement ("PIIA"), which requires, among other things, the assignment of rights to any company related invention made during your employment at Company and non-disclosure of proprietary information.

11. *Non-Competition.*

11.1 Executive agrees that they will not, during the term of their employment and for a period of twelve (12) months after the termination of their employment for any reason whatsoever, unless acting with the prior written consent of the Company, directly or indirectly, own, manage, operate, join, control, finance or participate in the ownership, management, operation, control or financing of, or be connected as an officer, director, employee, partner, principal, agent, representative, consultant or otherwise with, any business or enterprises which directly competes with the Company and which engages in the activities engaged in by the Company (the "Prohibited Activities"). This Section 11 shall not be construed to prohibit the ownership of not more than 1% of the capital stock of any corporation having a class of securities registered pursuant to the Securities Exchange Act of 1934.

12. *No Solicitation.*

12.1 The Executive agrees that they will not, for a period of twelve (12) months after the termination of their employment hereunder, solicit for employment, either directly or indirectly, any person, who was, during the Employment Period, an employee of the Company.

12.2 The Executive agrees that they will not, for a period of twelve (12) months after the termination of their employment hereunder, directly call on or solicit any person, firm, corporation or other entity who or which was, during the last twelve (12) months of the Employment Period, a customer, client or prospective client of the Company (herein referred to as the "Client"), if a principal purpose of such contact or solicitation is to solicit (i) specific business or projects that were ongoing or in discussion with such Client and the Company as of the date of the termination of the Executive's employment hereunder, or (ii) other specific business or projects for such Client for which all of the following are the same as for the specific business or projects that were ongoing or in discussion with such Client and the Company as of the date of termination of the Executive's employment hereunder.

13. *Equitable Relief.*

13.1 The Executive acknowledges that the restrictions contained in Sections 10, 11 and 12 hereof are reasonable and necessary to protect the legitimate interest of the Company, that the Company would not have entered into this Agreement in the absence of such restrictions, and that violation of any provision of those Sections (which has not previously terminated or been waived) will result in irreparable injury to the Company. The Executive also acknowledges that the Company shall be entitled to preliminary and permanent injunctive relief, without the necessity of proving actual damages, as well as an equity accounting of all earnings, profits and other benefits arising from any such violation, which rights shall be cumulative and in addition to any other rights or remedies to which the Company may be entitled. In the event that the provisions of any of Section 10, 11, or 12 hereof should ever be adjudicated to exceed the time, geographic or other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum time, geographic or other limitations permitted by applicable law.

14. *Notices.*

14.1 Any notice required or permitted under this Agreement shall be in writing and sent by United States first class mail, by certified mail, return receipt requested, by facsimile or by hand delivery to the parties at their respective addresses set forth below or at such other address as the parties may designate by notice from time to time:

If to the Company:

QSAM Biosciences, Inc.
9442 Capital of Texas Hwy N, Plaza 1, Suite 500
Austin, TX 78759
Attn: Chief Executive Officer or General Counsel

If to the Executive:

Adam King
[address omitted]

15. *Arbitration.*

15.1 Any controversy or claim arising from, or relating to, this Agreement, or the breach hereof, shall be settled by arbitration in accordance with the Model Employment Arbitration procedures of the American Arbitration Association, and judgement upon the award rendered by a panel of three (3) arbitrators may be entered in any court having jurisdiction thereof. The arbitrators shall commence the hearing not later than sixty (60) days after the demand unless the parties agree otherwise in writing. Arbitration under this Agreement shall take place in Travis County, Texas.

16. *Entire Agreement.*

16.1 With the exception outlined in Section 4.3, This Agreement supersedes any and all prior Agreements or arrangements between the parties with respect to the employment of the Executive by the Company and sets forth the entire Agreement between the parties with respect to the subject matter hereof, and it may be amended only by a written document signed by both parties to this Agreement.

17. *Successors and Assigns.*

17.1 This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their heirs, personal representatives, successors and assigns; provided that the Executive's duties hereunder are of a personal nature and may not be assigned.

18. *Governing Law.*

18.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Texas

19. *Counterparts.*

19.1 This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

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

QSAM Biosciences, Inc.

By: /s/ Douglas Baum
Douglas Baum, Chief Executive Officer

THE EXECUTIVE

/s/ Adam King
Adam King
