

SHAH PRAGNESH N

Form 3

December 12, 2011

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

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIESFiled 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 SHAH PRAGNESH N

(Last)

(First)

(Middle)

2. Date of Event Requiring
Statement

(Month/Day/Year)

12/01/2011

3. Issuer Name **and** Ticker or Trading Symbol
ROSETTA STONE INC [RST]4. Relationship of Reporting
Person(s) to Issuer5. If Amendment, Date Original
Filed(Month/Day/Year)

(Check all applicable)

☐ Director ☐ 10% Owner☒ Officer ☐ Other

(give title below) (specify below)

President, Global Consumer

6. Individual or Joint/Group

Filing(Check Applicable Line)

☒ Form filed by One Reporting
Person☐ Form filed by More than One
Reporting PersonC/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 Owned1. Title of Security
(Instr. 4)2. Amount of Securities
Beneficially Owned
(Instr. 4)3. Ownership
Form:
Direct (D)
or Indirect
(I)
(Instr. 5)4. Nature of Indirect Beneficial
Ownership
(Instr. 5)

Common Stock

6,803 ⁽¹⁾D ⁽⁴⁾

Â

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

SEC 1473 (7-02)

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form displays a
currently valid OMB control number.****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
Derivative5. 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⁾ | 12/09/2021 | Common Stock | 65,000 | \$ 7.35 ⁽³⁾ | D ⁽⁴⁾ | Â |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | Other |
|---|---------------|-----------|------------------------------|---|-------|
| | Director | 10% Owner | Officer | | |
| SHAH PRAGNESH N C/O ROSETTA STONE INC. 1919 NORTH LYNN STREET, 7TH FLOOR ARLINGTON, VA 22209 | Â | Â | Â President, Global Consumer | Â | |

Signatures

Michael C. Wu,
Attorney-in-fact

12/12/2011

__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) The restricted shares are subject to forfeiture restrictions that lapse 1/4 per annum beginning one year from December 9, 2011, the date of grant.
- (2) Options shall vest at a rate of 1/4 per annum beginning one year from December 9, 2011, the date of grant.
- (3) The per share exercise price of the options shall be equal to the closing price of the common stock of the Corporation on the New York Stock Exchange on December 9, 2011.
- (4) Mr. Shah was designated a Section 16 officer by the Rosetta Stone Inc. Board of Directors on December 1, 2011.

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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