

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 1, 2017

ZIVO BIOSCIENCE, INC.
(Exact name of registrant as specified in its charter)

<u>Nevada</u> (State or other jurisdiction of incorporation)	<u>000-30415</u> (Commission File Number)	<u>87-0699977</u> (IRS Employer Identification No.)
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2804 Orchard Lake Road, Suite 202, Keego Harbor Michigan 48320
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(248) 452-9866**

Not applicable
(Former name or former address, if changed since last report)

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))

Item 1.01. Entry into a Material Definitive Agreement**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant****Entry into a Material Definitive Agreement
Creation of a Direct Financial Obligation**

On March 1, 2017, the Registrant and HEP Investments, LLC, a Michigan limited liability company (“Lender”), entered into the following documents, effective as of March 1, 2017: (i) Eighth Amendment to Loan Agreement under which the Lender has agreed to advance up to a total of \$17,500,000 to the Registrant, subject to certain conditions, and (ii) a Ninth Amended and Restated Senior Secured Convertible Promissory Note. The Eighth Amendment to Loan Agreement amends and restates the Seventh Amendment to Loan Agreement, which was entered into with HEP Investments on September 30, 2016 and disclosed in the Registrant’s Form 8-K Current Report filed on October 5, 2016. The Ninth Amended and Restated Senior Secured Convertible Promissory Note resets the total outstanding debt as of March 1, 2017 and provides for a maturity date of September 30, 2018. The total outstanding debt as of March 1, 2017 is \$12,982,203. This amount includes unpaid principal of \$9,427,200, interest outstanding as of February 28, 2017 of \$2,955,002 and restructuring and legal fees of \$600,000,

The Company, as consideration for the extension of the maturity date to September 30, 2018, agreed to provide for the conversion of the \$12,982,203 Convertible Promissory Note into the Registrant’s restricted common stock at \$.10 per share, with interest at the rate of 11% per annum.

The related indebtedness represented by this note shall be paid to the Lender in monthly installments of interest only beginning on July 1, 2017 and continuing on the first day of each month thereafter.

Based on the above, the total shares of common stock, if the Lender converted the complete \$12,982,203 convertible debt, would be 129,822,030 shares, not including any interest due which may be converted into common stock.

Amounts advanced under the Note are secured by all the Registrant’s assets.

The Registrant has agreed to pay the following fees in connection with the Loan transaction (when the final \$4,017,797 in funding is achieved): (i) a \$361,602 closing fee, consisting of \$216,961 in cash, and \$144,641 paid in shares of common stock, which will be accomplished by the issuance of common stock valued at various amounts based on the timing of the funding and the related stock price.

The Registrant has made certain agreements with the Lender which shall remain in effect as long as any amount is outstanding under the Loan. These agreements include an agreement not to make any change in the Registrant’s senior management. Two representatives of the Lender will have the right to attend Board of Director meetings as non-voting observers.

Item 9.01 Financial Statements and Exhibits

Exhibit 10.42 – Eighth Amendment to Loan Agreement with HEP Investments, LLC dated March 1, 2017

Exhibit 10.43 – Ninth Amended and Restated Senior Secured Convertible Promissory Note HEP Investments, LLC dated March 1, 2017

Exhibit 99.1 – Press Release dated March 6, 2017.

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.

ZIVO BIOSCIENCE, INC.

Date: March 6, 2017

By: /s/ PHILIP M. RICE, II
Philip M. Rice, II
Chief Financial Officer

EIGHTH AMENDMENT TO LOAN AGREEMENT

This Eighth Amendment to Loan Agreement (“Eighth Amendment”) is made and entered into as of March 1, 2017 by and between HEP INVESTMENTS LLC, a Michigan limited liability company (“Lender”), and ZIVO BIOSCIENCE, INC. (formerly HEALTH ENHANCEMENT PRODUCTS, INC.), a Nevada corporation (“Borrower”).

RECITALS

A. Borrower and Lender entered into that certain Loan Agreement, dated as of December 1, 2011 (as the same may be amended, modified or restated from time to time, the “Loan Agreement”) whereby Lender made a loan to Borrower evidenced by the Note.

B. Borrower and Lender desire to make certain changes to the Loan Agreement upon the terms and conditions hereinafter set forth in connection with the execution of a Ninth Amended and Restated Senior Convertible Promissory Note, of even date herewith, including the consent of the Guarantors to such amendment endorsed hereon.

NOW THEREFORE, in consideration of the covenants and agreements of the parties, Borrower and Lender, with the consent and agreement of the undersigned Guarantors (each a “Guarantor” and collectively the “Guarantors”), agree as follows:

1. **Capitalized Terms.** Capitalized terms used but not otherwise defined in this Eighth Amendment shall have the meanings given to such terms in the Loan Agreement.

2. **Continued Effect.** Except as specifically modified or amended by the terms of this Eighth Amendment, all other terms and provisions of the Loan Agreement and all other Loan Documents (as defined in the Loan Agreement) shall continue in full force and effect. By execution of this Amendment, Borrower and each Guarantor hereby reaffirms, assumes and binds itself to all of the obligations, duties, rights, covenants, terms and conditions that are contained in the Loan Agreement, the Note and the other Loan Documents. Borrower and each Guarantor hereby acknowledges and agrees that (i) the liens created and provided for by the Loan Documents continue to secure all obligations under the Loan Agreement as amended hereby. Nothing herein contained shall in any manner affect or impair the priority of the liens and security interests created and provided for by the Loan Documents as to the indebtedness which would be secured thereby prior to giving effect to this Amendment.

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

“1. **Loan.** Lender agrees to make a loan to Borrower in the amount of up to \$17,500,000 (the “Loan”) in accordance with the terms of that certain Ninth Amended and Restated Senior Secured Convertible Promissory Note attached hereto as Exhibit A (the “Note”).”

4. **Fees and Expenses; Outstanding Amount.** Lender and Borrower acknowledge and agree that, as of the date hereof, the amount outstanding under the Loan is \$12,382,203, inclusive of interest accrued through February 28, 2017. In addition, Borrower currently owes Lender outstanding legal fees in the amount of \$75,000 under the Loan Documents (the “Legal Fees”). In consideration for extending the maturity date of the Loan in accordance with the Ninth Amended and Restated Senior Convertible Promissory Note, of even date herewith, Borrower agrees to pay Lender a restructuring fee of \$525,000 (the “Restructuring Fee”). The Legal Fees and the Restructuring Fee shall be rolled into the Note and, accordingly, the aggregate outstanding balance under the Note as of the date hereof is \$12,982,203.

5. **Guarantors Consent.** The Guarantors hereby consent to this Eighth Amendment and acknowledge and agree that their Guaranties remain in full force and effect in accordance with their respective terms, including the increase in the amount of the Loan, and that the Guarantors have no defenses, setoff of counterclaims with respect thereto.

6. **Authority.** Each individual executing this Eighth Amendment on behalf of the respective parties hereto represents and warrants that he/she is duly authorized to execute and deliver this Sixth Amendment on behalf of the respective party hereto and that this Eighth Amendment is binding upon the respective party in accordance with its terms.

7. **Counterparts.** This Eighth Amendment may be executed in one or more counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same instrument. Copies (whether photostatic, facsimile or otherwise) of this Eighth Amendment may be made and relied upon to the same extent as an original.

[Signatures on next page]

IN WITNESS WHEREOF, Lender, Borrower and Guarantors have executed this Eighth Amendment to Loan Agreement as of the date first written above.

BORROWER:

ZIVO BIOSCIENCE, INC. (formerly HEALTH ENHANCEMENT PRODUCTS, INC.), a Nevada corporation

By: /s/ Philip M. Rice II

Name: Philip M. Rice, II

Title: Chief Financial Officer

LENDER:

HEP INVESTMENTS LLC, a Michigan limited liability company

By: /s/ Laith Yaldao

Laith Yaldao, Manager

ACKNOWLEDGED AND AGREED BY THE UNDERSIGNED GUARANTORS:

HEALTH ENHANCEMENT CORPORATION, a Nevada corporation

By: /s/ Philip M. Rice II

Print Name: Philip M. Rice, II

Its: Chief Financial Officer

HEPI PHARMACEUTICALS, INC., a Delaware corporation

By: /s/ Philip M. Rice II

Print Name: Philip M. Rice, II

Its: Chief Financial Officer

**NINTH AMENDED AND RESTATED
SENIOR SECURED CONVERTIBLE PROMISSORY NOTE**

\$17,500,000

**Keego Harbor, Michigan
March 1, 2017**

FOR VALUE RECEIVED, **ZIVO BIOSCIENCE, INC.**, a Nevada corporation ("Borrower"), whose address is 2804 Orchard Lake Road, Suite 202, Keego Harbor, Michigan 48320, promises to pay to the order of **HEP INVESTMENTS LLC**, a Michigan limited liability company ("Lender"), whose address is 2804 Orchard Lake Road, Suite 205, Keego Harbor, Michigan 48320, or at such other place as Lender may designate in writing, in lawful money of the United States of America, the principal sum of up to Seventeen Million Five Hundred Thousand Dollars (\$17,500,000), or such lesser sum as shall have been advanced by Lender to Borrower under the loan agreement hereinafter described, together with interest as provided herein, in accordance with the terms of this Ninth Amended and Restated Senior Secured Convertible Promissory Note (this "Note").

In accordance with the terms of that certain Loan Agreement, dated as of December 1, 2011, by and between Lender and Borrower (as amended or restated from time to time, the "Loan Agreement"), Lender intends to loan to the Borrower up to Seventeen Million Five Hundred Thousand Dollars (\$17,500,000). All advances made hereunder shall be charged to a loan account in Borrower's name on Lender's books, and Lender shall debit to such account the amount of each advance made to, and credit to such account the amount of each repayment made by Borrower. From time to time but not less than quarterly, Lender shall furnish Borrower a statement of Borrower's loan account, which statement shall be deemed to be correct, accepted by, and binding upon Borrower, unless Lender receives a written statement of exceptions from Borrower within ten (10) days after such statement has been furnished. Terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan Agreement. Lender and Borrower acknowledge and agree that, as of March 1, 2017, the total outstanding indebtedness under this Note was \$12,982,203, inclusive of interest accrued through February 28, 2017.

1. Payment. The unpaid principal balance of this Note shall bear interest computed upon the basis of a year of 360 days for the actual number of days elapsed in a month at a rate of eleven percent (11%) per annum (the "Effective Rate"). Upon the occurrence and during the continuance of an Event of Default (as defined below), the unpaid principal balance of this Note shall bear interest, computed upon the basis of a year of 360 days for the actual number of days elapsed in a month, at a rate equal to the lesser of five percent (5%) over the Effective Rate or the highest rate allowed by applicable law. The indebtedness represented by this Note shall be paid to Lender in monthly installments of interest only beginning on July 1, 2017 and continuing on the 1st day of each month thereafter and, if not sooner converted in accordance with the terms of this Note, the entire unpaid principal balance of this Note, together with all accrued and unpaid interest, shall be immediately due and payable in full on September 30, 2018 (the "Due Date").

2. Pre-payment Premium. Borrower may prepay the principal balance of this Note, in whole or in part, plus all accrued interest then outstanding upon sixty (60) days prior written notice to Lender; provided, however, there shall be a pre-payment premium of five (5%) percent of each amount prepaid at any time during the term of this Note.

3. Use of Proceeds. The funds advanced pursuant to this Note shall be used by Borrower for working capital.

4. Conversion Right and Funding Provisions.

(a) At Lender's option, at any time prior to the repayment in full of this Note, all or any portion of the outstanding indebtedness of this Note (including accrued and unpaid interest) may be converted into validly issued and fully paid shares of common stock of Borrower ("Shares") at the conversion rate of \$0.10 per share (as appropriately adjusted by any stock split, stock combination or other corporate recapitalization affecting such common stock occurring after the date hereof).

(b) Upon conversion of this Note as provided herein, (i) the portion of this Note so converted shall be deemed cancelled and shall be converted into the Shares as specified above; (ii) Lender, by acceptance of this Note, agrees to deliver the executed original of this Note to Borrower within ten (10) days of the conversion of the entire outstanding indebtedness of this Note and to execute such documents as are necessary to document the issuance of the Shares and to comply with applicable securities laws; and (iii) as soon as practicable after Borrower's receipt of the documents referenced above, Borrower shall issue and deliver to Lender (or its designee) stock certificates evidencing the Shares (or confirmation that the Shares are held by Lender (or its designee) in book entry form on the books and records of Borrower's transfer agent) and Borrower shall deliver to Lender a promissory note (in the form of this Note) reflecting the balance of the outstanding indebtedness under this Note.

5. Default. Each of the following constitutes an “Event of Default” under this Note:

(a) Borrower’s failure to pay the outstanding indebtedness of this Note within ten (10) days of the date on which such payment is due hereunder, whether at maturity or otherwise;

(b) Borrower’s breach of or failure to perform or observe any covenant, condition or agreement contained in this Note, the Loan Agreement or the Security Agreement (defined below), which breach or failure continues unremedied for a period of thirty (30) calendar days after receipt by Borrower of written notice specifying the nature of the default. Notwithstanding the foregoing, Borrower shall not be in default under this subsection (b) with respect to any non-monetary breach that can be cured by the performance of affirmative acts if Borrower promptly commences the performance of said affirmative acts and diligently prosecutes the same to completion within a period of forty-five (45) calendar days after receipt by Borrower of written notice specifying the nature of the default;

(c) Borrower files a voluntary petition in bankruptcy;

(d) Borrower makes a general assignment for the benefit of its creditors or Borrower’s creditors file against Borrower any involuntary petition under any bankruptcy or insolvency law that is not dismissed within ninety (90) days after it is filed;

(e) Any court appoints a receiver to take possession of substantially all of Borrower’s assets and such receivership is not terminated within ninety (90) days after its appointment; or

(f) Lender reasonably deems itself insecure with respect to the indebtedness under this Note.

Upon the occurrence and during the continuance of an Event of Default, at the election of Lender, the entire unpaid principal balance of this Note, together with all accrued and unpaid interest, shall be immediately due and payable in full.

6. Security. This Note is secured by all of the assets of Borrower pursuant to that certain Security Agreement, dated as of December 1, 2011 (the “Security Agreement”), and that certain Patent, Copyright, License and Trademark Security Agreement, dated as of December 2, 2011.

7. Waivers. Borrower and all endorsees, sureties and guarantors hereof hereby jointly and severally waive presentment for payment, demand, notice of non-payment, notice of protest or protest of this Note, and Lender diligence in collection or bringing suit, and do hereby consent to any and all extensions of time, renewals, waivers or modifications as may be granted by Lender with respect to payment or any other provisions of this Note. The liability of Borrower under this Note shall be absolute and unconditional, without regard to the liability of any other party.

8. Usury. Notwithstanding anything herein to the contrary, in no event shall Borrower be required to pay a rate of interest in excess of the Maximum Rate. The term “Maximum Rate” shall mean the maximum non-usurious rate of interest that Lender is allowed to contract for, charge, take, reserve or receive under the applicable laws of any applicable state or of the United States of America (whichever from time to time permits the highest rate for the use, forbearance or detention of money) after taking into account, to the extent required by applicable law, any and all relevant payments or charges hereunder, or under any other document or instrument executed and delivered in connection therewith and the indebtedness evidenced hereby.

In the event Lender ever receives, as interest, any amount in excess of the Maximum Rate, such amount as would be excessive interest shall be deemed a partial prepayment of principal, and, if the principal hereof is paid in full, any remaining excess shall be returned to Borrower. In determining whether or not the interest paid or payable, under any specified contingency, exceeds the Maximum Rate, Borrower and Lender shall, to the maximum extent permitted by law, (a) characterize any non-principal payment as an expense, fee, or premium rather than as interest; (b) exclude voluntary prepayments and the effects thereof; and (c) amortize, prorate, allocate and spread the total amount of interest through the entire contemplated term of such indebtedness until payment in full of the principal (including the period of any extension or renewal thereof) so that the interest on account of such indebtedness shall not exceed the Maximum Rate.

9. Miscellaneous.

(a) All modifications, consents, amendments or waivers of any provision of any this Note shall be effective only if in writing and signed by Lender and then shall be effective only in the specific instance and for the limited purpose for which given.

(b) All communications provided in this Note shall be personally delivered or mailed, postage prepaid, by registered or certified mail, return receipt requested, to the addresses set forth at the beginning of this Note or such other addresses as Borrower or Lender may indicate by written notice.

(c) The headings used in this Note are for convenience of reference only and shall not in any way affect the meaning or interpretation of this Note.

(d) This Note shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns; provided, however, that neither party may, without the prior written consent of the other party, assign any rights, powers, duties or obligations under this Note.

(e) This Note shall be construed and enforced in accordance with the laws of the State of Michigan. All actions arising out of or relating to this Note shall be heard and determined exclusively by any state or federal court with jurisdiction in the Eastern District of the State of Michigan. Consistent with the preceding sentence, the parties hereto hereby irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Note or the transactions contemplated by this Note may not be enforced in or by any of the above-named courts.

(f) This Note is intended to amend and restate, and is not intended to be in substitution for or a novation of, that certain Senior Secured Convertible Promissory Note, dated December 1, 2011, executed and delivered by Borrower in favor of Lender in the original principal amount of \$2,000,000, as previously amended and restated (the "Original Note"). This Note shall continue to be secured by the security instruments and UCC statements executed and filed with the Original Note, and otherwise as set forth in the loan documentation executed in connection with the Original Note.

[Signature on the following page]

IN WITNESS WHEREOF, the undersigned has duly executed this Ninth Amended and Restated Senior Secured Convertible Promissory Note as of the day and year first written above.

BORROWER:

ZIVO BIOSCIENCE, INC.

By: /s/Philip M. Rice II

Name: Philip M. Rice II

Its: Chief Financial Officer

Exhibit 99.1

ZIVO BIOSCIENCE, INC. EXECUTES DEBT RESTRUCTURING WITH PRIVATE EQUITY FIRM HEP INVESTMENTS, LLC

KEEGO HARBOR, MI – (March 6, 2017) – ZIVO Bioscience, Inc. (OTCMKTS:ZIVO) a company dedicated to the development and commercialization of nutritional compounds and bioactive molecules derived from its proprietary algal strains, announces that the Company has successfully negotiated and executed a restructured agreement with private equity firm HEP Investments, LLC, its longtime financing resource, rolling a number of tranches of its Senior Secured Convertible Promissory Note with different maturity dates into a single \$13 million instrument with a single maturity date. The existing financing instrument remains capped at \$17.5 million, leaving the Company with the ability to access an additional \$4.5 million in short-term funding, subject to the approval of HEP Investments.

The restructured agreement extends the maturity date to September 30, 2018, monthly installments of interest only beginning on July 1, 2017 and continuing on the first day of each month thereafter, and provides for a conversion of the Convertible Promissory Note into the Company's restricted common stock at \$.10 per share.

"We truly appreciate the long-term commitment and vision demonstrated by HEP Investments and its management. This restructuring removes nearly \$8 million from short-term liabilities and positively affects the balance sheet," states Philip M. Rice II, Chief Financial Officer and acting Board Chair.

HEP Investments, LLC a Michigan private equity firm, has provided intermittent funding to ZIVO since late 2011, when the Company shed its supplement production business and revamped its business model to further develop and monetize the intellectual property embodied in its proprietary algal cultures and high-value extracts. In 2012, the Company began to validate and characterize the bioactive compounds present in its benchmark algae strain, as well as conduct a wide range of studies to substantiate the nutritional and safety claims of its algal biomass for humans and animal consumption, a process which continues to this day. Recently, the Company developed an enhanced protein drink concept, received its fourth US patent for healthy cholesterol balance, began a collaboration with animal nutrition innovator NutriQuest, LLC and executed a biomass production agreement with Synthetic Genomics, Inc.

The Company has issued an 8-K filing to further define the new debt structure.

About ZIVO Bioscience, Inc.

ZIVO Bioscience, Inc. (OTC: ZIVO.QB) is a Michigan-based biotech company engaged in the investigation of the health benefits of nutritive components derived from its proprietary algal cultures, and the development of natural bioactive compounds for use as dietary supplements and food ingredients, as well as biologically derived and synthetic candidates for medicinal and pharmaceutical applications in humans and animals, specifically focused on autoimmune and inflammatory response modulation.

Safe Harbor Statement

Except for any historical information, the matters discussed in this press release contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements involve risks and uncertainties. A number of factors could cause actual results to differ from those indicated in the forward-looking statements, including the timing of completion of a trial, actual future clinical trial results being different than the results the company has obtained to date, and the company's ability to secure funding. Such statements are subject to a number of assumptions, risks and uncertainties. Readers are cautioned that such statements are not guarantees of future performance and those actual results or developments may differ materially from those set forth in the forward-looking statements. The company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information or otherwise.

Contact:

Investor Relations

(248) 452 9866 ext 150

ZIVO Bioscience, Inc.

Investor@zivobioscience.com

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