

OBITX, INC.

FORM 8-K (Current report filing)

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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): **May 11, 2020**

Commission File Number: **000-56142**

OBITX, INC.

(Exact name of registrant as specified in charter)

DELAWARE

82-1091922

(State or other jurisdiction of incorporation)

(IRS Employer Identification No.)

3027 US HIGHWAY 17, FLEMING ISLAND, FL

32003

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number

321-802-2474

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))

As used in this report, the terms “Company,” “our company,” “us,” “OBITX,” “we” and “our” refer to OBITX, Inc. unless the context requires otherwise

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 11, 2020 the majority shareholders of OBITX, Inc., elected to appoint Robert Adams to the Board of Directors. Mr. Adams is an independent member and shall serve on the audit committee and compensation committee.

Mr. Adams has worked extensively in the blockchain markets. Prior to accepting his position to the board of directors, and working in the blockchain industry, he was the IT Director for Blue Cross/Blue Shield of Florida, where he utilized his extensive knowledge in a wide array of operating systems, programming languages, security concepts and technologies, to ensure privacy protocols were adhered to and data was secure and met federal guidelines. His experience with managing \$100 million annual department budgets and a staff more than 45,000 people, will be instrumental in our startup growth and development.

Item 9.01 Financial Statements and Exhibits.

Exhibit	Description
99.1.	Press release.
99.2.	Consent in LIEU of special meeting of the Board of directors of OBITX, INC.
99.3.	Charter for Audit Committee
99.4.	Charter of the compensation committee of the Board of directors of OBITX, INC.

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.

Date: May 13, 2020

OBITX, INC.

By: /s/ Michael Hawkins
Michael Hawkins,
Chief Executive Officer

OBITX Expands Board of Directors

OBITX, Inc., (OTCMKTS: OBTX), a blockchain development and consulting company, expands its board of directors by announcing the election of Robert Adams to the board.

With the addition of Robert “Eddie” Adams to the board of directors, OBITX has filled three of its five directors’ position. Mr. Adams is the first independent board member and will serve on the Company’s compensation and audit committees going forward.

Eddie has worked extensively in the blockchain markets. While deployed as the IT Director for Blue Cross/Blue Shield of Florida, he utilized his extensive knowledge in a wide array of operating systems, programming languages, security concepts and technologies, to ensure privacy protocols were adhered to and data was secure and met federal guidelines. His experience with managing \$100 million annual department budgets and a staff more than 45,000 people, will be instrumental in our startup growth concepts and lay a solid foundation in which to build upon.

Michael Hawkins, OBITX CEO/CFO stated, “I look forward to working with Mr. Adams in building our OBITX model. We share a vision where OBITX could be a leading company in blockchain development and technology. His experience and insight will be critical as we look to both the insurance and healthcare industries as a core focus of our developing blockchain technologies.”

Contact: Michael Hawkins
info@obitx.com

About OBITX:

Headquartered in Fleming Island, Florida, OBITX, Inc., (OTCQB: OBTX) is a development, consulting and services organization specializing in blockchain technologies and decentralized processing.

**CONSENT IN LIEU OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
OBITX, INC.**

Pursuant to the laws of the State of Delaware, the undersigned, being all of the directors of OBITX, Inc., a Delaware corporation (the "Corporation"), by this instrument in lieu of a special meeting of the Board of Directors (the "Board") of the Corporation, hereby consent to the adoption of the following resolutions, which resolutions will be deemed adopted when all of the Directors have signed this Consent:

I. Incorporation of Audit Committee

RESOLVED, that the Corporation shall establish an Audit Committee to be bound by the terms and conditions established in Exhibit A.

FURTHER RESOLVED, that any officer of the Corporation, acting alone, be and hereby is authorized, empowered and directed, for and on behalf of the Corporation, to take such further action and execute and deliver any additional agreements, instruments, certificates, filings or other documents and to take any additional steps as any such officer deems necessary or appropriate to effectuate the purposes of the foregoing resolutions; and

II. Incorporation of Compensation Committee

RESOLVED, that the Corporation shall establish an Audit Committee to be bound by the terms and conditions established in Exhibit B.

FURTHER RESOLVED, that any officer of the Corporation, acting alone, be and hereby is authorized, empowered and directed, for and on behalf of the Corporation, to take such further action and execute and deliver any additional agreements, instruments, certificates, filings or other documents and to take any additional steps as any such officer deems necessary or appropriate to effectuate the purposes of the foregoing resolutions; and

FURTHER RESOLVED, that any action or actions heretofore taken by any officer, as agent of the Corporation, for and on behalf of the Corporation, in connection with the foregoing resolutions are hereby ratified and approved as the actions of the Corporation. The execution of this consent shall constitute a written waiver of any notice of meeting.

FURTHER RESOLVED, that Robert Adams shall be appointed to the Audit Committee and Compensation Committee.

This consent may be executed by facsimile and in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. This consent may be executed by electronic transmission and in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

DIRECTORS

/s/ Paul Rosenberg Date: May 12, 2020
Paul Rosenberg

/s/ Michael Hawkins Date: May 12, 2020
Michael Hawkins

OBITX, INC.

Charter for Audit Committee

ROLE

The Audit Committee of the Board of Directors assists the Board of Directors in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, and reporting practices of the Company, and such other duties as directed by the Board. The Committee's purpose is to oversee the accounting and financial reporting processes of the Company, the audits of the Company's financial statements, the qualifications of the public accounting firm engaged as the Company's independent auditor to prepare or issue an audit report on the financial statements of the Company and internal control over financial reporting, and the performance of the Company's internal audit function and independent auditor. The Committee reviews and assesses the qualitative aspects of financial reporting to shareholders, the Company's processes to manage business and financial risk, and compliance with significant applicable legal, ethical, and regulatory requirements. The Committee is directly responsible for the appointment (subject to shareholder ratification), compensation, retention, and oversight of the independent auditor.

MEMBERSHIP

The membership of the Committee consists of at least two directors, all of whom shall meet the independence requirements established by the Board and applicable laws, regulations, and listing requirements. Each member shall in the judgment of the Board have the ability to read and understand fundamental financial statements and otherwise meet the financial sophistication standard established by the requirements of the NASDAQ Stock Market, LLC. At least one member of the Committee shall in the judgment of the Board be an "audit committee financial expert" as defined by the rules and regulations of the Securities and Exchange Commission. The Board appoints the members of the Committee and the chairperson. The Board may remove any member from the Committee at any time with or without cause.

Generally, no member of the Committee may serve on more than three audit committees of publicly traded companies (including the Audit Committee of the Company) at the same time. For this purpose, service on the audit committees of a parent and its substantially owned subsidiaries counts as service on a single audit committee.

OPERATIONS

The Committee meets at least six times a year. Additional meetings may occur as the Committee or its chair deems advisable. The Committee will cause to be kept adequate minutes of its proceedings, and will report on its actions and activities at the next quarterly meeting of the Board. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the Bylaws of the Company, or (c) the laws of the state of Florida.

The Committee meets at least two times a year. Additional meetings may occur as the Committee or its chair deems advisable. The Committee will cause to be kept adequate minutes of its proceedings and will report on its actions and activities at the next quarterly meeting of the Board. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the Bylaws of the Company, or (c) the laws of the state of Florida.

The independent auditor reports directly to the Committee. The Committee is expected to maintain free and open communication with the independent auditor, the internal auditors, and management. This communication will include periodic private executive sessions with each of these parties.

EDUCATION

The Company is responsible for providing new members with appropriate orientation briefings and educational opportunities, and the full Committee with educational resources related to accounting principles and procedures, current accounting topics pertinent to the Company, and other matters as may be requested by the Committee. The Company will assist the Committee in maintaining appropriate financial literacy.

AUTHORITY

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee has sole authority to retain and terminate outside counsel or other experts or consultants, as it deems appropriate, including sole authority to approve the firms' fees and other retention terms. The Company will provide the Committee with appropriate funding, as the Committee determines, for the payment of compensation to the Company's independent auditor, outside counsel, and other advisors as it deems appropriate, and administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention. The Committee will have access to the Company's books, records, facilities, and personnel. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.

The Committee may form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Committee.

RESPONSIBILITIES

The Committee's specific responsibilities in carrying out its oversight role are delineated in the Audit Committee Responsibilities Calendar. The Responsibilities Calendar will be updated annually as necessary to reflect changes in regulatory requirements, authoritative guidance, and evolving oversight practices. The most recently updated Responsibilities Calendar will be considered to be an addendum to this Charter.

The Committee relies on the expertise and knowledge of management, the internal auditors, and the independent auditor in carrying out its oversight responsibilities. Management of the Company is responsible for determining the Company's financial statements are complete, accurate, and in accordance with generally accepted accounting principles and establishing satisfactory internal control over financial reporting. The independent auditor is responsible for auditing the Company's financial statements and the effectiveness of the Company's internal control over financial reporting. It is not the duty of the Committee to plan or conduct audits, to determine that the financial statements are complete and accurate and in accordance with generally accepted accounting principles, to conduct investigations, or to assure compliance with laws and regulations or the Company's standards of business conduct, codes of ethics, internal policies, procedures, and controls.

OBITX Audit Committee Responsibilities Calendar					
RESPONSIBILITY	Q1	Q2	Q3	Q4	As Req'd
1. The agenda for Committee meetings will be prepared in consultation between the Committee chair (with input from the Committee members), Finance management, the senior internal audit employee designated by the Committee to act as its direct liaison (the "Internal Audit Executive"), and the independent auditor.	•	•	•	•	•
2. Review and update the Audit Committee Charter and Responsibilities Calendar annually.				•	
3. Complete an annual evaluation of the Committee's performance.		•			
4. Provide a report in the annual proxy that includes the Committee's review and discussion of matters with management and the independent auditor.	•				

	d. Any serious difficulties or disputes with management encountered during the course of the audit, and management's response.					
	e. Other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.					
19.	Review with Finance management and the independent auditor at least annually the Company's critical accounting policies.				•	•
20.	Review policies and procedures with respect to transactions between the Company and officers and directors, or affiliates of officers or directors, or transactions that are not a normal part of the Company's business, and review and approve those related-party transactions that would be disclosed pursuant to SEC Regulation S-K, Item 404.				•	•
21.	Consider and review with Finance management and the Internal Audit Executive:	•	•	•	•	•
	a. Significant findings by the independent auditor or the Internal Audit Executive during the year and management's responses.					
	b. Any difficulties encountered in the course of their audit work, including any restrictions on the scope of their work or access to required information.					
	c. Any changes required in planned scope of their audit plan.					
22.	Participate in a telephonic meeting among Finance management, the Internal Audit Executive and the independent auditor before each earnings release to discuss the earnings release, financial information, use of any non-GAAP information, and earnings guidance.	•	•	•	•	
23.	Review and discuss with Finance management and the independent auditor the Company's quarterly financial statements.	•	•	•	•	
24.	Review the periodic reports of the Company with Finance management, the Internal Audit Executive, and the independent auditor prior to filing of the reports with the SEC, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."	•	•	•	•	
25.	In connection with each periodic report of the Company, review:	•	•	•	•	
	a. Management's disclosure to the Committee and the independent auditor under Section 302 of the Sarbanes-Oxley Act, including identified changes in internal control over financial reporting.					
	b. The contents of the Chief Executive Officer and the Chief Financial Officer certificates to be filed under Sections 302 and 906 of the Sarbanes-Oxley Act and the process conducted to support the certifications.					
26.	Monitor the appropriate standards adopted as a code of conduct for the Company.		•			•
27.	Review with the Compliance Officer legal and regulatory matters that may have a material impact on the financial statements, related Company compliance policies and programs, and reports received from regulators.	•	•	•	•	
28.	Develop, review, and oversee procedures for (i) receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, and auditing matters and (ii) the confidential, anonymous submission of employee concerns regarding accounting or auditing matters.		•			•
29.	Meet with the independent auditor in executive session to discuss any matters the Committee or the independent auditor believes should be discussed privately with the Audit Committee.	•	•	•	•	
30.	Meet with the Internal Audit Executive in executive session to discuss any matters the Committee or the Internal Audit Executive believes should be discussed privately with the Audit Committee.	•	•	•	•	
31.	Meet with Finance management in executive session to discuss any matters the Committee or Finance management believes should be discussed privately with the Audit Committee.					•
32.	Set clear hiring policies for the Company's hiring of employees or former employees of the independent auditor who were engaged in the Company's account, and ensure the policies comply with any regulations applicable to the Company.					•

**CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS OF OBITX, INC.**
AS ADOPTED BY THE BOARD
ON MAY 11, 2020

I. PURPOSE

The Compensation Committee (the “Committee”) of the Board of Directors of OBITX, Inc., (the “Company”) is appointed by the Board of Directors (the “Board”) to discharge the Board’s responsibilities with respect to all forms of compensation for the Company’s executive officers and to administer the Company’s equity incentive plans for employees. This Charter sets forth the authority and responsibility of the Committee for evaluating and approving executive officer compensation arrangements, plans, policies and programs of the Company, and for administering the Company’s equity incentive plans for employees whether adopted prior to or after the date of adoption of this charter (the “Stock Plans”).

II. MEMBERSHIP

The Committee will consist of one or more members, with the exact number to be determined by the Board. Each of the members of the Committee will be (i) an “independent director” as defined under the rules of the New York Stock Exchange, as amended (the “Rules”), except as may otherwise be permitted by such Rules, (ii) a “Non-Employee Director,” as defined in Rule 16b-3 promulgated under Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and (iii) an “outside director” under Regulation Section 1.162-27 promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended. All members of the Committee will be appointed by, and shall serve at the discretion of, the Board.

The Board will select members of the Committee who will be approved by a majority vote of the Board. Committee members will serve during their respective term as a director, subject to earlier removal by a majority vote of the Board. Unless a chair is elected by the full Board, the members of the Committee may designate a chair by majority vote of the Committee membership.

III. MEETINGS

Meetings of the Committee will be held from time to time and in any event at least twice per fiscal year, in response to the needs of the Board or as otherwise determined by the Chairman of such Committee, and the Committee shall provide reports to the Board. In lieu of a meeting, the Committee may also act by unanimous written consent resolution. The Committee will maintain written minutes of its meetings and will file such minutes with the books and records of the Company.

IV. AUTHORITY AND RESPONSIBILITIES

The principal processes of the Committee in carrying out its oversight responsibilities are set forth below. These processes are set forth as a guide with the understanding that the Committee may supplement them as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities.

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1. The Committee will have the authority to review and oversee the Company’s overall compensation philosophy, and to oversee the development and implementation of compensation programs aligned with the Company’s business strategy.
 2. The Committee will have the sole authority to determine the form and amount of compensation to be paid or awarded to the Chief Executive Officer (“CEO”) and all other executive officers of the Company.
 3. The Committee will annually review and approve all matters related to CEO compensation and determine (i) the salary paid to the CEO, (ii) the grant of all cash-based bonuses and equity compensation to the CEO, (iii) the entering into or amendment or extension of any employment contract or similar arrangement with the CEO, (iv) any CEO severance or change in control arrangement, (v) material perquisites provided to the CEO and (vi) any other CEO compensation matter that may arise from time to time as directed by the Board. The compensation decisions with regard to CEO compensation matters shall incorporate the review of the CEO’s performance against pre-established business and individual objectives conducted annually by the Board. In determining the long-term incentive component of the CEO’s compensation, the Committee may consider among other things: the Company’s performance and relative stockholder return, the value of

similar incentive awards to chief executive officers at companies the Committee determines comparable based on factors it selects and the incentive awards given to the Company's CEO in prior years.

4. For all executive officers other than the CEO, the Committee, in consultation with the CEO, will annually review and approve the corporate goals and objectives relevant to executive officers' compensation. In light of these goals and objectives, the Committee, in consultation with the CEO, will determine (i) the salary paid to executive officers, (ii) the grant of cash-based bonuses and equity compensation provided to executive officers, (iii) the entering into or amendment or extension of any employment contract or similar arrangement with executive officers, (iv) executive officers' severance or change in control arrangement, (v) material perquisites provided to executive officers and (vi) any other executive officer compensation matter that may arise from time to time as directed by the Board. In determining the long-term incentive component of executive officers' compensation, the Committee will consider the same factors pertaining to such compensation that it considers for that element of the CEO's compensation.

5. The Committee will periodically review and make recommendations to the Board with respect to adoption and approval of, or amendments to, all equity-based incentive compensation plans and arrangements for employees, and the shares and amounts reserved thereunder after taking into consideration the Company's strategy of long-term and equity-based compensation. The Committee will also periodically review and make recommendations to the Board with respect to adoption and approval of, and amendments to, all cash-based incentive plans for executive officers.

6. The Committee will: (i) approve grants of stock, stock options or stock rights to employees eligible for such grants (including grants in compliance with Rule 16b-3 promulgated under the Exchange Act to individuals who are subject to Section 16 of the Exchange Act); (ii) determine the Company's policy regarding the timing of such grants of stock, stock options or stock purchase rights;

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(iii) interpret the Stock Plans and agreements thereunder; and (iv) determine acceptable forms of consideration for stock acquired pursuant to the Stock Plans. The Committee will have the authority to approve stock ownership guidelines applicable to the CEO and to other designated executives, and the responsibility to annually review compliance with such guidelines. Pursuant to §157 of the Delaware General Corporation Law, the Committee may delegate to the Company's CEO the authority to grant options to employees of the Company or of any subsidiary of the Company who are not directors or executive officers, provided that such grants are within the limits established by §157 and by resolution of the Board.

7. The Committee will exercise the powers of the Board and perform such duties and responsibilities as may be assigned to a "committee," this Committee or the Board under the terms of any incentive-compensation, equity-based compensation, deferred compensation, or other plan in the Company's executive benefit program.

8. The Committee will participate, with management, in the preparation of the Compensation Discussion and Analysis. The Committee will review the final draft of the Compensation Discussion and Analysis and recommend to the Board its inclusion in the proxy statement to the extent required by the rules and regulations of the Securities and Exchange Commission (the "SEC").

9. The Committee will review the results of the Company's "say on pay" vote as well as the results of other Company stockholder votes with respect to compensation-related matters, and will consider whether any changes should be made to the Company's compensation plans and programs as a result of any such stockholder vote.

10. The Committee will provide the Compensation Committee Report for inclusion in the Company's proxy statement or annual report on Form 10-K that complies with the rules and regulations of the SEC.

11. The Committee will oversee the Company's submission to a stockholder vote of matters relating to compensation, including advisory votes on executive compensation and the frequency of such votes, incentive and other compensation plans, and amendments to such plans.

12. The Committee will make regular reports to the Board.

13. The Committee will review this Charter annually and recommend to the Board any changes it determines are appropriate.

14. The Committee will review its performance annually and submit a report on its performance to the Board.

15. For the purpose of assessing whether risks arising from any compensatory plan or arrangement are reasonably likely to have a material adverse effect on the Company, the Committee will periodically review the relationship between the incentives associated with these plans and the level of risk-taking by executive officers in response to such incentives.

16. The Committee will have the sole authority and right, as and when it shall determine to be necessary or appropriate to the functions of the Committee, to retain, obtain the advice of and terminate compensation consultants, independent legal counsel or other advisors of its choosing to assist the Committee with its functions. The Committee shall have the sole authority to approve the fee arrangement and other retention terms of such advisors, and the Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable fees to a compensation consultant, independent legal counsel or any other advisor retained by the Committee. In this regard, the Committee shall be directly responsible for the appointment, fee arrangement and oversight of the work of any compensation consultant, independent legal counsel or other advisor retained by the Committee. The Committee shall evaluate the qualifications, performance and independence of any such advisors in accordance with policies that the Committee may establish in its sole discretion. Except as otherwise required by the applicable Rules of the New York Stock Exchange, the Committee may select a compensation consultant, legal counsel or other advisor to the Committee only after taking into consideration all factors relevant to that person's independence from management, including the following: (i) the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other advisor; (ii) the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other advisor, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other advisor; (iii) the policies and procedures of the person that employs the compensation consultant, legal counsel or other advisor that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the compensation consultant, legal counsel or other advisor with a member of the Committee; (v) any stock of the Company owned by the compensation consultant, legal counsel or other advisor; and (vi) any business or personal relationship of the compensation consultant, legal counsel, other advisor or the person employing the advisor with an executive officer of the Company.

17. The Committee will perform any other activities required by applicable law, rules or regulations, including the rules of the SEC and any exchange or market on which the Company's capital stock is traded, and perform other activities that are consistent with this charter, the Company's certificate of incorporation and bylaws, and governing laws, as the Committee or the Board deems necessary or appropriate.