

ISSUER DIRECT CORP  
Form 4  
May 02, 2014

**FORM 4**

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

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 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 \*  
Red Oak Partners, LLC

(Last) (First) (Middle)  
304 PARK AVE SOUTH, 11TH FL  
(Street)

NEW YORK, NY 10010

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
ISSUER DIRECT CORP [ISDR]

3. Date of Earliest Transaction  
(Month/Day/Year)  
04/29/2014

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_ Form filed by One Reporting Person  
\_X\_ 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 Indirect Beneficial 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 Security (Instr. 3) | 2. Conversion or Exercise Price of | 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) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title Underlying Security (Instr. 3) |
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|

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| Derivative Security                                 | (Instr. 3, 4, and 5) |                |            | Date Exercisable          | Expiration Date           | Title                    |                          |
|---|----------------------|----------------|------------|---------------------------|---------------------------|--------------------------|--------------------------|
|   | Code                 | V              | (A) (D)    |                           |                           |                          |                          |
| Options to Purchase Common Stock, par value \$0.001 |                      |                |            | 12/31/2013 <sup>(7)</sup> | 08/21/2018 <sup>(7)</sup> | Common Stock value \$0.0 |                          |
| 8% Convertible Secured Promissory Note              | \$ 3.99              | <sup>(5)</sup> | 04/29/2014 | J <sup>(6)</sup>          | \$ 442,743                | <sup>(5)</sup>           | Common Stock value \$0.0 |
| 8% Convertible Secured Promissory Note              | \$ 3.99              | <sup>(5)</sup> | 04/29/2014 | J <sup>(6)</sup>          | 442,743                   | <sup>(5)</sup>           | Common Stock value \$0.0 |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Red Oak Partners, LLC<br>304 PARK AVE SOUTH<br>11TH FL<br>NEW YORK, NY 10010 |               | X         |         |       |
| Sandberg David<br>304 PARK AVE SOUTH<br>11TH FLOOR<br>NEW YORK, NY 10010     | X             |           |         |       |

## Signatures

David Sandberg 05/02/2014  
 \*\*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) Red Oak Partners, LLC ("ROP") serves as the general partner of The Red Oak Fund, LP, a Florida limited partnership (the "Fund"), the direct owner of the subject securities. David Sandberg is the managing member of ROP and the Fund's portfolio manager.
- (2)

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ROP serves as the general partner of The Red Oak Long Fund, LP, a Florida limited partnership (the "Long Fund"), the direct owner of the subject securities. David Sandberg is the managing member of ROP and the Long Fund's portfolio manager.

- ROP serves as a managing member of Pinnacle Partners, LLC, a Colorado limited liability company ("Pinnacle Partners"). Pinnacle Partners is the general partner of Pinnacle Opportunities Fund, LP, a Delaware limited partnership ("Pinnacle Fund"), the direct owner of the subject securities.

- (4) Each Reporting Person disclaims beneficial ownership of all securities reported herein, except to the extent of their pecuniary interest therein, if any, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the shares for purposes of Section 16 of the Securities and Exchange Act of 1934 or for any other purpose.

- (5) The Reporting Persons hold directly \$2,500,000 principal amount of 8% Convertible Subordinated Secured Promissory Notes due in 2015, which are convertible as of the filing date of this Form 4 into 626,566 shares of Common Stock at a conversion price of \$3.99 per share.

- (6) Convertible Notes held by The Red Oak Fund, LP were transferred by an in-kind distribution to the Red Oak Long Fund, LP.

- (7) On August 22, 2013, Mr. Sandberg was granted options to purchase 40,000 shares of the Company's common stock, par value \$0.001, which shall vest quarterly over four years so long as he remains a member of the Company's Board of Directors. The exercise price of such options is \$8.25 and the options shall be exercisable for a period of five years from the date of issuance.

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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