

ISSUER DIRECT CORP
Form 4
November 17, 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)
1969 SW 17TH STREET
(Street)
BOCA RATON, FL 33486
(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
11/13/2014

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| Common Stock | 11/13/2014 | | C ⁽⁵⁾ | 86,493 A | \$ 3.99 86,493 <u>(5)</u> | I | By The Red Oak Fund, L.P <u>(1) (2) (3) (4)</u> |
| Common Stock | 11/13/2014 | | C ⁽⁵⁾ | 38,024 A | \$ 3.99 38,024 <u>(5)</u> | I | By The Red Oak Long Fund, L.P ⁽¹⁾ <u>(2) (3) (4)</u> |
| Common Stock | 11/13/2014 | | C ⁽⁵⁾ | 90,193 A | \$ 3.99 90,193 <u>(5)</u> | I | By Pinnacle Opportunities <u>(1) (2) (3) (4)</u> |

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

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(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 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 Underlying Securities (Instr. 3 and 4) | 8. Price or Value of Underlying Securities (Instr. 3 and 4) | | | |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|---|-----------------|--------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Options to Purchase Common Stock, par value \$0.001 | \$ 8.25 <u>(6)</u> | | | | | | | <u>(6)</u> | <u>(6)</u> | Common Stock | 40,000 <u>(6)</u> |
| 8% Convertible Secured Promissory Note | \$ 3.99 <u>(7)</u> | | | | | | | <u>(7)</u> | <u>(7)</u> | Common Stock | 168,270 |
| 8% Convertible Secured Promissory Note | \$ 3.99 <u>(7)</u> | | | | | | | <u>(7)</u> | <u>(7)</u> | Common Stock | 73,976 |
| 8% Convertible Secured Promissory Note | \$ 3.99 <u>(7)</u> | | | | | | | <u>(7)</u> | <u>(7)</u> | Common Stock | 175,467 |

Reporting Owners

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

X

Red Oak Partners, LLC
 1969 SW 17TH STREET
 BOCA RATON, FL 33486

Sandberg David
 1969 SW 17TH STREET X X
 BOCA RATON, FL 33486

Signatures

/s/David
 Sandberg 11/17/2014

 Signature of
 Reporting Person Date

/s/ David
 Sandberg 11/17/2014

 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 Delaware 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.
 ROP serves as a managing member of Pinnacle Partners, LLC, a Colorado limited liability company ("Pinnacle Partners").
- (2) Partners is the general partner of Pinnacle Opportunities Fund, LP, a Delaware limited partnership ("Pinnacle Fund"), the direct owner of the subject securities.
- (3) ROP serves as the general partner of The Red Oak Long Fund, LP, a Delaware 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.
 Each Reporting Person disclaims beneficial ownership of all securities reported herein, except to the extent of their pecuniary interest
- (4) 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) Common Stock was acquired by converting Convertible Notes previously held along with accrued and unpaid interest relating to the Convertible Notes, all at a conversion price of \$3.99 per share of Common Stock.
 On August 22, 2013, the Reporting Person 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 the Reporting Person remains a member of the Company's Board of
- (6) 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.
 Red Oak Partners, LLC holds an indirect interest in a \$1,666,673 principal amount of 8% Convertible Subordinated Secured Promissory Notes due in 2015 (the "Convertible Note"), which is convertible as of the filing date of this Form 4 into 417,712 shares of Common
- (7) Stock at a conversion price of \$3.99 per share. The principal office or business address of the Red Oak Fund, Red Oak Partners and David Sandberg is 1969 SW 17th Street, Boca Raton, FL 33486. The principal office or business address of Pinnacle Partners and Pinnacle Fund is 2810 North Speer Boulevard, Denver, CO 80211.

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.