

U-SWIRL, INC.
Form 4
May 28, 2014

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 *
ROCKY MOUNTAIN
CHOCOLATE FACTORY INC

(Last) (First) (Middle)

265 TURNER DRIVE

(Street)

DURANGO, CO 81303

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
U-SWIRL, INC. [SWRL]

3. Date of Earliest Transaction
(Month/Day/Year)
05/23/2014

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | 05/23/2014 | | X | V | 2,472,203 A \$ 0.6 | 10,813,456 | D |
| Common Stock | 05/23/2014 | | S ⁽¹⁾ | D | 1,906,942 D \$ 0.78 | 8,906,514 | D |

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

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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 Number Shares |
| Warrants (Right to Buy) | \$ 0.6 | 05/23/2014 | | X | 2,472,203 | (2) 10/20/2015 | Common Stock | 2,472,203 | |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

ROCKY MOUNTAIN CHOCOLATE FACTORY INC
265 TURNER DRIVE
DURANGO, CO 81303

X

Signatures

/s/ Bryan J. Merryman, Chief Financial Officer

05/28/2014

__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).

On May 23, 2014, the reporting person exercised 2,472,203 warrants to purchase 565,261 shares of SWRL common stock for \$0.60 per (1) warrant. The reporting person paid the exercise price on a cashless basis, resulting in SWRL's withholding of 1,906,942 of the shares of common stock to pay the exercise price and issuing to the reporting person the remaining 565,261 shares.

The warrants represent the right to acquire up to an aggregate of 2,812,500 shares of common stock of the issuer, such that the reporting person's and its affiliates will continue to beneficially own at least 60% of the aggregate outstanding common stock of the issuer when and if any currently outstanding warrants and options held by others are exercised. The warrants became exercisable immediately upon (2) the exercise of other previously outstanding warrants and options of the issuer. The warrants are part of a block of warrants held by the reporting person pursuant to an agreement dated January 14, 2013 and representing the right to acquire up to an aggregate of 9,110,250 shares of common stock of the issuer. The remaining warrants comprising this block are exercisable immediately upon the exercise of other currently outstanding warrants and options.

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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