

ROSETTA STONE INC
Form 4
March 20, 2017

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Osmium Partners, LLC

2. Issuer Name and Ticker or Trading Symbol
ROSETTA STONE INC [RST]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
03/17/2017

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

300 DRAKES LANDING ROAD, SUITE 172

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

GREENBRAE, CA 94904

(City) (State) (Zip)

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	03/17/2017		X	40,000 A \$ 5	412,685	I	By Osmium Capital, LP (1)
Common Stock	03/17/2017		X	60,000 A \$ 7.5	472,685	I	By Osmium Capital, LP (1)
Common Stock					268,298	I	By Osmium Capital II, LP (1)
Common Stock					169,194	I	By Osmium Spartan, LP

Common Stock	260,842	I	⁽¹⁾ By Osmium Diamond, LP ⁽¹⁾
Common Stock	661,445	I	By Osmium Special Opportunity Fund, LP ⁽¹⁾
Common Stock	92,020	I	By John H. Lewis ⁽¹⁾

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

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

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)	8. F. Derivative Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Call Option (right to buy)	\$ 5	03/17/2017		X	400	12/13/2016 03/17/2017	Common Stock	40,000	
Call Option (right to buy)	\$ 7.5	03/17/2017		X	600	12/13/2016 03/17/2017	Common Stock	60,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

Osmium Partners, LLC 300 DRAKES LANDING ROAD SUITE 172 GREENBRAE, CA 94904	X
OSMIUM CAPITAL LP 300 DRAKES LANDING ROAD, SUITE 172 GREENBRAE, CA 94904	X
Osmium Capital II, LP 300 DRAKES LANDING ROAD, SUITE 172 GREENBRAE, CA 94904	X
OSMIUM SPARTAN L P 300 DRAKES LANDING ROAD, SUITE 172 GREENBRAE, CA 94904	X
Osmium Diamond, LP 300 DRAKES LANDING ROAD, SUITE 172 GREENBRAE, CA 94904	X
Osmium Special Opportunity Fund, LP 300 DRAKES LANDING ROAD, SUITE 172 GREENBRAE, CA 94904	X
Lewis John Hartnett 300 DRAKES LANDING ROAD, SUITE 172 GREENBRAE, CA 94904	X

Signatures

/s/ John H. Lewis, individually, and as Managing Member of Osmium Partners, LLC, for itself and as General Partner of Osmium Capital, LP, Osmium Capital II, LP, Osmium Spartan, LP, Osmium Diamond, LP and Osmium Special Opportunity Fund, LP

03/20/2017

__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) The general partner of Osmium Capital, LP, Osmium Capital II, LP, Osmium Spartan, LP, Osmium Diamond, LP and Osmium Special Opportunity Fund, LP is Osmium Partners, LLC. John H. Lewis is the controlling member of Osmium Partners, LLC, and Mr. Lewis may be deemed to have voting and dispositive power with respect to the shares held by Osmium Capital, LP, Osmium Capital II, LP, Osmium Spartan, LP, Osmium Diamond, LP and Osmium Special Opportunity Fund, LP. Mr. Lewis disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein, if any, and this report shall not be deemed an admission that Mr. Lewis is the beneficial owner of the shares for purposes of Section 16 of the Securities and Exchange Act of 1934 or for any other purpose.

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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