

SECURITIES AND EXCHANGE COMMISSION

FORM SC 13D

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities

Filing Date: **1999-03-26**
SEC Accession No. **0001047469-99-011497**

([HTML Version](#) on [secdatabase.com](#))

SUBJECT COMPANY

FLASHNET COMMUNICATIONS INC

CIK: **1063193** | IRS No.: **752614852** | State of Incorporation: **TX** | Fiscal Year End: **1231**
Type: **SC 13D** | Act: **34** | File No.: **005-56039** | Film No.: **99573299**
SIC: **4813** Telephone communications (no radiotelephone)

Mailing Address
*1812 N FOREST PARK BLVD
FT WORTH TX 76102*

Business Address
*1812 N FOREST PARK BLVD
FORT WORTH TX 76102
8173328883*

FILED BY

RYFFEL JAMES A

CIK: **1082734**
Type: **SC 13D**

Mailing Address
*3113 S UNIVERSITY AVENUE
#600
FORT WORTH TX 76109*

Business Address
*3113 S UNIVERSITY AVENUE
#600
FORT WORTH TX 76109*

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. _____)*

FlashNet Communications, Inc.

(NAME OF ISSUER)

Common Stock, no par value

(TITLE OF CLASS OF SECURITIES)

338527 10 4

(CUSIP NUMBER)

M. Scott Leslie, 1812 North Forest Park Boulevard, Fort Worth, Texas 76102
(817) 332-8883

(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON AUTHORIZED TO RECEIVE NOTICES AND
COMMUNICATIONS)

March 15, 1999

(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 which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box / /.

Check the following box if a fee is being paid with the statement / /.

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page should 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).

SCHEDULE 13D

CUSIP No. 338527 10 4

Page 1 of 4 pages

1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
James A. Ryffel

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) / /
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*
PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or (E) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

7 SOLE VOTING POWER

714,000

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

714,000

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
5.3%

14 TYPE OF REPORTING PERSON*
IN

1

*SEE INSTRUCTIONS BEFORE FILLING OUT!

2

SCHEDULE 13D

ITEM 1. SECURITY AND ISSUER.

This Schedule 13D relates to the common stock, no par value ("Common Stock"), of FlashNet Communications, Inc. ("FlashNet"). The address of the principal executive offices of FlashNet is:

1812 North Forest Park Boulevard
Fort Worth, Texas 76102

ITEM 2. IDENTITY AND BACKGROUND.

(a) NAME:

James A. Ryffel

(b) BUSINESS ADDRESS:

3113 South University Drive #600
Fort Worth, Texas 76102

(c) PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND THE NAME,
PRINCIPAL BUSINESS AND ADDRESS WHERE EMPLOYMENT OCCURS:

Mr. Ryffel is currently the Managing General Partner of Woodcrest Enterprises, Inc., located at 3113 South University Drive, Suite #600, Fort Worth, Texas 76109.

(d) INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS:

Mr. Ryffel has not been convicted in a criminal proceeding during the previous five years. Mr. Ryffel has not been a party in a civil or administrative proceeding involving an alleged violation of any state or federal securities laws during the previous five years.

(e) CITIZENSHIP:

Mr. Ryffel is a citizen of the United States.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Mr. Ryffel acquired 5,000 shares of FlashNet's Common Stock for \$50,000 in 1996. The source of the funds to purchase such shares was personal funds. Subsequently, as a result of a 50 for 1 stock split of FlashNet's Common Stock, Mr. Ryffel became

3

the holder of a total of 250,000 shares. He later transferred 40,000 of those shares to others, leaving him with a total of 210,000 shares. As a result of a 3.4 for 1 stock split of FlashNet's Common Stock, in connection with FlashNet's initial public offering, Mr. Ryffel became the holder of 714,000 shares of FlashNet's Common Stock.

ITEM 4. PURPOSE OF TRANSACTION.

Mr. Ryffel acquired the FlashNet Common Stock as described above and holds the Common Stock as an investment. Mr. Ryffel intends for FlashNet's Common Stock to continue to be eligible for trading on the NASDAQ National Market. Mr. Ryffel may make purchases of FlashNet Common Stock from time to time and may dispose of any or all of such shares held by him at any time following the expiration of a lock-up period on September 11, 1999 (pursuant to the Lock-Up Agreement

described below). Mr. Ryffel does not have present plans nor does he contemplate any present proposals that would result in any of the transactions described in Item 4 of Schedule 13D.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Mr. Ryffel is the beneficial owner of 714,000 shares of FlashNet's Common Stock (or approximately 5.3% of its outstanding shares). Mr. Ryffel holds sole power to vote and dispose of all such shares. Mr. Ryffel is also the custodian for 34,000 shares of FlashNet Common Stock for one of his children. Mr. Ryffel disclaims beneficial ownership of such shares.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Mr. Ryffel is a party to a Lock-Up Agreement entered into in connection with FlashNet's initial public offering which restricts his disposition of his shares of FlashNet Common Stock for a period of 180 days following March 15, 1999.

Except as set forth above, no contracts, arrangements, understandings or relationships (legal or otherwise) exist among the persons named in Item 2 or between such persons and any other persons with respect to any securities of FlashNet, including, but not limited to transfer or voting of such securities, finders' fees, joint ventures, loan or option arrangements, puts or calls, guarantees of property, division of profits or loss, or the giving or withholding of proxies.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

4.1 Lock-Up Agreement, dated October 12, 1998, among James A. Ryffel and FlashNet Communications, Inc.

4

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.

Date: March 24, 1999

/s/ James A. Ryffel

James A. Ryffel

FLASHNET COMMUNICATIONS, INC.

LOCK-UP AGREEMENT

BancBoston Robertson Stephens Inc.
J.C. Bradford & Co.
EVEREN Securities, Inc.

c/o BancBoston Robertson Stephens Inc.
555 California Street
Suite 2600
San Francisco, California 94104

Ladies/Gentlemen:

The undersigned understands that you, as representatives, propose to enter into an Underwriting Agreement (the "Underwriting Agreement") on behalf of the several Underwriters to be named on Schedule A to such agreement (collectively, the "Underwriters"), with FlashNet Communications, Inc. (the "Company") providing for an initial public offering (the "Public Offering") of certain shares of the Common Stock of the Company (the "Shares") pursuant to a Registration Statement on Form S-1 (the "Registration Statement") to be filed with the Securities and Exchange Commission (the "Commission").

In consideration of the agreement by the Underwriters to offer and sell the Shares in the Public Offering, and of certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agrees that the undersigned will not, for a period of 180 days from the date that the Registration Statement is declared effective by the Commission (the "Lock-Up Period"), offer to sell, contract to sell, or otherwise sell, dispose of, loan, pledge or grant any rights with respect to (collectively, a "Disposition") any shares of Common Stock, any options or warrants to purchase any shares of Common Stock or any securities convertible into or exchangeable for shares of Common Stock (collectively, "Securities"), now owned directly by the undersigned or hereafter acquired by the undersigned or with respect to which the undersigned has the power of disposition or hereafter acquires the power of disposition, otherwise than (i) as a bona fide gift or gifts, provided the donee or donees thereof agree in writing to be bound by this restriction, (ii) as a distribution to partners or shareholders of the undersigned, provided that the distributees thereof agree in writing to be bound by the terms of this restriction, or (iii) with the prior written consent of BancBoston Robertson Stephens Inc.

The undersigned agrees that the foregoing restriction expressly precludes the undersigned from engaging in any hedging or other transaction which is designed to or reasonably expected to lead to or result in a Disposition of Securities during the Lock-Up Period, even if such Securities

would be disposed of by someone other than the undersigned. Such prohibited hedging or other transactions would include, without limitation, any short sale (whether or not against the box) or any purchase, sale or grant of any right (including, without limitation, any put or call option) with

respect to any Securities or with respect to any security (other than a broad-based market basket or index) that includes, relates to or derives any significant part of its value from Securities. Furthermore, the undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent against the transfer of the Securities held by the undersigned except in compliance with this restriction.

In addition, the undersigned agrees that, without the prior written consent of BancBoston Robertson Stephens Inc., the undersigned will not, during the Lock-Up Period, make any demand for or exercise any right with respect to, the registration of Securities.

The undersigned understands that the Company and the Underwriters are relying upon this Lock-Up Agreement in proceeding toward consummation of the Public Offering. The undersigned further understands that this Lock-Up Agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns.

If for any reason the Underwriting Agreement shall be terminated prior to the closing of the delivery of the Shares to the Underwriters thereunder, this Lock-Up Agreement shall likewise be terminated.

Dated: October 12, 1998

Very truly yours,

For Entity:

For Individual:

/s/ James A. Ryffel

James A. Ryffel

By:

Its:

Additional Signature (if held jointly)

(Print Name)

LOCK-UP AGREEMENT

Page 2