

**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): January 7, 2021

Netcapital Inc.

(Exact name of registrant as specified in its charter)

Utah (State or other jurisdiction of incorporation)	000-55036 (Commission File No.)	87-0409951 (I.R.S. Employer Identification No.)
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781-925-1700
(Registrant's telephone number, including area code)

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(b) under the Exchange Act (17 CFR 240.14a-12(b))
- 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 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On January 4th, 2021, Netcapital Inc. (the “Company”) elevated Carole Murko, CFA, age 59, to the position of Chief Marketing Officer. Ms. Murko is a Chartered Financial Analyst who spent nearly 20 years in the financial services industry with her primary focus on marketing complex equity and fixed income strategies to the institutional marketplace for PCM International, State Street Global Advisors and Independence Investments. She has an AB in Economics from Smith College and an MA in International Economics from NYU.

Ms. Murko’s principal occupation and employment during the past five years was as Membership Director for The Westmoor Club, a private field club on Nantucket. The Westmoor Club is neither a parent, subsidiary or affiliate of the registrant.

On March 10, 2020, the Company entered into an employment agreement with Ms. Murko. The agreement calls for the vesting of 12,500 shares of the Company’s common stock on a monthly basis over a four-year period so long as Ms. Murko continues to provide services to the Company.

This summary is qualified in its entirety by reference to the full text of Ms. Murko’s employment agreement, which is attached hereto as Exhibit 10.1 and incorporated by reference herein.

Ms. Murko has no family relationship with any director or officer of the Company.

The company's former Chief Marketing Officer, Kathryn Kraysler, will remain as an advisor and consultant to the company. Kathryn Kraysler is the sister of the Company’s Chief Financial Officer, Coreen Kraysler.

The vesting of a stock grant referred to in an agreement between the Company and Kathryn Kraysler will remain in effect so long as Ms. Kraysler continues to perform services for the Company. The agreement calls for the issuance of up to 2,500 shares of the Company’s common stock that vests on a quarterly basis over a four-year period. As of the close of our last quarterly period ended October 31, 2020, Ms. Kraysler earned 1,563 shares of the grant of common stock, and 937 shares were unearned. The unearned shares can be earned over the next six quarters at a rate of 156 shares per quarter.

SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

Number Documents

10.1 [Employment Agreement dated March 10, 2020](#)

SIGNATURE

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.

Netcapital Inc.
(Registrant)

/s/ Coreen Kraysler

Coreen Kraysler
Chief Financial Officer
Principal Accounting Officer

Date: January 7, 2021

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT (the Agreement”), dated as of March 10, 2020, by and between VALUESETTERS, INC., a Utah corporation (the “Company”), and CAROLE MURKO, an individual (the “Employee”).

WITNESSETH:

WHEREAS, the Company desires to employ the Employee as Director of Business Development of the Company and wishes to acquire and be assured of Employee’s services on the terms and conditions hereinafter set forth; and

WHEREAS, the Employee desires to be employed by the Company and to perform and to serve the Company on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual terms, covenants, agreements and conditions hereinafter set forth, the Company and the Employee hereby agree as follows:

1. Employment. (a) The Company hereby employs the Employee to serve as a full-time employee of the Company, and the Employee hereby accepts such employment with the Company, for the period set forth in Section 2 hereof. The Employee’s principal place of employment shall be at the offices at 745 Atlantic Avenue, Boston MA, 02111, or such other location as determined by the Company, provided however, that the Employee’s principal place of employment shall not be relocated more than 25 miles from its current location without the prior written consent of the Employee.

(b) The Employee affirms and represents that (i) the Employee is under no obligation to any former employer or other party that is in any way inconsistent with, or that imposes any restriction upon, the Employee’s acceptance of employment hereunder with the Company, the employment of the Employee by the Company, or the Employee’s undertakings under this Agreement and (ii) her performance of all the terms of this Agreement and her employment by the Company does not and will not breach any agreement to keep in confidence proprietary information acquired by her in confidence or in trust prior to her employment by the Company.

2. Term. Unless earlier terminated as provided in this Agreement, the term of the Employee’s employment under this Agreement shall be for a period beginning on the date hereof and ending on March 10, 2024 or, if the Employee’s employment hereunder is earlier terminated, such shorter period, being hereinafter called the “Employment Term”).

3. Duties.

(a) The Employee shall be employed as Director of Business Development. The Employee shall faithfully and competently perform such duties at such times and places and in such manner as the Company may from time to time reasonably direct or such other duties appropriate to a senior executive managerial position as the Chief Executive Officer of the Company shall from time to time determine.

(b) Except as may otherwise be approved in writing by the Chief Executive Officer of the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability, the Employee shall devote a minimum of 35 hours per week of time throughout the Employment Term to the services required of Employee hereunder. The Employee shall use her best efforts, judgment and energy to improve and advance the business and interests of the Company and its Affiliates in a manner consistent with the duties of Employee's position.

4. Salary and Bonus.

(a) Base Salary. In consideration for the services of the Employee rendered hereunder, the Company shall pay the Employee a base salary (the "Base Salary") at an annual rate of \$1.00 during the Employment Term, plus a commission of twenty percent (20%) of the cash collected from revenues generated directly by the Employee, plus an unvested grant of stock-based compensation of Twenty-Five Million (25,000,000) shares of restricted common stock of the Company (OTC:VSTR). The stock shall vest over a 48-month period in 48 equal installments of 520,833 shares per month. The shares will be earned on the last day of every monthly period commencing in March 2020 and will continue to vest on a monthly basis so long as Employee continues to provide services in accordance with this Agreement.

(b) Bonus. Employee shall be eligible for periodic bonuses throughout the year, or for additional salary in excess of the Base Salary.

(c) Withholding, Etc. The payment of any salary or bonus hereunder shall be subject to income tax, social security and other applicable withholdings, as well as such deductions as may be required under the Company's employee benefit plans.

5. Benefits. (a) During the Employment Term, the Employee shall be:

(i) eligible to participate in all employee fringe benefits and any pension and/or profit sharing plans that may be provided by the Company for

its key executive employees in accordance with the provisions of any such plans, as the same may be in effect on and after the date hereof;

(ii) eligible to participate in any medical and health plans or other employee welfare benefit plans that may be provided by the Company for its key executive employees in accordance with the provisions of any such plans, as the same may be in effect on and after the date hereof;

(iii) entitled to up to eight (8) weeks of paid time off ("PTO") each year, which shall be taken at such time or times as will not unreasonably hinder or interfere with the Company's business or operations; provided, however, that unused PTO in any 12-month period shall be forfeited and the Employee hereby waives any rights under applicable law or otherwise to be compensated in respect thereof;

(iv) entitled to sick leave, sick pay and disability benefits in accordance with any Company policy that may be applicable on and after the date hereof to key executive employees; and

(v) entitled to reimbursement for all reasonable and necessary out-of-pocket business expenses incurred by the Employee in the performance of the Employee's duties hereunder in accordance with the Company's policies applicable (on and after the date hereof) thereto.

(b) Employee shall cooperate with the Company in the event the Company wishes to obtain key-woman insurance on the Employee. Such cooperation shall include, but not be limited to taking any physical examinations that may be requested by the insurance company.

6. Inventions and Confidential Information. The Employee hereby covenants, agrees and acknowledges as follows:

(a) The Company is engaged in a continuous program of research, design, development, production, marketing and servicing with respect to its businesses.

(b) The Employee's employment hereunder creates a relationship of confidence and trust between the Employee and the Company with respect to certain information pertaining to the business of the Company and its Affiliates (as hereinafter defined) or pertaining to the business of any client or customer of the Company or its Affiliates which may be made known to the Employee by the Company or any of its Affiliates or by any client or customer of the Company or any of its Affiliates or learned by the Employee during the period of Employee's employment by the Company.

(c) The Company possesses and will continue to possess information that has been created, discovered or developed by, or otherwise become known to it (including, without limitation, information created, discovered or developed by, or made known to, the Employee during the period of Employee's employment or arising out of Employee's employment) or in which property rights have been or may be assigned or otherwise conveyed to the Company, which information has commercial value in the business in which the Company is engaged and is treated by the Company as confidential.

(d) Any and all inventions, products, discoveries, improvements, processes, manufacturing, marketing and services methods or techniques, formulae, designs, styles, specifications, data bases, computer programs (whether in source code or object code), know-how, strategies and data, whether or not patentable or registrable under copyright or similar statutes, made, developed or created by the Employee (whether at the request or suggestion of the Company, any of its Affiliates, or otherwise, whether alone or in conjunction with others, and whether during regular hours of work or otherwise) during the period of Employee's employment by the Company which may pertain to the business, products, or processes of the Company or any of its Affiliates (collectively hereinafter referred to as "Inventions"), will be promptly and fully disclosed by the Employee to an appropriate executive officer of the Company (other than the Employee) without any additional compensation therefor, all papers, drawings, models, data, documents and other material pertaining to or in any way relating to any Inventions made, developed or created by Employee as aforesaid. For the purposes of this Agreement, the term "Affiliate" or "Affiliates" shall mean any person, corporation or other entity directly or indirectly controlling or controlled by or under direct or indirect common control with the Company. For the purposes of this definition, "control" when used with respect to any person, corporation or other entity means the power to direct the management and policies of such person or entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

(e) The Employee will keep confidential and will hold for the Company's sole benefit any Invention which is to be the exclusive property of the Company under this Section 6 for which no patent, copyright, trademark or other right or protection is issued.

(f) The Employee also agrees that the Employee will not without the prior written consent of the Board of Directors of the Company (i) use for Employee's benefit or disclose at any time during Employee's employment by the Company, or thereafter, except to the extent required by the performance by the Employee of the Employee's duties as an employee of the Company, any information obtained or developed by Employee while in the employ of the Company with respect to any Inventions or with respect to any customers, clients, suppliers, products, employees, financial affairs, or methods of design, distribution, marketing, service,

procurement or manufacture of the Company or any of its Affiliates, or any confidential matter, except information which at the time is generally known to the public other than as a result of disclosure by the Employee not permitted hereunder, or (ii) take with the Employee upon leaving the employ of the Company any document or paper relating to any of the foregoing or any physical property of the Company or any of its Affiliates.

(g) The Employee acknowledges and agrees that a remedy at law for any breach or threatened breach of the provisions of this Section 6 would be inadequate and, therefore, agrees that the Company and its Affiliates shall be entitled to injunctive relief in addition to any other available rights and remedies in case of any such breach or threatened breach; provided, however, that nothing contained herein shall be construed as prohibiting the Company or any of its Affiliates from pursuing any other rights and remedies available for any such breach or threatened breach.

(h) The Employee agrees that upon termination of Employee's employment by the Company for any reason, the Employee shall immediately return to the Company all documents, records and other property in Employee's possession belonging to the Company or any of its Affiliates.

(i) Without limiting the generality of Section 9 hereof, the Employee hereby expressly agrees that the foregoing provisions of this Section 6 shall be binding upon the Employee's heirs, successors and legal representatives.

7. Termination. (a) The Employee's employment hereunder shall be terminated upon the occurrence of any of the following:

(i) death of the Employee;

(ii) termination of the Employee's employment hereunder by the Employee at any time for any reason whatsoever (including, without limitation, resignation or retirement) other than for "good reason" as contemplated by clause (v)(B) below;

(iii) termination of the Employee's employment hereunder by the Company because of the Employee's inability to perform Employee's duties on account of disability or incapacity for a period of ninety (90) or more days, whether or not consecutive, occurring within any period of twelve (12) consecutive months;

(iv) termination of the Employee's employment hereunder by the Company at any time for "cause" (as hereinafter defined), such termination to

take effect immediately upon written notice from the Company to the Employee;
and

(v) termination of the Employee's employment hereunder (A) by the Company at any time, other than termination by reason of disability or incapacity as contemplated by clause (iii) above or termination by the Company for "cause" as contemplated by clause (iv) above and (B) by the Employee for "good reason" (as hereinafter defined).

The following actions, failures or events shall constitute "cause" for termination within the meaning of clause (iv) above: (1) the Employee's conviction of, admission of guilt to or plea of *nolo contendere* or similar plea (which, through lapse of time or otherwise, is not subject to appeal) with respect to any crime or offense that constitutes a felony in the jurisdiction involved; (2) acts of dishonesty or moral turpitude which are materially detrimental to the Company and/or its Affiliates; (3) failure by the Employee to obey the reasonable and lawful orders of the Chief Executive Officer of the Company following written notice of such failure from the Chief Executive Officer of the Company; (4) any act by the Employee in violation of Section 8 hereof, any statement or disclosure by the Employee in violation of Section 6 hereof, or any material breach by the Employee of a representation or warranty contained in Section 1(b) hereof; (5) following written notice from the Chief Executive Officer of the Company of prior similar actions by Employee, excessive absenteeism (other than by reason of disability); (6) following written notice from the Chief Executive Officer of the Company of prior similar actions by Employee, excessive alcoholism or addiction to drugs not prescribed by a qualified physician or (7) gross negligence by the Employee in the performance of, or willful disregard by the Employee of, the Employee's obligations hereunder.

The following actions, failures or events shall constitute "good reason" within the meaning of clause (V)(B) above: a material breach by the Company of its obligations under this Agreement or a change in majority control of the Company.

(a) In the event that the Employee's employment is terminated by the Company prior to March 10, 2024 for any reason other than "cause" or by Employee for "good reason," then the Company shall have no claims to the unvested portion of the 25 million shares of common stock issued to the Employee and the Company agrees to not hinder and to cooperate with the Employee in depositing those shares in a brokerage account, or selling those shares to a third party.

(b) In the event Employee resigns, without "good reason," or retires before the end of the Employment Term, the unvested portion of the original 25 million share stock grant shall cease vesting and all unvested shares shall no longer be available for the Employee to earn.

(c) No interest shall accrue on or be paid with respect to any portion of any payments hereunder.

8. Non-Competition. (a) The term "Non-Compete Term" shall mean the period during which Employee is employed hereunder and (x) in the event Employee's employment is terminated by the Company for any reason other than "cause" or by Employee for "good reason," the three-month period following such termination, (y) in the event Employee's employment is terminated by the Company for "cause" or by Employee for any reason other than "good reason," the six-month period following such termination.

During the Non-Compete Term:

(i) the Employee will not make any statement or perform any act intended to advance an interest of any existing or prospective competitor of the Company or any of its Affiliates in any way that will or may injure an interest of the Company or any of its Affiliates in its relationship and dealings with existing or potential customers or clients, or solicit or encourage any other employee of the Company or any of its Affiliates to do any act that is disloyal to the Company or any of its Affiliates or inconsistent with the interest of the Company or any of its Affiliate's interests or in violation of any provision of this Agreement;

(ii) the Employee will not discuss with any existing or potential customers or clients of the Company or any of its Affiliates the present or future availability of services or products of a business, if the Employee has or expects to acquire a proprietary interest in such business or is or expects to be an employee, officer or director of such business, where such services or products are competitive with services or products which the Company or any of its Affiliates provides;

(iii) the Employee will not make any statement or do any act intended to cause any existing or potential customers or clients of the Company or any of its Affiliates to make use of the services or purchase the products of any competitive business in which the Employee has or expects to acquire a proprietary interest or in which the Employee is or expects to be made an employee, officer or director, if such services or products in any way compete with the services or products sold or provided or expected to be sold or provided by the Company or any of its Affiliates to any existing or potential customer or client; and

(iv) the Employee will not directly or indirectly (as a director, officer, employee, manager, consultant, independent contractor, advisor or otherwise) engage in competition with, or own any interest in, perform any services for, participate in or be connected with (i) any business or organization which engages in competition with the Company or any of its Affiliates in any geographical area where any business is presently carried on by the Company or any of its Affiliates, or (ii) any business or organization which engages in competition with the Company or any of its Affiliates in any geographical area where any business shall be hereafter, during the period of the Employee's employment by the Company, carried on by the Company or any of its Affiliates, if such business is then being carried on by the Company or any of its Affiliates in such geographical area; provided, however, that the provisions of this Section 8(a) shall not be deemed to prohibit the Employee's ownership of not more than one percent (1%) of the total shares of all classes of stock outstanding of any publicly held company.

(b) During the Non-Compete Term, the Employee will not directly or indirectly hire, engage, send any work to, place orders with, or in any manner be associated with any supplier, contractor, subcontractor or other person or firm which rendered manufacturing or other services, or sold any products, to the Company or any of its Affiliates if such action by Employee would have a material adverse effect on the business, assets or financial condition of the Company or any of its Affiliates.

(c) In connection with the foregoing provisions of this Section 8, the Employee represents that Employee's experience, capabilities and circumstances are such that such provisions will not prevent Employee from earning a livelihood. The Employee further agrees that the limitations set forth in this Section 8 (including, without limitation, any time or territorial limitations) are reasonable and properly required for the adequate protection of the businesses of the Company and its Affiliates. It is understood and agreed that the covenants made by the Employee in this Section 8 (and in Section 6 hereof) shall survive the expiration or termination of this Agreement.

(d) For purposes of this Section 8, proprietary interest in a business is ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or more of such business. The Employee shall be deemed to expect to acquire a proprietary interest in a business or to be made an officer or director of such business if such possibility has been discussed with any officer, director, employee, agent, or promoter of such business.

(e) The Employee acknowledges and agrees that a remedy at law for any breach or threatened breach of the provisions of this Section 8 would be inadequate and, therefore, agrees that the Company and any of its Affiliates shall be entitled to injunctive relief in

addition to any other available rights and remedies in cases of any such breach or threatened breach; provided, however, that nothing contained herein shall be construed as prohibiting the Company or any of its Affiliates from pursuing any other rights and remedies available for any such breach or threatened breach.

9. Non-Assignability. (a) Neither this Agreement nor any right or interest hereunder shall be assignable by the Employee, Employee's beneficiaries, or legal representatives without the Company's prior written consent; provided, however, that nothing in this Section 9(a) shall preclude the Employee from designating a beneficiary to receive any benefit payable hereunder upon Employee's death or incapacity.

(b) Except as required by law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge, or hypothecation or to exclusion, attachment, levy or similar process or assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void and of no effect.

10. Binding Effect. Without limiting or diminishing the effect of Section 9 hereof, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, legal representatives and assigns.

11. Notice. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and either delivered in person or sent by first class certified or registered mail, postage prepaid, if to the Company, at the Company's principal place of business, and if to the Employee, at Employee's home address, or, in the case of either party, to such other address or addresses as such party shall have designated in writing to the other party hereto.

12. Severability. The Employee agrees that in the event that any court of competent jurisdiction shall finally hold that any provision of Section 6 or 8 hereof is void or constitutes an unreasonable restriction against the Employee, such provision shall not be rendered void but shall apply with respect to such extent as such court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Section 6 or 8 is held by a court of competent jurisdiction to be invalid, illegible or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part shall be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and all other covenants and provisions of this Agreement shall in every other respect continue in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision.

13. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or power hereunder at any one or more times be deemed a waiver or relinquishment of such right or power at any other time or times.

14. Entire Agreement; Modifications. This Agreement constitutes the entire and final expression of the agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements, oral and written, between the parties hereto with respect to the subject matter hereof. This Agreement may be modified or amended only by an instrument in writing signed by both parties hereto.

15. Relevant Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Massachusetts without regard to the conflicts of law principles thereof.

16. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. Survival. The termination of Employee's employment hereunder shall not affect the enforceability of Sections 6 or 8.

18. Further Assurances. The parties agree to execute and deliver all such further instruments and take such other and further action as may be reasonably necessary or appropriate to carry out the provisions of this Agreement.

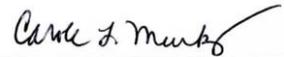
19. Headings. The Section headings appearing in this Agreement are for purposes of easy reference and shall not be considered a part of this Agreement or in any way modify, amend

or affect its provisions.

IN WITNESS WHEREOF, the Company and the Employee have duly executed and delivered this Agreement as of the day and year first above written.

VALUESETTERS, INC.

By: 
Name: Cecilia Lenk
Title: CEO


CAROLE MURKO