SMART ONLINE INC

Form 4 May 22, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

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OMB APPROVAL

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Form 4 or Form 5 obligations

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 See Instruction

1(b).

(Print or Type Responses)

may continue.

1. Name and Address of Reporting Person * Roethler Doron

2. Issuer Name and Ticker or Trading Symbol

SMART ONLINE INC [SOLN]

5. Relationship of Reporting Person(s) to

Issuer

(Last)

(City)

(First)

(Middle)

(Zip)

3. Date of Earliest Transaction

05/21/2008

(Month/Day/Year)

X_ Director X 10% Owner _ Other (specify Officer (give title below)

(Check all applicable)

C/O MICHAL RAVIV, STRAUSS ADAR RAVIV & C. 28 MENACHEM BEGIN, BETZALEL STREET

(Street)

(State)

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

X Form filed by One Reporting Person Form filed by More than One Reporting

RAMAT GAN, L3 52521

1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. Ownership 7. Nature of Transaction(A) or Disposed of (D) Form: Direct Indirect Security (Month/Day/Year) Execution Date, if Securities (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially (D) or (Month/Day/Year) (Instr. 8) Owned Indirect (I) Following (Instr. 4) Reported (A) Transaction(s) or (Instr. 3 and 4) Code V (D) Price Amount Common P 5,000 I

05/21/2008 296,591 See fn. (1) Stock 2.55 Common 05/21/2008 P 95,000 A \$ 2.6 391.591 Ι See fn.(1) Stock

Common I See fn. (2)1,323,619 Stock

Common 633,343 D Stock

Beneficial

Ownership

(Instr. 4)

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

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SEC 1474 (9-02)

> 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Titl	e and	8. Price of	9
Derivativ	e Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration Da	ate	Amou	nt of	Derivative	J
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	,
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Secur	ities	(Instr. 5)]
	Derivative				Securities			(Instr.	3 and 4)		(
	Security				Acquired						J
					(A) or						J
					Disposed						-
					of (D)						(
					(Instr. 3,						
					4, and 5)						
									Amount		
									or		
						Date	Expiration	Titla			
						Exercisable	Date	11110			
				Code V	(A) (D)						
				Code V	(A) (D)	Exercisable	*	Title	Number of Shares		

Reporting Owners

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

Roethler Doron C/O MICHAL RAVIV, STRAUSS ADAR RAVIV & C 28 MENACHEM BEGIN, BETZALEL STREET RAMAT GAN, L3 52521



Signatures

/s/ Doron Roethler 05/22/2008

**Signature of Date
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) Shares owned by Crystal Management, Ltd., which is 100% owned by Doron Roethler.
- (2) Shares owned by Greenleaf Ventures, Ltd., which is 100% owned by Doron Roethler.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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