

Long Gregory William
Form 4
March 17, 2010

FORM 4

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

OMB APPROVAL

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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 *
Long Gregory William

(Last) (First) (Middle)

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

(Street)

ARLINGTON, VA 22209

(City) (State) (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)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
Chief Product 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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction 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 (D) Price		

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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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 of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)			
			Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount of Number of Shares
Employee Stock Option	\$ 25.99 <u>(1)</u>	03/15/2010	A	14,274		<u>(2)</u>	03/15/2020	Common Stock	14,274
Employee Stock Option	\$ 3.85					<u>(3)</u>	08/21/2016	Common Stock	149,500 <u>(3)</u>
Employee Stock Option	\$ 18					<u>(4)</u>	04/15/2019	Common Stock	13,513 <u>(4)</u>

Reporting Owners

Reporting Owner Name / Address	Relationships			
	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

Date

**Signature of Reporting Person

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.
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