ROSETTA STONE INC

Form 4

March 17, 2010

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or

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 may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(City)

(Instr. 3)

Form 5

obligations

(Print or Type Responses)

1. Name and Address of Reporting Person *

HELMAN BRIAN D

(First)

(Middle)

1919 NORTH LYNN STREET 7TH **FLOOR**

(Street)

(Zip)

2. Issuer Name and Ticker or Trading

Symbol

ROSETTA STONE INC [RST]

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

03/15/2010

4. If Amendment, Date Original

Filed(Month/Day/Year)

OMB APPROVAL

OMB Number:

3235-0287

Expires:

January 31, 2005

Estimated average burden hours per

response...

0.5

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

Director 10% Owner Other (specify X_ Officer (give title

below) below)

Chief Financial Officer

6. Individual or Joint/Group Filing(Check

Applicable Line)

X 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

ARLINGTON, VA 22209

1. Title of 2. Transaction Date 2A. Deemed Security

(Month/Day/Year)

(State)

Execution Date, if

3. (Month/Day/Year)

TransactionAcquired (A) or Code (Instr. 8)

Disposed of (D) (Instr. 3, 4 and 5)

Code V Amount (D) Price

4. Securities

(A)

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership Form: Direct (T) (Instr. 4)

7. Nature of Indirect (D) or Indirect Beneficial Ownership (Instr. 4)

Transaction(s) (Instr. 3 and 4)

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)

1. Title of Derivative Security

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	or Dispose (D)	(Instr. 3, 4,				
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 25.99 (1)	03/15/2010		A	20,581		(2)	03/15/2020	Common Stock	20,581
Employee Stock Option	\$ 6.08						<u>(3)</u>	03/21/2017	Common Stock	106,821 (3)
Employee Stock Option	\$ 18						<u>(4)</u>	04/15/2019	Common Stock	18,148 (4)

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

HELMAN BRIAN D 1919 NORTH LYNN STREET 7TH FLOOR ARLINGTON, VA 22209

Chief Financial Officer

Signatures

Michael C. Wu,

Attorney-in-fact 03/17/2010

**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) Exercise Price is equal to stock price at close of business, March 15, 2010.
- (2) Includes aggregate of 20,581 shares represented by unvested stock awards. Option vests at 1/4 per annum.
- (3) Includes an aggregate of 26,705 shares represented by unvested stock awards. Option vests at 1/16 per quarter.
- (4) Includes an aggregate of 18,148 shares represented by unvested stock awards. Option vests at 1/4 per annum.

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.

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