

PITON CAPITAL PARTNERS LLC

Form 4

December 10, 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

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(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)

12/06/2018

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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	12/06/2018 ⁽⁵⁾		P	V 1,123,829	(A) or (D) A \$ 0.2	5,982,666 ⁽¹⁾ (2) (5)	D

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 of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Options (Right to Buy)	\$ 1					12/20/2016 12/20/2021	Common Stock 500,000
Convertible Promissory Note	\$ 0.3					11/20/2018 11/20/2022	Common Stock 6,000,000 (4)

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 12/10/2018

____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 Cornice Fiduciary Management LLC, 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 on June 2, 2017, November 22, 2017, October 26, 2018, November 27, 2018 and December 10, 2018, the "Schedule 13D").
- (2) 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. 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

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increasing Mr. Averick's interest in Piton (either directly or indirectly through PCM).

- (3) Represents the aggregate shares of common stock that Piton has the right to purchase from Scott Tepfer under stock options that are 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.

- (4) This convertible promissory note (the "Note") bears interest at the rate of 5% per annum. Interest payments shall be paid quarterly by the Issuer. At the election of Piton, all or any part of the outstanding balance of the Note may be converted into the Issuer's common stock using an initial conversion price of \$0.30 per share. The terms of the Note are described in greater detail in the Form 8-K filed by the Issuer with the SEC on November 21, 2018.

- (5) In connection with purchasing the Note, Piton received the right to acquire 1,123,829 shares of common stock from Brian Tepfer for a purchase price of \$0.20 per share. Piton acquired these shares from Brian Tepfer on December 6, 2018.

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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