

**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): June 18, 2021

Motorsport Games Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39868
(Commission
File Number)

86-1791356
(I.R.S. Employer
Identification No.)

5972 NE 4th Avenue
Miami, FL
(Address of principal executive offices)

33137
(Zip Code)

Registrant's telephone number, including area code: **(305) 507-8799**

N/A

(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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A common stock, \$0.0001 par value per share	MSGM	The Nasdaq Stock Market LLC (The Nasdaq Capital Market)

Indicate by check mark whether the registrant is an emerging growth company as defined 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 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 1.01 Entry into a Material Definitive Agreement.

The disclosure provided in Item 5.02 of this Report is hereby incorporated by reference in its entirety into this Item 1.01.

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

On June 18, 2021, Motorsport Games Inc. (the “Company”), upon the approval and recommendation of the compensation committee of the Company’s board of directors and the approval by the Company’s board of directors, entered into an amendment to the employment agreement, effective as of January 1, 2020 (the “Employment Agreement”), between the Company and Dmitry Kozko, the Company’s Chief Executive Officer (the “Amendment”).

Section 5.3(a) of the original Employment Agreement provided for an initial stock option award to Mr. Kozko in connection with a contemplated future initial public offering of the Company’s Class A common stock (the “IPO”) based on an assumed \$100 million IPO market value of the Company. As the IPO valuation of the Company exceeded the scale set forth in the original Employment Agreement by establishing an initial market value of the Company of \$215.6 million based on the IPO’s \$20 per share price, pursuant to the Amendment, Mr. Kozko was granted, as of the close of business on June 18, 2021, an additional stock option award covering 150,000 shares of the Company’s Class A common stock under the Motorsport Games Inc. 2021 Equity Incentive Plan (the “Option”) to clarify and true up what was originally contemplated by the original Employment Agreement.

The Option is scheduled to vest in three equal instalments over a 3-year period in accordance with the provisions of paragraph (c) of Section 5.3 of the Employment Agreement, and is scheduled to expire on June 18, 2031. The per share exercise price for the Option is \$20 per share, which was the IPO price per share.

In addition, pursuant to the Amendment, the chart in paragraph (b) of Section 5.3 of the Employment Agreement was amended to delete (i) the Company’s market cap targets of \$150 million and \$200 million, and (ii) the related stock option awards associated with such market cap targets. All other Company market cap targets in such chart and the related stock option awards associated with such market cap targets in paragraph (b) of Section 5.3 of the Employment Agreement remained unchanged and in full force and effect.

The foregoing description of the Amendment does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Amendment, a copy of which is attached hereto as Exhibit 10.1 and which is incorporated herein by reference in its entirety.

Item 5.07 Submission of Matters to a Vote of Security Holders.

The Company held its Annual Stockholders’ Meeting on June 18, 2021 (the “2021 Annual Meeting”). The matters voted upon at the Company’s 2021 Annual Meeting and the results of such voting are set forth below:

Proposal 1: Based on the voting results set forth below, at the 2021 Annual Meeting the Company’s stockholders duly elected each of the following director nominees to serve for a 2-year term expiring as of the Company’s annual stockholders’ meeting to be held in 2023:

Director Nominee	Votes For	Votes Withheld	Broker Non-Votes
James William Allen	79,816,024	522,675	311,491
Rob Dyrdek	79,816,228	522,471	311,491

The Board has determined that Mr. Dyrdek qualifies as an independent director.

Proposal 2: Based on the voting results set forth below, at the 2021 Annual Meeting the Company’s stockholders duly ratified the Audit Committee’s selection of Dixon Hughes Goodman LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2021:

Votes For	Votes Against	Abstentions*
80,645,497	3,716	977

*There were no broker non-votes with respect to the ratification of the Audit Committee’s selection of Dixon Hughes Goodman LLP, as this was a “routine” proposal.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

10.1 [Amendment, dated June 18, 2021, to Employment Agreement effective as of January 1, 2020 between Motorsport Games Inc. and Dmitry Kozko](#)

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.

Motorsport Games Inc.

Date: June 21, 2021

By: /s/ Dmitry Kozko
Dmitry Kozko
Chief Executive Officer

EXHIBIT INDEX

Exhibit No.	Description
10.1	Amendment, dated June 18, 2021, to Employment Agreement effective as of January 1, 2020 between Motorsport Games Inc. and Dmitry Kozko

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment (this “Amendment”), dated June 18, 2021, between Motorsport Games Inc. (“Employer”) and Dmitry Kozko (“Executive”), amends the existing Employment Agreement, made and entered into, effective as of January 1, 2020 (the “Employment Agreement”), between Employer and Executive. Capitalized terms used in this Amendment that are not defined herein shall have the definition for such capitalized terms set forth in the Employment Agreement.

WHEREAS, paragraph (a) of Section 5.3 of the Employment Agreement contains provisions that, among other things, provide for a stock option grant award to Executive equal to 2% of the outstanding shares of Class A Common Stock of Employer at the time of an IPO of Employer that establishes an initial market value of Employer of at least \$100 million (based on the IPO per share price); and

WHEREAS, paragraph (b) of Section 5.3 of the Employment Agreement contains provisions that, among other things, provide for additional stock option awards to Executive over time following the IPO for each \$50 million increase in the market value of Employer from an assumed initial market value at the time of the IPO of \$100 million up to a market value of \$1 billion, based on the average closing trading price for the shares of Class A Common Stock of Employer for any 60 consecutive calendar days; and

WHEREAS, paragraphs (a) and (b) of Section 5.3 of the Employment Agreement were intended by the parties to the Employment Agreement to incentivize Executive by providing stock option awards to Executive for his important and valuable contribution to (i) a successful IPO of Employer that established an initial market value of Employer of at least \$100 million (based on the IPO per share price) and (ii) subsequent \$50 million increases from time to time in such market value from \$100 million; and

WHEREAS, on January 13, 2021, Employer consummated an IPO at an IPO price of \$20.00 per share of Class A Common Stock, which established an initial market value of Employer of \$215.6 million (based on the IPO price), which initial market value was more than double the \$100 million IPO market value of Employer upon which the stock option award provisions set forth in paragraphs (a) and (b) of Section 5.3 of the Employment Agreement were based; and

WHEREAS, on January 13, 2021, Employer granted to Executive a stock option award in accordance with the provisions of paragraph (a) of Section 5.3 of the Employment Agreement covering 203,333 shares of Class A Common Stock of Employer, which was equal to 2% of the outstanding shares of Class A Common Stock of Employer at the time of the IPO of Employer; and

WHEREAS, Employer and Executive wish to clarify the proper interpretation of the stock option award provisions set forth in paragraphs (a) and (b) of Section 5.3 of the Employment Agreement based on the intent of Employer and Executive at the time of execution and delivery of the Employment Agreement and to make appropriate changes to such provisions to reflect such intent; and

WHEREAS, Section 13.5 of the Employment Agreement permits the Employment Agreement to be amended by amendment in writing signed by each party to the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Employer and Executive agree to amend the Employment Agreement as follows:

1. In recognition of Executive's significant contribution to the successful consummation of the January 13, 2021 IPO of Employer that established an initial market value of Employer of \$215.6 million (based on the IPO per share price), Employer shall grant Executive an additional stock option award covering an additional 150,000 shares of Class A Common Stock of Employer (representing 1.29% of the outstanding shares of Class A Common Stock of the Employer on the date of this Amendment). Such option shall be awarded under the Motorsport Games Inc. 2021 Equity Incentive Plan as of the close of business on June 18, 2021, shall vest in three equal instalments over a three-year period in accordance with the provisions of paragraph (c) of Section 5.3 of the Employment Agreement and shall expire on June 18, 2031. The per share exercise price for the option shall be equal to the higher of (i) the IPO price for the Class A Common Stock of Employer of \$20.00 per share or (ii) the per share closing price for shares of Class A Common Stock of Employer on June 18, 2021.
2. The chart in paragraph (b) of Section 5.3 of the Employment Agreement is hereby amended to delete (i) the Employer's Market Cap Targets of \$150,000,000 and \$200,000,000, and (ii) the related stock option awards associated with such Employer's Market Cap Targets. All other Employer's Market Cap Targets in such chart and the related stock option awards associated with such Employer's Market Cap Targets in paragraph (b) of Section 5.3 of the Employment Agreement remain unchanged and in full force and effect.
3. Except as specifically amended by this Amendment, all other provisions of the Employment Agreement remain unchanged and in full force and effect.
4. This Amendment and the rights and obligations of the parties hereto shall be construed in accordance with and governed by the internal laws of the State of Florida without giving effect to any choice or conflict of law provision or rule (whether of the State of Florida or any other jurisdiction).
5. This Amendment may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Amendment.

ACCEPTED AND AGREED BY THE PARTIES ON THE DATE SET FORTH ABOVE.

MOTORSPORT GAMES, INC.

By /s/ Jonathan New

/s/ Dmitry Kozko

DMITRY KOZKO

Name: Jonathan New

Its: Chief Financial Officer