

Net Element, Inc.
Form 8-K
September 29, 2017

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) September 25, 2017

Net Element, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware 001-34887 90-1025599

(State or Other (Commission File (IRS
Jurisdiction Number) Employer
of Identification
Incorporation) No.)

**3363 NE 163rd Street, Suite 705,
North Miami Beach, FL 33160**
(Address of Principal
Executive
Offices) (Zip
Code)

(305) 507-8808
(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 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 3.02

Unregistered Sales of Equity Securities.

On August 21, 2017, Net Element, Inc. (the “Company”) filed a Current Report on Form 8-K (the “August 8-K”) reporting under Item 3.02 the sale through August 21, 2017 of shares of its common stock to Cobblestone Capital Partners LLC (“Cobblestone”) in transactions that were not registered under the Securities Act of 1933, as amended (the “Securities Act”).

From the filing date of the August 8-K through the filing date of this Current Report on Form 8-K, the Company has sold an aggregate of an additional 2,144,025 shares of common stock (the “Shares”) to Cobblestone in multiple transactions (including the sales on September 28, 2017 and September 29, 2017), with the sale on September 25, 2017 resulting in greater than 5% of the Company’s outstanding common stock sold in unregistered transactions since the filing date of the August 8-K.

The Shares were sold to Cobblestone under an exemption from the registration requirements of the Securities Act in reliance upon Section 4(a)(2) of the Securities Act and pursuant to the Common Stock Purchase Agreement (the “SPA”) with Cobblestone. The SPA and its terms were disclosed in our Current Report on Form 8-K filed on July 7, 2017. The Company received total consideration of \$985,500 for such shares of common stock.

As of the date of this filing, Cobblestone has informed the Company that it has sold all of the Shares pursuant to an effective resale registration statement. Reflecting the issuance of the Shares, as of the filing date of this Current Report on Form 8-K, the Company had 21,548,974 shares of common stock outstanding.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 29, 2017

NET ELEMENT, INC.

By: /s/ Jonathan New

Name: Jonathan New

Title: Chief Financial Officer