

Watts William E  
Form 4  
March 04, 2013

**FORM 4**

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

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Watts William E

2. Issuer Name **and** Ticker or Trading  
Symbol  
TILE SHOP HOLDINGS, INC.  
[TTS]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)

C/O TILE SHOP HOLDINGS,  
INC., 14000 CARLSON  
PARKWAY

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/01/2013

☒ Director ☐ 10% Owner  
☐ Officer (give title below) ☐ Other (specify below)

(Street)

PLYMOUTH, MN 55441

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/01/2013		X		324,969	A	\$ 11.5
							590,284
Common Stock	03/01/2013		S <sup>(1)</sup>		209,364	D	\$ 17.85
							380,920

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

**Persons who respond to the collection of  
information contained in this form are not  
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SEC 1474  
(9-02)

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**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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Common Stock Warrants (Right to Buy)	\$ 11.5	03/01/2013		X		324,969		09/20/2012	08/21/2017	Common Stock	324,969

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Watts William E C/O TILE SHOP HOLDINGS, INC. 14000 CARLSON PARKWAY PLYMOUTH, MN 55441	X

## Signatures

/s/ Elizabeth M. Dunshee as Attorney-in-Fact for William E. Watts pursuant to Power of Attorney filed herewith. 03/04/2013

\_\_\_\_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).

On March 1, 2013, the reporting person exercised a warrant to purchase 324,969 shares of Issuer common stock for \$11.50 a share. The (1) reporting person paid the exercise price on a cashless basis, resulting in the Issuer's withholding of 209,364 of the warrant shares to pay the exercise price and issuing to the reporting person the remaining 115,605 shares.

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.