

PITON CAPITAL PARTNERS LLC

Form 4

October 26, 2018

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
See Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
PITON CAPITAL PARTNERS LLC

(Last) (First) (Middle)

C/O KOKINO LLC, 201 TRESSER  
BOULEVARD, 3RD FLOOR

(Street)

STAMFORD, CT 06901

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

usell.com, Inc. [USEL]

3. Date of Earliest Transaction  
(Month/Day/Year)

10/24/2018

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_X\_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title below) \_\_\_\_ Other (specify below)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	10/24/2018		X		500,000	A	\$ 0.2
							4,858,837 <sup>(1)</sup> <sub>(2)</sub>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of  
information contained in this form are not  
required to respond unless the form  
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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)	8. Date Exercisable Expiration Date	9. Title	10. Amount Underlying Security
Stock Options (Right to Buy)	\$ 1	10/24/2018		S <sup>(3)</sup>	500,000	(3) 12/20/2021	Common Stock			5
Stock Options (Right to Buy)	\$ 0.2	10/24/2018		P <sup>(3)</sup>	500,000	(3) 12/16/2018	Common Stock			5
Stock Options (Right to Buy)	\$ 0.2	10/24/2018		X <sup>(4)</sup>	500,000	(3) 12/16/2018	Common Stock			5
Stock Options (Right to Buy)	\$ 1					12/20/2016 12/20/2021	Common Stock			5

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
PITON CAPITAL PARTNERS LLC C/O KOKINO LLC 201 TRESSER BOULEVARD, 3RD FLOOR STAMFORD, CT 06901	X

## Signatures

/s/ Douglas Kline, Chief Operating Officer of Kokino LLC, managing member of Piton Capital Management LLC, managing member of Piton Capital Partners LLC 10/26/2018

\_\_\_\_Signature of Reporting Person Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Piton Capital Partners LLC, a Delaware limited liability company ("Piton") and family client of Kokino LLC ("Kokino"), also reports beneficial ownership of the Issuer's common stock pursuant to Rule 13d-1 of the Securities Exchange Act of 1934, as amended, pursuant to a Schedule 13D filed jointly by Leslie J. Schreyer, as Trustee under Trust Agreement dated December 23, 1989 FBO the issue of Jonathan D. Sackler (the "Trust"), M3C Holdings LLC ("M3C"), Robert Averick and Piton, with the SEC on December 30, 2016 (as amended by Amendment No. 1 filed on June 2, 2017, Amendment No. 2 filed on November 22, 2017 and Amendment No. 3 filed on October 26, 2018, the "Schedule 13D").

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Represents shares of the Issuer's common stock ("Shares") beneficially owned by Piton. The Trust, M3C and Mr. Averick are members of Piton. Piton's managing member is Piton Capital Management LLC ("PCM"). PCM's managing member is Kokino, and Kokino is Piton's trading manager. Mr. Averick manages the Trust's, M3C's and Piton's investments in the Issuer as Kokino's Portfolio Manager. Mr.

- (2) Averick holds an economic interest in Piton (which interest may be held directly and, from time to time, indirectly through PCM). Also, Mr. Averick's incentive compensation as an employee of Kokino, which is calculated in Kokino's discretion, may be based, among other things, on the performance of Shares held by the Trust, M3C and Piton. Such compensation may be paid in cash and/or by way of increasing Mr. Averick's interest in Piton (either directly or indirectly through PCM).

The two reported transactions involved an amendment of outstanding options, resulting in the deemed cancellation of the "old" options and the grant of replacement options. As described in the Schedule 13D, Brian Tepfer granted the options to Piton on December 20, 2016.

- (3) The options provide Piton the right to purchase 500,000 shares from Brian Tepfer, are immediately exercisable by Piton and were amended on October 24, 2018 to reduce the exercise price from \$1 per share to \$0.20 per share from October 24, 2018 until 11:59 PM (EST) on December 16, 2018. Following the reported transaction, Piton held the right to purchase (i) 500,000 shares from Brian Tepfer for \$0.20 per share and (ii) 500,000 shares from Scott Tepfer for \$1 per share, as described in notes 4 and 5 below.
- (4) The option, representing a right to purchase a total of 500,000 shares from Brian Tepfer, was exercised in full by Piton on October 24, 2018.

Represents the aggregate shares of common stock that Piton has the right to purchase from Scott Tepfer under stock options that are

- (5) immediately exercisable by Piton (as described in the Schedule 13D). As described in the Schedule 13D, Scott Tepfer granted the options to Piton on December 20, 2016.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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