

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 Number: 3235-0287

Expires: January 31, 2005

Estimated average burden hours per response... 0.5

1. Name and Address of Reporting Person *
STERN GARY

2. Issuer Name **and** Ticker or Trading Symbol
ASTA FUNDING INC [ASFI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O ASTA FUNDING, INC., 210
SYLVAN AVENUE

3. Date of Earliest Transaction
(Month/Day/Year)
09/12/2012

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

Chief Executive Officer

(Street)

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

ENGLEWOOD CLIFFS, NJ 07632

(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	09/12/2012		M		60,000	A \$ 4.725	860,489	D	
Common Stock							482,263	I	See footnote (1)

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 required to respond unless the form displays a currently valid OMB control number.

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)	8. Date of Acquisition or Disposition (Instr. 3, 4, and 5)
Stock Option (right to buy)	\$ 4.725	09/12/2012		M	60,000	(2) 11/01/2012	Common Stock	60,000

Reporting Owners

Reporting Owner Name / Address	Relationships
STERN GARY C/O ASTA FUNDING, INC. 210 SYLVAN AVENUE ENGLEWOOD CLIFFS, NJ 07632	Director 10% Owner Officer Other X Chief Executive Officer

Signatures

/s/ Gary Stern 09/27/2012
 **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).

Consists of 196,656 shares of common stock owned by the reporting person as custodian for his minor child and 285,607 shares of common stock are owned by Asta Group Incorporated, which shares are attributable to the reporting person based on his percentage ownership of Asta Group.

(2) The award vested in three equal annual installments beginning one year from the date of grant.

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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