

TANDY LEATHER FACTORY INC  
 Form 4  
 February 27, 2017

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 Gramm Jefferson

2. Issuer Name and Ticker or Trading Symbol  
 TANDY LEATHER FACTORY INC [TLF]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 50 BROAD STREET, SUITE 1820  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/23/2017

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

NEW YORK, NY 10004

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 Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|   |                                      |  | Code                           | V   | Amount (A) or (D) Price   |  |                                   |
| Common Stock, par value \$0.0024 per share <sup>(1)</sup> | 02/23/2017                           |  | A                              |   | 1,801 <sub>(3)</sub> A \$ 0 3,832   | D  |                                   |
| Common Stock, par value \$0.0024 per share <sup>(1)</sup> |                                      |  |                                |   | 2,857,936   | I  | See footnote <sup>(2)</sup>       |

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 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 of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                                       |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| Gramm Jefferson<br>50 BROAD STREET, SUITE 1820<br>NEW YORK, NY 10004      | X             | X         |         |       |
| Bandera Partners LLC<br>50 BROAD STREET, SUITE 1820<br>NEW YORK, NY 10004 |               |           | X       |       |
| Bylinsky Gregory<br>50 BROAD STREET, SUITE 1820<br>NEW YORK, NY 10004     |               |           | X       |       |

## Signatures

|  |            |
|--|------------|
| /s/ Jefferson Gramm  | 02/27/2017 |
| __Signature of Reporting Person  | Date       |
| /s/ Gregory Bylinsky, Managing Director, on behalf of Bandera Partners LLC | 02/27/2017 |
| __Signature of Reporting Person  | Date       |
| /s/ Gregory Bylinsky   | 02/27/2017 |
| __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).

This Form 4 is filed jointly by Bandera Partners LLC ("Bandera Partners"), Gregory Bylinsky and Jefferson Gramm (collectively, the "Reporting Persons"). Each of the Reporting Persons may be deemed to be a member of a Section 13(d) group that collectively

(1) beneficially owns more than 10% of the Issuer's outstanding shares of Common Stock. Mr. Gramm is also a director of the Issuer. Each of the Reporting Persons disclaims beneficial ownership of the securities reported herein except to the extent of his or its pecuniary interest therein.

Bandera Partners is the investment manager of Bandera Master Fund L.P. ("Bandera Master Fund"), in whose name the shares are held. Messrs. Bylinsky and Gramm are the Managing Partners, Managing Directors and Portfolio Managers of Bandera Partners. Bandera

(2) Master Fund has delegated to Bandera Partners the sole and exclusive authority to vote and dispose of the securities held by Bandera Master Fund. As a result, each of Bandera Partners and Messrs. Bylinsky and Gramm may be deemed to beneficially own the shares held by Bandera Master Fund.

(3) Represents shares of restricted stock granted under the Issuer's 2013 Restricted Stock Plan, 25% of which vest on each of the next four anniversaries of the grant date, with the first installment to be exercisable on the first 12 month anniversary of the grant date.

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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