

AQUA AMERICA INC
 Form 4
 February 24, 2014

FORM 4

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

OMB APPROVAL

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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 *
 Franklin Chris

(Last) (First) (Middle)

762 W LANCASTER AVE.

(Street)

BRYN MAWR, PA 19010

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 AQUA AMERICA INC [WTR]

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/20/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Exec. VP & COO Reg. Ops

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (A) or (D) Price | | |
| Common Stock | 02/20/2014 | | M | | 7,663 A \$ 12.92 | 45,678 | D |
| Common Stock | 02/20/2014 | | F | | 5,300 (1) D \$ 24.6 | 40,378 | D |
| Common Stock | 02/21/2014 | | M | | 425 A \$ 18.61 | 40,803 | D |
| Common Stock 401k | | | | | | 10,083.85 (2) | D |

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

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(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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Options (Right to Buy) | \$ 12.92 | 02/20/2014 | | M | 7,663 | 02/24/2014 03/01/2014 | Common Stock | 7,663 |
| Stock Options (Right to Buy) | \$ 18.61 | 02/21/2014 | | M | 425 | 02/24/2014 02/22/2017 | Common Stock | 425 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Franklin Chris 762 W LANCASTER AVE. BRYN MAWR, PA 19010 | | | Exec. VP & COO Reg. Ops | |

Signatures

/s/ Brian Dingerdissen, attorney-in-fact for Mr. Franklin

02/24/2014

__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) Shares disposed of as part of a stock swap to exercise stock options.
- (2) Includes additional shares acquired under the Company's 401k plan since the last filing.

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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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