

Net Element, Inc.  
Form SC 13D/A  
September 23, 2014

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

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934  
(Amendment No. 1)\***

Net Element, Inc.

(Name of Issuer)

Common Stock, par value \$0.0001 per share

(Title of Class of Securities)

64111R102

(CUSIP Number)

Francesco Piovanetti

48 Road 165, Suite 6000

City View Plaza II

Guaynabo, PR 00968-8060

(787) 993-9650

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(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

September 15 and 17, 2014

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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- NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
1. Francesco Piovanetti  
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(see instructions)  
(a)    
(b)    
SEC USE ONLY
3. SOURCE OF FUNDS (see instructions)
4. PF, OO  
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
5. ..
- CITIZENSHIP OR PLACE OF ORGANIZATION
6. United States of America
- |     |                          |
|-----|--------------------------|
|     | SOLE VOTING POWER        |
| 7.  | 3,719,520 (see item 5)   |
|     | SHARED VOTING POWER      |
| 8.  | 0                        |
|     | SOLE DISPOSITIVE POWER   |
| 9.  | 3,719,520 (see item 5)   |
|     | SHARED DISPOSITIVE POWER |
| 10. | 0                        |
- AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
11. 3,719,520 (see item 5)
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
(see instructions)
13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

9.70%

TYPE OF REPORTING PERSON (see instructions)

14.

IN

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- NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
1. Arco Group LLC  
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(see instructions)
    - (a)  x
    - (b)  ..
  3. SEC USE ONLY
  4. SOURCE OF FUNDS (see instructions)  
PF, OO  
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
  5. ..
  6. CITIZENSHIP OR PLACE OF ORGANIZATION  
United States of America
  7. SOLE VOTING POWER  
3,714,000 (see item 5)
  8. SHARED VOTING POWER  
0
  9. SOLE DISPOSITIVE POWER  
3,714,000 (see item 5)
  10. SHARED DISPOSITIVE POWER  
0
  11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
3,714,000 (see item 5)
  12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
(see instructions) ..
  13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
9.68%

TYPE OF REPORTING PERSON (see instructions)

14.

CO

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- NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
1. Bond Street Management LLC  
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(see instructions)
    - (a)
    - (b)
  3. SEC USE ONLY
  4. SOURCE OF FUNDS (see instructions)  
OO  
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
  5. ..  
CITIZENSHIP OR PLACE OF ORGANIZATION
  6. United States of America
  7. SOLE VOTING POWER  
0
  8. SHARED VOTING POWER  
4,600 (see item 5)
  9. SOLE DISPOSITIVE POWER  
0
  10. SHARED DISPOSITIVE POWER  
4,600 (see item 5)
- NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
4,600 (see item 5)
  12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
(see instructions) ..
  13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
0.012%

TYPE OF REPORTING PERSON (see instructions)

14.

CO, IA

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- NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
1. Arco International Group LLC  
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(see instructions)  
(a)  x  
(b)  ..
3. SEC USE ONLY
- SOURCE OF FUNDS (see instructions)
4. PF  
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
5. ..
- CITIZENSHIP OR PLACE OF ORGANIZATION
6. United States of America
- |     |                          |
|-----|--------------------------|
|     | SOLE VOTING POWER        |
| 7.  | 920 (see item 5)         |
|     | SHARED VOTING POWER      |
| 8.  | 0                        |
|     | SOLE DISPOSITIVE POWER   |
| 9.  | 920 (see item 5)         |
|     | SHARED DISPOSITIVE POWER |
| 10. | 0                        |
- NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
920 (see item 5)
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
(see instructions) ..
13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
>0.01%

TYPE OF REPORTING PERSON (see instructions)

14.

CO

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**Item 1. Security and Issuer.**

Common shares and warrants of Net Element Inc.

Oleg Firer, Chief Executive Officer; Jonathan New, Chief Financial Officer

3363 NE 163<sup>rd</sup> Street, Suite 705, North Miami Beach, FL 33160

**Item 2. Identity and Background.**

Name: Francesco Piovanetti

Address: 48 Road 165, Suite 6000, City View Plaza II, Guaynabo, PR 00968-8060

Occupation: Investment adviser

Bond Street Management LLC

48 Road 165, Suite 6000, City View Plaza II, Guaynabo, PR 00968-8060

No convictions of any kind.

Not a party to civil proceeding resulting in decree related to violations of securities laws

Citizenship: USA

**Item 3. Source or Amount of Funds or Other Consideration.**

Personal Funds and as part of a merger between Cazador Acquisition Corporation (“Cazador”) and Net Element Inc. (“Nete”), resulting in Net Element International Inc. (now known as Net Element, Inc., “NEI”).

**Item 4. Purpose of Transaction.**

The latest transaction involving Arco Group LLC (“Arco Group”) was effectuated as a sale of NEI common shares in the open market.

**Item 5. Interest in Securities of the Issuer.**

All information regarding shares that may be beneficially owned by Francesco Piovanetti is based on information disclosed in Forms 3 and 4 filed by Mr. Piovanetti with the Commission on October 12, 2012, October 29, 2012, November 26, 2012, October 18, 2013 and September 17, 2014. Mr. Piovanetti may be deemed to have beneficial ownership of 3,719,520 shares of common stock consisting of: (i) 3,714,000 shares of common stock issuable upon exercise of warrants with an exercise price of \$7.50 per share and an expiration date of October 2, 2017, which are held by Arco Group; (ii) 4,600 shares of common stock held by Bond Street Management LLC (“BSM”); and (iii) 920 shares of common stock held by Arco International Group LLC (“AIG”). Mr. Piovanetti has a majority, controlling interest in Arco Group and, consequently, Mr. Piovanetti has voting control, investment discretion and dispositive power over the shares held by Arco Group. Mr. Piovanetti owns a third of the outstanding equity interests in BSM and he has voting control, investment discretion and dispositive power over the shares held by BSM. Mr. Piovanetti beneficially owns 100% of the membership interest in AIG and, consequently, Mr. Piovanetti has voting control, investment discretion and dispositive power over the shares held by AIG.

**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.**

**Item 7. Material to Be Filed as Exhibits.**



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**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

/s/ Francesco Piovanetti

Francesco Piovanetti

September 23, 2014

Date

**ARCO GROUP LLC**

/s/ Francesco Piovanetti

Francesco Piovanetti

Chief Executive Officer

September 23, 2014

Date

**BOND STREET MANAGEMENT LLC**

/s/ Francesco Piovanetti

Francesco Piovanetti

Chief Executive Officer

September 23, 2014

Date

**ARCO INTERNATIONAL GROUP LLC**

/s/ Francesco Piovanetti  
Francesco Piovanetti

Chief Executive Officer

September 23, 2014

Date