

Net Element, Inc.
Form 4
December 11, 2014

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Firer Oleg

2. Issuer Name and Ticker or Trading Symbol
Net Element, Inc. [NETE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O NET ELEMENT, INC., 3363
NE 163RD ST., SUITE 705

3. Date of Earliest Transaction
(Month/Day/Year)
12/10/2014

Director 10% Owner
 Officer (give title below) Other (specify below)
CEO

(Street)
NORTH MIAMI BEACH, FL 33160

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

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

(City) (State) (Zip)

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 Indirect Ownership (Instr. 4) |
|-----------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| Restricted Shares of Common Stock | 12/10/2014 | | A | 331,383 (1) | A \$ 0 3,180,655 | D | |

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

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(9-02)

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

| 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 of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Incentive Stock Options | \$ 1.34 | 12/10/2014 | | A | 200,000 (2) | (2) 12/10/2024 | Common Stock \$0.0001 par value 200,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Firer Oleg C/O NET ELEMENT, INC. 3363 NE 163RD ST., SUITE 705 NORTH MIAMI BEACH, FL 33160 | X | | CEO | |

Signatures

/s/ Oleg Firer 12/11/2014

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) The restricted shares of common stock are subject to vesting in three equal one-third amounts of the total grant commencing on January 1, 2015, and thereafter on January 1, 2016 and January 1, 2017.
- (2) The incentive stock options to purchase 200,000 shares of common stock at an exercise price of \$1.34 per share, as described under the Company's 2013 Equity Compensation Plan, are subject to vesting quarterly, starting January 1, 2015.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.