

Piovanetti Francesco  
 Form 3  
 October 12, 2012

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL  
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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Piovanetti Francesco		(Month/Day/Year)	Net Element International, Inc. [NETE]	
(Last)	(First)	(Middle)	10/02/2012	
BBVA BUILDING, P1, 254			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
MUNOZ RIVERA AVENUE				
(Street)			(Check all applicable)	
SAN JUAN, PR 00918			<input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person
			Chief Executive Officer	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	1,150,000 <sup>(1)</sup> <sub>(3)</sub>	I	See Footnotes <sup>(1)</sup> <sub>(3)</sub>

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

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	Amount or Number of Shares	or Indirect (I) (Instr. 5)		
Warrants	04/02/2013	10/02/2017	Common Stock 3,714,000 <u>(2)</u> <u>(3)</u>	\$ 7.5	I	See Footnotes <u>(2)</u> <u>(3)</u>

## 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	Â X	Â	Â Chief Executive Officer	Â

## Signatures

/s/ Francesco Piovanetti  
10/12/2012

\_\_Signature of Reporting Person  
Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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 Arco Group LLC, a Puerto Rico limited liability company ("Arco Group").
- (2) These warrants of the Issuer (the "Warrants") are held by Arco Group.
- (3) Mr. Piovanetti has a majority, controlling interest in Arco Group. Consequently, Mr. Piovanetti has voting control, investment discretion and dispositive power over each of the Shares and the Warrants 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 each of the Shares and the Warrants 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.