

SMART ONLINE INC  
Form 4  
September 17, 2007

**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 \*  
Roethler Doron  
  
(Last) (First) (Middle)  
  
C/O MICHAL RAVIV, STRAUSS  
ADAR RAVIV & C, 28  
MENACHEM BEGIN, BETZALEL  
STREET

2. Issuer Name and Ticker or Trading Symbol  
SMART ONLINE INC [SOLN]

3. Date of Earliest Transaction  
(Month/Day/Year)  
09/12/2007

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)  
  
\_\_\_\_ Director  10% Owner  
\_\_\_\_ Officer (give title below)  Other (specify below)

(Street)  
  
RAMAT GAN, L3 52521  
  
(City) (State) (Zip)

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

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. 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 Ownership (Instr. 4)
				(A) or (D) Code V Amount Price			
Common Stock	09/12/2007		P	35,000 A \$ 1.35	156,116	I	See footnote. (1)
Common Stock	09/12/2007		P	7,500 A \$ 1.31	163,616	I	See footnote. (1)
Common Stock	09/14/2007		P	75,000 A \$ 1.3	238,616	I	See footnote. (1)

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Common Stock.	09/14/2007		P	27,000	A	\$ 1.31	265,616	I	See footnote. (1)
Common Stock							557,043	D	
Common Stock							1,323,619	I	See footnote. (2)

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 (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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 6)
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V (A) (D)		

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director 10% Owner Officer Other

Roethler Doron  
C/O MICHAL RAVIV, STRAUSS ADAR RAVIV & C  
28 MENACHEM BEGIN, BETZALEL STREET  
RAMAT GAN, L3 52521

X

## Signatures

/s/ Doron Roethler 09/17/2007

\*\*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) Shares held by Crystal Management, Ltd., which is wholly owned by Doron Roethler.

(2) Shares held by Greenleaf Ventures, Ltd., which is wholly owned by Doron Roethler.

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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