

OMB APPROVAL	
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**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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person* <u>Gaehde Nicholas C</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>Co-President</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>03/17/2020</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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/17/2020		M		12,982	A	\$0.00	98,566	D	
Common Stock	03/18/2020		F		542 <sup>(1)</sup>	D	\$10.08	98,024	D	
Common Stock	03/18/2020		F		3,876 <sup>(1)</sup>	D	\$10.09	94,148 <sup>(2)</sup>	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	(A)	(D)	Date Exercisable	Expiration Date						Title
Performance Share Units	\$0.00	03/17/2020		M			12,982	(3)	(3)	Common Stock	12,982	\$0.00	0	D	

**Explanation of Responses:**

- 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 24,217 shares of restricted common stock on which the restrictions have not yet lapsed.
- 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.

**Remarks:**

/s/ Sean Klein, Attorney-in-fact 03/20/2020

\*\* 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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