
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 10, 2019**

Adial Pharmaceuticals, Inc.
(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction of incorporation)

001-38323

(Commission File Number)

82-3074668

(IRS Employer Identification No.)

1001 Research Park Blvd., Suite 100
Charlottesville, VA 22911
(Address of principal executive offices and zip code)

(434) 422-9800
(Registrant's telephone number including area code)

1180 Seminole Trail, Suite 495
Charlottesville, VA 22902
(Former Name and Former Address)

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)
- 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 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 checkmark 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.

On March 10, 2019, the Compensation Committee of the Board of Directors (the “Committee”) of Adial Pharmaceuticals, Inc. (the “Company”) awarded the executive officers of the Company, William B. Stilley, Chief Executive Officer and Joseph Truluck, Chief Financial Officer, annual cash performance bonuses for 2018 of \$500,000 and \$50,000, respectively. In addition, the Committee granted to each of Mr. Stilley and Mr. Truluck an option to purchase 500,000 and 180,000 shares of the Company’s common stock, respectively. The shares of common stock underlying the option awards each vest pro rata on a monthly basis over a thirty-six month period. The options are exercisable for a period of ten years from the date of grant and have an exercise price of \$3.39 per share.

In addition, on March 10, 2019, the Committee approved an amendment, to the Company’s employment agreements with Mr. Stilley and Mr. Truluck to increase their annual base salary to \$400,000 and \$150,000, respectively. A copy of the amendment to each of Mr. Stilley’s and Mr. Truluck’s employment agreement is attached hereto as Exhibits 10.1 and 10.2 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	<u>Amendment to Employment Agreement between Adial Pharmaceuticals, Inc. and William Stilley, dated as of March 11, 2019</u>
10.2	<u>Amendment to Employment Agreement between Adial Pharmaceuticals, Inc. and Joseph Truluck, dated as of March 11, 2019</u>

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.

Dated: March 14, 2019

ADIAL PHARMACEUTICALS, INC.

By: /s/ William B. Stilley, III

Name: William B. Stilley

Title: President and Chief Executive Officer

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment (this "Amendment") effective as of the 11th day of March, 2019 to the Employment Agreement, initially effective as of July 31, 2018 (the "Employment Agreement"), by and between Adial Pharmaceuticals, Inc. (the "Corporation") and William B. Stille, III ("Executive"). Capitalized terms used herein without definition shall have the meanings assigned in the Employment Agreement.

WHEREAS, Executive was retained under the Employment Agreement by the Corporation to serve as its Chief Executive Officer; and

WHEREAS, in recognition of the hard work and performance by Executive, the Corporation desires to amend the Employment Agreement.

NOW THEREFORE, for the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree to amend the Employment Agreement as follows:

1. **Amendment**. Section 3.1 of the Employment Agreement is hereby deleted in its entirety and replaced with the following:

"3.1 Base Salary. During the Term of Employment, the Executive shall initially receive a base salary per annum of Four Hundred Thousand Dollars (\$400,000), payable in cash in accordance with the Company's normal payroll practices as in effect from time to time. During the Term of Employment, the Board may periodically review the Executive's base salary and the Board (excluding the Executive) may, in its sole discretion, set such base salary to an amount it determines to be appropriate, provided, however, that any reduction will qualify as Good Reason under Section 1.11. The Executive's base salary, as may be in effect from time to time, is referred to herein as "Base Salary."

2. **Severability**. The provisions of this Amendment are severable and if any part of it is found to be unenforceable the other paragraphs shall remain fully valid and enforceable.

3. **No Other Amendments; Confirmation**. All other terms of the Employment Agreement shall remain in full force and effect. The Employment Agreement, as amended by this Amendment, constitutes the entire agreement between the parties with respect to the subject matter thereof.

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but both of which together shall constitute one and the same instrument.

5. **Governing Law**. This Amendment is made and shall be construed and performed under the laws of the Commonwealth of Virginia without regard to its choice or conflict of law principles and the parties agree to Virginia as the exclusive venue for any disputes arising hereunder.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Employment Agreement to be duly executed as of the day and year first above written.

ADIAL PHARMACEUTICALS, INC.

By: /s/ Joseph Truluck
Name: Joseph Truluck
Title: Chief Financial Officer

/s/ William B. Stilley
WILLIAM B. STILLEY, III

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment (this "Amendment") effective as of the 11th day of March, 2019 to the Employment Agreement, initially effective as of July 31, 2018 (the "Employment Agreement"), by and between Adial Pharmaceuticals, Inc. (the "Corporation") and Joseph Truluck ("Executive"). Capitalized terms used herein without definition shall have the meanings assigned in the Employment Agreement.

WHEREAS, Executive was retained under the Employment Agreement by the Corporation to serve as its Chief Financial Officer; and

WHEREAS, in recognition of the hard work and performance by Executive, the Corporation desires to amend the Employment Agreement.

NOW THEREFORE, for the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree to amend the Employment Agreement as follows:

1. **Amendment**. Section 3.1 of the Employment Agreement is hereby deleted in its entirety and replaced with the following:

"3.1 Base Salary. During the Term of Employment, the Executive shall initially receive a base salary per annum of One Hundred Fifty Thousand Dollars (\$150,000), payable in cash in accordance with the Company's normal payroll practices as in effect from time to time. During the Term of Employment, the Board may periodically review the Executive's base salary and the Board (excluding the Executive) may, in its sole discretion, set such base salary to an amount it determines to be appropriate, provided, however, that any reduction will qualify as Good Reason under Section 1.11. The Executive's base salary, as may be in effect from time to time, is referred to herein as "Base Salary.""

2. **Severability**. The provisions of this Amendment are severable and if any part of it is found to be unenforceable the other paragraphs shall remain fully valid and enforceable.

3. **No Other Amendments; Confirmation**. All other terms of the Employment Agreement shall remain in full force and effect. The Employment Agreement, as amended by this Amendment, constitutes the entire agreement between the parties with respect to the subject matter thereof.

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but both of which together shall constitute one and the same instrument.

5. **Governing Law**. This Amendment is made and shall be construed and performed under the laws of the Commonwealth of Virginia without regard to its choice or conflict of law principles and the parties agree to Virginia as the exclusive venue for any disputes arising hereunder.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Employment Agreement to be duly executed as of the day and year first above written.

ADIAL PHARMACEUTICALS, INC.

By: /s/ William B. Stilley
Name: William B. Stilley, III
Title: Chief Executive Officer

/s/ Joseph Truluck
JOSEPH TRULUCK
