

Net Element, Inc.
Form 8-K
August 02, 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) July 27, 2017

Net Element, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware

**(State or Other Jurisdiction
of Incorporation)**

001-34887

**(Commission File
Number)**

90-1025599

**(IRS Employer
Identification
No.)**

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

33160

**(Zip
Code)**

(305) 507-8808

(Registrant's telephone number, including area code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)n

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 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On July 27, 2017, Net Element, Inc. (the “Company”) opted to exchange a tranche in the aggregate amount of \$105,969 for 267,718 shares of the Company common stock based on the “exchange price” of \$0.40 per share for this tranche pursuant to the Master Exchange Agreement (as amended, the “Agreement”) with Crede CG III, Ltd. (“Crede”). The Agreement and its terms were disclosed in our Current Report on Form 8-K filed on May 3, 2016 and our Current Report on Form 8-K filed on March 8, 2017. Such shares of common stock of the Company were issued to Crede under an exemption from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), in reliance upon Section 3(a)(9) of the Securities Act.

Item 3.02

Unregistered Sales of Equity Securities.

The disclosure provided in Item 2.03 of this Report is hereby incorporated by reference into this Item 3.02.

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: August 2, 2017

NET ELEMENT, INC.

By: /s/ Jonathan New
Name: Jonathan New
Title: Chief Financial Officer