

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>Luning Christopher Paul</u>			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>Sr. VP, General Counsel & Sec</u>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>02/22/2017</u>					
<u>762 W. LANCASTER AVE</u>			4. If Amendment, Date of Original Filed (Month/Day/Year)			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
(Street) <u>BRYN MAWR PA 19010</u>								
(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			
<u>Common Stock</u>	<u>02/22/2017</u>		<u>A</u>		<u>2,897⁽¹⁾</u>	<u>A</u>	<u>\$0</u>	<u>36,406.47⁽²⁾</u>	<u>D</u>	
<u>Common Stock 401k</u>								<u>1,186.53⁽³⁾</u>	<u>I</u>	<u>401k</u>

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
<u>Stock Options (Right to Buy)</u>	<u>\$30.47</u>	<u>02/22/2017</u>		<u>A</u>		<u>5,670⁽⁴⁾</u>		<u>02/22/2018</u>	<u>02/22/2027</u>	<u>Common Stock</u>	<u>5,670</u>	<u>\$30.47</u>	<u>5,670</u>	<u>D</u>	

Explanation of Responses:

- Represents award of restricted stock units. Each restricted stock unit represents a contingent right to receive one share of Common Stock. The restricted stock units vest on February 22, 2020.
- Includes additional shares acquired under the Issuer's Employee Stock Purchase Plan since the date of the reporting person's last ownership report.
- Includes shares acquired under the Company's 401k plan since the last filing.
- Grant of 5,670 shares of stock options which vest one-third each year on the anniversary of the grant.

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

02/24/2017

** 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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