

ISSUER DIRECT CORP  
Form 4  
January 21, 2015

**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)  
01/20/2015

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) |   |   |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|---|
|                                 |                                      |  | Code                           | V   | Amount or Price   |  |   |   |   |
| Common Stock                    | 01/20/2015                           |  | S                              |   | 3,000<br>(6)  | D  | \$ 10 87,193  | I | By Pinnacle Opportunities Fund, LP directly (1) (2) (3) (4) |
| Common Stock                    | 01/21/2015                           |  | P                              |   | 3,000<br>(7)  | A  | \$ 10.387 90,193                                      | I | By Pinnacle Opportunities Fund, LP directly (1) (2) (3) (4) |
| Common Stock                    |                                      |  |                                |   |   |  | 86,493  | I | By The Red Oak Fund,  |

|                 |        |   |   |
|-----------------|--------|---|---|
| Common<br>Stock | 38,024 | I | L.P. directly<br><u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u><br><br>By The Red<br>Oak Long<br>Fund, L.P.<br>directly <u>(1)</u> <u>(2)</u><br><u>(3)</u> <u>(4)</u> |
|-----------------|--------|---|---|

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<br>Derivative<br>Security<br>(Instr. 3)                | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Pri<br>Deriv<br>Secur<br>(Instr |                                  |
|--|--|---|---|--------------------------------------|--|--|---|------------------------------------|----------------------------------|
|  |  |   |   | Code                                 | V (A) (D)  | Date<br>Exercisable  | Expiration<br>Date  | Title                              | Amount or<br>Number of<br>Shares |
| Options to<br>Purchase<br>Common<br>Stock, par<br>value<br>\$0.001 | \$ 8.25 <u>(8)</u>   |   |   |                                      |  | <u>(8)</u>   | <u>(8)</u>  | Common<br>Stock                    | 40,000<br><u>(8)</u>             |
| 8%<br>Convertible<br>Secured<br>Promissory<br>Note                 | \$ 3.99 <u>(9)</u>   |   |   |                                      |  | <u>(9)</u>   | <u>(9)</u>  | Common<br>Stock                    | 168,270                          |
| 8%<br>Convertible<br>Secured<br>Promissory<br>Note                 | \$ 3.99 <u>(9)</u>   |   |   |                                      |  | <u>(9)</u>   | <u>(9)</u>  | Common<br>Stock                    | 73,976                           |
| 8%<br>Convertible<br>Secured                                       | \$ 3.99 <u>(9)</u>   |   |   |                                      |  | <u>(9)</u>   | <u>(9)</u>  | Common<br>Stock                    | 175,467                          |

Promissory  
Note

## Reporting Owners

| Reporting Owner Name / Address                                       | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Red Oak Partners, LLC<br>1969 SW 17TH STREET<br>BOCA RATON, FL 33486 |               |           | X       |       |
| Sandberg David<br>1969 SW 17TH STREET<br>BOCA RATON, FL 33486        | X             |           |         |       |

## Signatures

David Sandberg                      01/21/2015

\_\_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.

(2) 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.

(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.

(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) This transaction was executed in multiple trades at prices ranging from \$10.32 to \$10.42. The price reported in Column 4 of Table I reflects the weighted average purchase price. The reporting persons hereby undertake to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which each of the individual transactions was effected.

(6) These shares were sold due to a trading error. The reporting persons entered a good-till-cancelled order to sell the shares at a limit price of \$10 on December 17, 2014, during the Company's open trading window, with the intention to cancel the order prior to the start of the Company's blackout on December 24, 2014. The order remained inadvertently live after the blackout initiated and executed when the security reached the limit price in the open market.

(7) As per guidance from the Company's counsel, the reporting persons immediately bought back the shares sold the previous day in order to correct the trading error. The result of the buy back of the shares was a net loss of \$1,162 to the reporting persons.

(8) 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 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.

(9) 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 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

## Edgar Filing: ISSUER DIRECT CORP - Form 4

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.