

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

| 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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|   |  |  |
|---|--|--|
| 1. Name and Address of Reporting Person*<br><u>Gaedlmann Kirk</u><br><br>(Last) (First) (Middle)<br><u>C/O TILE SHOP HOLDINGS, INC.</u><br><u>14000 CARLSON PARKWAY</u><br><br>(Street)<br><u>PLYMOUTH MN 55441</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>TILE SHOP HOLDINGS, INC. [ TTS ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>Chief Financial Officer</u> |
|   | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>02/20/2019</u>                  |  |
|   | 4. If Amendment, Date of Original Filed (Month/Day/Year)                               |  |

**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                    |                                      |  |                                |   |   |            |       | 41,091 <sup>(1)</sup>   | D  |   |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  |
| Stock Option (Right to Buy)                | \$10.93  |                                      |  |                                |   |  |     | (2)  | 08/12/2021      | Common Stock  | 100,000                                    | 100,000  | D   |  |
| Stock Option (Right to Buy)                | \$18.15  |                                      |  |                                |   |  |     | (3)  | 04/20/2026      | Common Stock  | 12,500                                     | 12,500   | D   |  |
| Stock Option (Right to Buy)                | \$20.35  |                                      |  |                                |   |  |     | (4)  | 05/11/2027      | Common Stock  | 13,200                                     | 13,200   | D   |  |
| Stock Option (Right to Buy)                | \$8.6  |                                      |  |                                |   |  |     | (5)  | 11/02/2027      | Common Stock  | 26,500                                     | 26,500   | D   |  |
| Stock Option (Right to Buy)                | \$6.26   | 02/20/2019                           |  | A                              |   | 97,067   |     | (6)  | 02/20/2029      | Common Stock  | 97,067                                     | \$0  | 97,067  | D  |

**Explanation of Responses:**

- Includes (i) 3,900 shares of restricted stock for which the Issuer's purchase option will lapse as to 1,300 shares on each of 4/20/19, 4/20/20 and 4/20/21; (ii) 2,250 shares of restricted stock for which the Issuer's purchase option will lapse as to 750 shares on each of 5/11/19, 5/11/20 and 5/11/21; (iii) 3,000 shares of performance-based restricted stock for which the Issuer's purchase option will lapse on 5/11/20, if at all, based on the Issuer's achievement of its three-year Adjusted EBITDA target; (iv) 8,738 shares of restricted stock for which the risks of forfeiture will lapse as to 2,912 shares on 11/2/19 and 2,913 shares on each of 11/2/20 and 11/2/21; and (v) 9,000 shares of restricted stock for which the risks of forfeiture will lapse as to 2,250 shares on each of 2/22/19, 2/22/20, 2/22/21 and 2/22/22.
- Options to purchase 20,000 shares vest on each of August 12, 2015, August 12, 2016, August 12, 2017, August 12, 2018 and August 12, 2019.
- Options to purchase 2,500 shares vest on each of April 20, 2017, April 20, 2018, April 20, 2019, April 20, 2020 and April 20, 2021.
- Options to purchase 3,300 shares vest on each of May 11, 2018, May 11, 2019, May 11, 2020 and May 11, 2021.
- Options to purchase 6,625 shares vest on each of November 2, 2018, November 2, 2019, November 2, 2020 and November 2, 2021.
- Options to purchase 24,266 shares vest on February 20, 2020 and options to purchase 24,267 shares vest on each of February 20, 2021, February 20, 2022 and February 20, 2023.

**Remarks:**

/s/ Amanda Lorentz as  
Attorney-in-Fact for Kirk  
Gaedlmann pursuant to Power  
of Attorney previously filed. 02/22/2019

\*\* Signature of Reporting Person Date

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

\* 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).

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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