SMART ONLINE INC

Form 4

August 22, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

0.5

January 31, Expires: 2005

OMB APPROVAL

Estimated average burden hours per

response...

if no longer subject to Section 16. Form 4 or Form 5

Check this box

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. See Instruction

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

(Ctata)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading Furr Thomas Issuer Symbol SMART ONLINE INC [SOLN] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) _X_ Director 10% Owner Other (specify X_ Officer (give title 2530 MERIDAN PARKWAY 08/20/2008 below) Chief Strategy Officer (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting DURHAM, NC 27713 Person

(City)	(State)	Z _{1p)} Table	e I - Non-D	erivative S	ecuriti	ies Acq	uired, Disposed o	of, or Beneficial	lly Owned
1.Title of	2. Transaction Date	2A. Deemed	3.	4. Securiti	ies Acc	quired	5. Amount of	6. Ownership	7. Nature of
Security	(Month/Day/Year)	Execution Date, if	Transactio	on(A) or Dis	sposed	of	Securities	Form: Direct	Indirect
(Instr. 3)		any	Code	(D)			Beneficially	(D) or	Beneficial
		(Month/Day/Year)	(Instr. 8)	(Instr. 3, 4	4 and 5)	Owned	Indirect (I)	Ownership
							Following	(Instr. 4)	(Instr. 4)
					(4)		Reported		
					(A)		Transaction(s)		
			Code V	Amount	or (D)	Price	(Instr. 3 and 4)		
Common	08/20/2008		X	75,000	٨	\$	414,737	D	
Stock	00/20/2000		Λ	73,000	А	1.3	414,737	D	
Common							•00	Ţ.	g (1)
Stock							200	1	See fn. <u>(1)</u>

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Edgar Filing: SMART ONLINE INC - Form 4

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)	4. Transactic Code (Instr. 8)	5. Number of or 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 A Underlying S (Instr. 3 and 4
			Code V	(A) (D)	Date Exercisable	Expiration Date	Title
StockOption(Right to Buy)	\$ 1.3	08/20/2008	X	75,000	(2)	02/05/2009	Common

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
Furr Thomas			Chief				
2530 MERIDAN PARKWAY	X		Strategy				
DURHAM, NC 27713			Officer				

Signatures

/s/Margaret Cate, attorney-in-fact 08/22/2008

**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).
 - Shares held in Trust. The reporting person is the trustee of this Trust for his children and disclaims beneficial ownership of such shares.
- (1) This report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.
- (2) The option was fully vested on February 2, 2004, the date of grant.

Remarks:

Exhibit List

Exhibit 24-Power of Attorney

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 2