Hardy Roberta B Form 3 March 18, 2009

FORM 3

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

OMB APPROVAL

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INITIAL STATEMENT OF 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 *

A Hardy Roberta B

(Last)

(First)

(Middle)

2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol

Statement

(Month/Day/Year)

03/17/2009

SMART ONLINE INC [SOLN]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Filed(Month/Day/Year)

4505 EMPEROR BLVD., SUITE

320

(Street)

X Director Officer

10% Owner Other (give title below) (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting

5. If Amendment, Date Original

Person

Form filed by More than One

Reporting Person

4. Nature of Indirect Beneficial

DURHAM, NCÂ 27703

(City) (State)

1. Title of Security (Instr. 4)

(Zip)

2. Amount of Securities Beneficially Owned

(Instr. 4)

Ownership Form: Direct (D)

or Indirect (I) (Instr. 5)

Table I - Non-Derivative Securities Beneficially Owned

Ownership (Instr. 5)

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

SEC 1473 (7-02)

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Security (Instr. 4)

2. Date Exercisable and **Expiration Date** (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)

4. Conversion or Exercise Price of

5. Ownership Form of Derivative Security:

6. Nature of Indirect Beneficial Ownership (Instr. 5)

Date Exercisable Expiration Date

Title

Amount or Number of Shares

Derivative Security

Direct (D) or Indirect

(I)

(Instr. 5)

Stock Option (Right to Buy) $\hat{A} \stackrel{(1)}{=} 03/17/2019 \stackrel{Common}{Stock} 40,000 1.1 D \hat{A}

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Hardy Roberta B

4505 EMPEROR BLVD., SUITE 320 X DURHAM, NCÂ 27703

Signatures

/s/Margaret Cate, attorney-in-fact 03/18/2009

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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).
- This option shall vest and become exercisable in four equal increments on the following dates: June 17, 2009; September 17, 2009; December 17, 2009; and March 17, 2010.

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Remarks:

Exhibit List

Exhibit 24-Power of Attorney

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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