

Eichmann Eric
 Form 4
 June 08, 2010

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 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 *
 Eichmann Eric

2. Issuer Name and Ticker or Trading Symbol
 ROSETTA STONE INC [RST]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 C/O ROSETTA STONE INC., 1919
 NORTH LYNN STREET, 7TH
 FLOOR

3. Date of Earliest Transaction
 (Month/Day/Year)
 06/04/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Chief Operating Officer

(Street)
 ARLINGTON, VA 22209

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 of Derivative | 5. Number | 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 or Number of Shares |
| Employee Stock Option | \$ 24.93 ⁽¹⁾ | 06/04/2010 | A | | 8,755 | | ⁽²⁾ | 06/04/2020 | Common Stock | 8,755 ⁽²⁾ |
| Employee Stock Option | \$ 25.99 | | | | | | ⁽³⁾ | 03/15/2020 | Common Stock | 21,245 ⁽³⁾ |
| Employee Stock Option | \$ 18 | | | | | | ⁽⁴⁾ | 04/15/2019 | Common Stock | 25,756 ⁽⁴⁾ |
| Employee Stock Option | \$ 6.08 | | | | | | ⁽⁵⁾ | 03/21/2017 | Common Stock | 19,500 ⁽⁵⁾ |
| Employee Stock Option | \$ 3.85 | | | | | | ⁽⁶⁾ | 09/05/2016 | Common Stock | 130,000 ⁽⁶⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Eichmann Eric C/O ROSETTA STONE INC. 1919 NORTH LYNN STREET, 7TH FLOOR ARLINGTON, VA 22209 | | | Chief Operating Officer | |

Signatures

Michael C. Wu, Attorney
in Fact 06/08/2010

**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, June 4, 2010.
- (2) Includes an aggregate of 8,755 shares represent by unvested stock awards. Option vests at a rate of 1/4 per annum.
- (3) Includes an aggregate of 21,245 shares represented by unvested stock awards. Option vests at a rate of 1/4 per annum.

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- (4) Includes an aggregate of 19,317 shares represented by unvested stock awards. Option vests at a rate of 1/4 per annum.
- (5) Includes an aggregate of 4,875 shares represented by unvested stock awards. Option vests at a rate of 1/16 per quarter.
- (6) Includes an aggregate of 16,250 shares represented by unvested stock awards. Option vests at a rate of 1/16 per quarter.

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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