Long Gregory William 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 Form 5

obligations

may continue.

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

See Instruction 1(b).

(Last)

(City)

(Print or Type Responses)

1. Name and Address of Reporting Person * Long Gregory William

2. Issuer Name and Ticker or Trading Symbol

Issuer

ROSETTA STONE INC [RST]

3. Date of Earliest Transaction

03/15/2010

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

(Street)

(First)

(Middle)

(Month/Day/Year) Director 10% Owner

X_ Officer (give title below)

Other (specify Chief Product Officer

5. Relationship of Reporting Person(s) to

(Check all applicable)

OMB APPROVAL

3235-0287

January 31,

2005

0.5

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Number:

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response...

Estimated average

burden hours per

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

ARLINGTON, VA 22209

(State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

4. Securities 5. Amount of 1. Title of 2. Transaction Date 2A. Deemed 3. 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Securities Form: Direct Indirect (Instr. 3) Code Disposed of (D) Beneficially (D) or Indirect Beneficial (Month/Day/Year) (Instr. 3, 4 and 5) Ownership (Instr. 8) Owned (Instr. 4) (Instr. 4) Following

> Reported (A) Transaction(s) or (Instr. 3 and 4)

Code V Amount (D) Price

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 3. Transaction Date 3A. Deemed 7. Title and Amount of 5. Number of 6. Date Exercisable and Derivative (Month/Day/Year) Execution Date, if TransactionDerivative **Expiration Date Underlying Securities** Conversion

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Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		4)
				Code V	(Α) (Γ	D) Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 25.99 (1)	03/15/2010		A	14,274	(2)	03/15/2020	Common Stock	14,274
Employee Stock Option	\$ 3.85					(3)	08/21/2016	Common Stock	149,500 (3)
Employee Stock Option	\$ 18					<u>(4)</u>	04/15/2019	Common Stock	13,513 (4)

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

Long Gregory William C/O ROSETTA STONE INC. 1919 NORTH LYNN STREET 7TH FLOOR ARLINGTON, VA 22209

Chief Product 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 an aggregate of 14,274 shares represented by unvested stock awards. Option vests at a rate of 1/4 per annum.
- (3) Includes an aggregate of 28,032 shares represented by unvested stock awards. Option vests at a rate of 1/16 per quarter.
- (4) Includes an aggregate of 13,513 shares represented by unvested stock awards. Option vests at a rate of 1/14 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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