Verses Judy Form 4 February 25, 2013

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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

Form 5 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.

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading Verses Judy Issuer Symbol ROSETTA STONE INC [RST] (Check all applicable) (First) (Middle) (Last) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner X_ Officer (give title Other (specify C/O ROSETTA STONE INC., 1919 02/21/2013 below) NORTH LYNN STREET, 7TH President, Global Institut'l **FLOOR** (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 Person

ARLINGTON, VA 22209

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities 5. Amount of 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 Beneficial (Instr. 3, 4 and 5) Indirect (I) Ownership (Month/Day/Year) (Instr. 8) Owned (Instr. 4) (Instr. 4) Following Reported (A) Transaction(s) or (Instr. 3 and 4) Price Code V Amount (D) Common 3,208 02/21/2013 \$0 A 24,552 D (1) Stock

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)

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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. Transactic Code (Instr. 8)	5. Number proof 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Options	\$ 10.42					<u>(2)</u>	10/05/2021	Common Stock	65,000
Employee Stock Option	\$ 8.95					(3)	02/23/2022	Common Stock	3,151
Employee Stock Option	\$ 12.47 (4)	02/21/2013		A	8,155	(5)	02/21/2023	Common Stock	8,155

Reporting Owners

Reporting Owner Name / Address		Relationships		
	Director	10% Owner	Officer	Other

Verses Judy C/O ROSETTA STONE INC. 1919 NORTH LYNN STREET, 7TH FLOOR ARLINGTON, VA 22209

President, Global Institut'l

Signatures

Michael C. Wu,

Attorney-in-fact 02/25/2013

**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) These shares are subject to forfeiture restrictions that lapse one-quarter per annum beginning one year from February 21, 2013, the date of grant.
- (2) Includes an aggregate of 16,250 vested shares. Options shall vest at a rate of one-quarter per annum.
- (3) Includes an aggregate of 0 vested shares. Options shall vest at a rate of one-quarter per annum.
- (4) The exercise price is equal to the closing price of the common stock of the Corporation on the New York Stock Exchange on February 21, 2013, the date of grant.
- (5) Options shall vest at a rate of one-quarter per annum, beginning one year from February 21, 2013, the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

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