

Piovanetti Francesco  
Form 4  
October 29, 2012

**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 \*  
Piovanetti Francesco

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

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)

(Last) (First) (Middle)  
BBVA BUILDING P1,, 254  
MUNOZ RIVERA AVENUE  
  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
10/24/2012

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

SAN JUAN, PR 00918

(City) (State) (Zip)

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

**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 Beneficial Ownership (Instr. 4)
				Code V	Amount	(A) or (D)	Price
Common Stock	10/24/2012		P		3,700 (1) (2)	A	\$ 6.5775
					1,153,700 (2) (3) (4)	I	See Footnotes (1) (2) (3) (4)

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

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(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 of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Piovanetti Francesco BBVA BUILDING P1, 254 MUNOZ RIVERA AVENUE SAN JUAN, PR 00918	X		Chief Executive Officer	

## Signatures

/s/ Francesco Piovanetti 10/29/2012

\*\*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) These shares of common stock, par value \$0.0001 per share, of the Issuer (the "Shares") are held by Bond Street Management LLC, a Puerto Rico limited liability company ("Bond Street").

(2) Mr. Piovanetti owns 25% of the outstanding equity interests in Bond Street. Mr. Piovanetti has voting control, investment discretion and dispositive power over the Shares held by Bond Street. As a result of the foregoing, Mr. Piovanetti may be deemed to have beneficial ownership (as determined under Section 13(d) of the Securities Exchange Act of 1934, as amended) of the Shares held by Bond Street.

(3) Of these Shares, 1,150,000 Shares are held by Arco Group LLC, a Puerto Rico limited liability company ("Arco Group"), and 3,700 Shares are held by Bond Street.

(4) Mr. Piovanetti has a majority, controlling interest in Arco Group. Consequently, Mr. Piovanetti has voting control, investment discretion and dispositive power over the Shares held by Arco Group. As a result of the foregoing, Mr. Piovanetti may be deemed to have beneficial ownership (as determined under Section 13(d) of the Securities Exchange Act of 1934, as amended) of the Shares held by Arco Group.

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.