

**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

<b>1. Name and Address of Reporting Person*</b> <u>Luning Christopher Paul</u>  (Last) (First) (Middle) <u>762 W. LANCASTER AVE</u>  (Street) <u>BRYN MAWR PA 19010</u>  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> <u>AQUA AMERICA INC [ WTR ]</u>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable)  Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Sr. VP, General Counsel &amp; Sec</u>
	<b>3. Date of Earliest Transaction (Month/Day/Year)</b> <u>08/12/2013</u>	
<b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>		

**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	08/12/2013		M		4,127	A	\$29.46	14,570.73	D	
Common Stock	08/12/2013		F		3,727 <sup>(1)</sup>	D	\$32.63	10,843.73	D	
Common Stock	08/12/2013		M		258	A	\$23.26	11,101.73	D	
Common Stock	08/12/2013		F		184 <sup>(1)</sup>	D	\$32.63	10,917.73 <sup>(2)</sup>	D	
Common Stock 401k								329.28 <sup>(3)</sup>	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)	\$29.46	08/12/2013		M			4,127	03/07/2007	03/07/2016	Common Stock	4,127	\$0	873	D	
Stock Options (Right to Buy)	\$23.26	08/12/2013		M			258	02/22/2008	02/22/2017	Common Stock	258	\$0	4,742	D	

**Explanation of Responses:**

- Shares disposed of as part of a stock swap to exercise stock options.
- Includes additional shares acquired under the Issuer's Employee Stock Purchase Plan since the date of the reporting person's last ownership report.
- Includes 185.83 additional shares acquired under the Company's 401k plan since the last filing.

Frederick J. Martino, attorney-in-fact for Mr. Luning 08/14/2013

\*\* 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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