

Edgar Filing: PAYMENT DATA SYSTEMS INC - Form 8-K

grant piggyback registration rights for the common stock issued to Kubra pursuant to the Warrant Agreement upon issuance of at least fifty percent of the warrants issuable under the Warrant Agreement.

The Warrant Agreement is attached hereto as Exhibit 10.1. The foregoing description of the terms and conditions of the Warrant Agreement is qualified in its entirety by, and made subject to, the more complete information set forth in the Warrant Agreement.

Item 9.01 Financial Statements and Exhibits.

Exhibit Description

10.1 Warrant Agreement among Kubra Data Transfer LTD. and Payment Data Systems, Inc., dated as of September 30, 2004.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Payment Data Systems, Inc.

By: /s/ Michael R. Long

Michael R. Long, Chief Executive Officer and
Chief Financial Officer

Date: October 6, 2004