

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
 Estimated average burden
 hours per response: 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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* <u>Franklin Chris</u> (Last) (First) (Middle) <u>762 W LANCASTER AVE.</u> (Street) <u>BRYN MAWR PA 19010</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AQUA AMERICA INC [WTR]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Exec. VP & COO Reg. Ops</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>07/08/2013</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	07/08/2013		M		4,284	A	\$16.1475	27,477	D	
Common Stock	07/08/2013		F		2,192 ⁽¹⁾	D	\$31.56	25,285	D	
Common Stock	07/08/2013		M		5,983	A	\$18.3338	31,268	D	
Common Stock	07/08/2013		F		3,476 ⁽¹⁾	D	\$31.56	27,792	D	
Common Stock	07/08/2013		M		1,375	A	\$23.26	29,167	D	
Common Stock	07/08/2013		F		1,014 ⁽¹⁾	D	\$31.56	28,153	D	
Common Stock	07/08/2013		M		5,294	A	\$20.18	33,447	D	
Common Stock	07/08/2013		F		3,386 ⁽¹⁾	D	\$31.56	30,061	D	
Common Stock	07/09/2013		M		352	A	\$23.26	30,413	D	
Common Stock 401k								7,800.82 ⁽²⁾	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		Date Exercisable	Expiration Date					
Stock Options (Right to Buy)	\$16.1475	07/08/2013		M		4,284	03/01/2005	03/01/2014	Common Stock	\$0	0	D	
Stock Options (Right to Buy)	\$18.3338	07/08/2013		M		5,983	02/28/2006	02/28/2015	Common Stock	\$0	0	D	
Stock Options (Right to Buy)	\$23.26	07/08/2013		M		1,375	02/22/2008	02/22/2017	Common Stock	\$0	2,036	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	Title	Amount or Number of Shares				
Stock Options (Right to Buy)	\$20.18	07/08/2013		M			5,294	02/26/2009	02/26/2018	Common Stock	5,294	\$0	0	D	
Stock Options (Right to Buy)	\$23.26	07/09/2013		M			352	02/22/2008	02/22/2017	Common Stock	352	\$0	8,273	D	

Explanation of Responses:

- Shares disposed of as part of a stock swap to exercise stock options.
- Includes 143.48 additional shares acquired under the Company's 401k plan since the last filing.

/s/ Brian Dingerdissen,
attorney-in-fact for Mr. 07/10/2013
Franklin

** 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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