

ROSETTA STONE INC
Form 3
September 04, 2014

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 *

Â Ludwig Eric B
(Last) (First) (Middle)

2. Date of Event Requiring Statement

(Month/Day/Year)
08/26/2014

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

4. Relationship of Reporting Person(s) to Issuer

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

(Check all applicable)

Director 10% Owner
 Officer Other
(give title below) (specify below)
Sr. VP, Consumer

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

C/O ROSETTA STONE INC.,Â 1919 NORTH LYNN STREET, 7TH FLOOR

(Street)

ARLINGTON,Â VAÂ 22209

(City) (State) (Zip)

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)

Common Stock

2. Amount of Securities Beneficially Owned (Instr. 4)

15,226 ⁽¹⁾

3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)

D Â

4. Nature of Indirect Beneficial Ownership (Instr. 5)

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

SEC 1473 (7-02)

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

1. Title of Derivative Security (Instr. 4)

2. Date Exercisable and Expiration Date (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)

4. Conversion or Exercise Price of Derivative

5. Ownership Form of Derivative Security:

6. Nature of Indirect Beneficial Ownership (Instr. 5)

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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Employee Stock Option	Â (2)	10/15/2020	Common Stock	3,901 (3)	\$ 21.55	D	Â
Employee Stock Option	Â (4)	05/26/2021	Common Stock	892 (5)	\$ 13.66	D	Â
Employee Stock Option	Â (6)	02/23/2022	Common Stock	1,641 (7)	\$ 8.95	D	Â
Employee Stock Option	Â (8)	02/21/2023	Common Stock	3,058 (9)	\$ 12.47	D	Â
Employee Stock Option	Â (10)	02/14/2024	Common Stock	22,170 (11)	\$ 11.96	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Ludwig Eric B C/O ROSETTA STONE INC. 1919 NORTH LYNN STREET, 7TH FLOOR ARLINGTON, VA 22209	Â	Â	Â Sr. VP, Consumer	Â

Signatures

Christian S. Na,
Attorney-in-fact

09/04/2014

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) Includes 9,376 shares of restricted common stock on which the restrictions have not yet lapsed.
- (2) Options vest at a rate of one-quarter per annum, beginning one year from October 15, 2010, the date of grant.
- (3) Includes an aggregate of 2,926 fully vested options.
- (4) Options vest at a rate of one-quarter per annum, beginning one year from May 26, 2011, the date of grant.
- (5) Includes an aggregate of 446 fully vested options.
- (6) Options vest at a rate of one-quarter per annum, beginning one year from February 23, 2012, the date of grant.
- (7) Includes an aggregate of 0 fully vested options.
- (8) Options vest at a rate of one-quarter per annum, beginning one year from February 21, 2013, the date of grant.
- (9) Includes an aggregate of 765 fully vested options.
- (10) Options vest at a rate of one-quarter per annum, beginning one year from February 14, 2014, the date of grant.
- (11) Includes an aggregate of 0 fully vested options.

^

Remarks:

Mr. Ludwig was designated a Section 16 Officer by the Rosetta Stone Inc. Board of Directors on

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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