

| 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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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|--|--|---|
| 1. Name and Address of Reporting Person* <u>PIERNO THOMAS M</u> _____ (Last) (First) (Middle) <u>C/O ROSETTA STONE INC.</u> <u>1621 NORTH KENT STREET, SUITE 1200</u> _____ (Street) <u>ARLINGTON VA 22209</u> _____ (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>ROSETTA STONE INC [RST]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Financial Officer</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>02/21/2019</u> | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 02/21/2019 | | A | | 2,110 ⁽¹⁾ | A | \$0.00 | 114,013 | D | |
| Common Stock | 02/21/2019 | | A | | 422 ⁽²⁾ | A | \$0.00 | 114,435 | D | |
| Common Stock | 02/21/2019 | | A | | 8,438 ⁽³⁾ | A | \$0.00 | 122,873 | D | |
| Common Stock | 02/21/2019 | | A | | 17,138 ⁽⁴⁾ | A | \$0.00 | 140,011 | D | |
| Common Stock | 02/22/2019 | | F | | 1,452 ⁽⁵⁾ | D | \$15.05 | 138,559 ⁽⁶⁾ | D | |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|-----------------|---|--|--|---|--|
| | | | | Code | V | | Date Exercisable | Expiration Date | | | | | |

Explanation of Responses:

- In order to better align the interests of the Company's executive officers with shareholders and to conserve cash, 25% of the executive's 2018 annual incentive award was paid in shares of the Company's common stock.
- These shares are subject to forfeiture restrictions that will lapse on February 21, 2020.
- These shares are subject to forfeiture restrictions that lapse one-quarter per annum beginning one year from February 21, 2019, the date of grant.
- Represents shares earned based on performance under the Company's 2017-2018 Long-Term Incentive Program. These shares are subject to forfeiture restrictions that lapse at a rate of 50% on March 17, 2019 and 50% on March 17, 2020.
- These shares were sold pursuant to company instructions to satisfy income tax obligations triggered by the lapsing of forfeiture restrictions with respect to shares of restricted stock.
- Includes 72,668 shares of restricted common stock on which the restrictions have not yet lapsed.

Remarks:

/s/ Sonia Galindo, Attorney-in-fact 02/25/2019

** Signature of Reporting Person Date

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

* 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).

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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