

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

Washington, D.C. 20549

OMB APPROVAL

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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>KYRISS KARL</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>President & Chief Oper Officer</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>09/01/2011</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 | 09/01/2011 | | P | | 42.63 ⁽¹⁾ | A | \$21.75 | 18,263.26 | D | |
| Common Stock - IRA | 09/01/2011 | | P | | 33.49 ⁽¹⁾ | A | \$21.75 | 4,732.19 | D | |
| Common Stock | 11/08/2011 | | M | | 10,700 | A | \$12.483 | 28,963.27 | D | |
| Common Stock | 11/08/2011 | | F | | 5,978 | D | \$22.345 | 22,985.27 | D | |
| Common Stock 401k | | | | | | | | 4,164.9 ⁽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) | \$12.483 | 11/08/2011 | | M | | 10,700 | 03/03/2004 | 03/03/2013 | Common Stock 10,700 | \$0 | 2,633 | D | |

Explanation of Responses:

1. Shares purchased in a Dividend Reinvestment Plan other than the Company's own Dividend Reinvestment Plan.
 2. Includes additional shares acquired under the Company's 401k plan since the last filing.

/s/ Brian Dingerdissen, 11/10/2011
attorney-in-fact for Mr. Kyriess

** 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.

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 Number.