GSE SYSTEMS INC Form 4 July 01, 2016

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

3235-0287 Number:

January 31, 2005

0.5

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response...

if no longer subject to Section 16. Form 4 or Form 5

obligations

Check this box

may continue. See Instruction

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

1(b).

(Last)

Security

(Instr. 3)

(Print or Type Responses)

1. Name and Address of Reporting Person * Grady Gill R

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

GSE SYSTEMS INC [GVP]

(Middle)

3. Date of Earliest Transaction

(Check all applicable)

C/O GSE SYSTEMS, INC., 1332

(Street)

(First)

(Month/Day/Year)

X_ Officer (give title below)

Director

Other (specify

10% Owner

LONDONTOWN BLVD.

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Sr. Vice President

Applicable Line)

Filed(Month/Day/Year)

(Instr. 8)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

SYKESVILLE, MD 21784

(City) (State) (Zip) 1. Title of 2. Transaction Date 2A. Deemed

(Month/Day/Year)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Execution Date, if

(Month/Day/Year)

07/01/2016

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D)

(Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (T) (Instr. 4) (Instr. 4)

Reported (A)

Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of 3. Transaction Date 3A. Deemed 5. Number of 6. Date Exercisable and 7. Title and Amou Derivative Conversion (Month/Day/Year) Execution Date, if **Transaction**Derivative **Expiration Date** Underlying Securi Security or Exercise Code Securities (Month/Day/Year) (Instr. 3 and 4) any

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8	3)	Acquired Disposed (Instr. 3, 5)	d of (D)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Shar
Performance Rights	<u>(1)</u>	07/01/2016		<u>J(1)</u>			7,500	<u>(1)</u>	<u>(1)</u>	Common Stock	7,5
Performance Rights	<u>(1)</u>	07/01/2016		A		7,500		<u>(1)</u>	10/30/2021	Common	7,5

Reporting Owners

Reporting Owner Name / Address	Relationships							
r	Director	ector 10% Owner Officer		Other				
Grady Gill R								
C/O GSE SYSTEMS, INC.			Sr. Vice President					

1332 LONDONTOWN BLVD. SYKESVILLE, MD 21784

Signatures

/s/ Gill R Grady 07/01/2016

**Signature of Date
Reporting Person

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).

The two reported transactions involve an amendment of the terms of performance-restricted stock units ("RSUs") to reduce the time period during which the Volume Weighted Average Price ("VWAP") target must be attained for the RSUs to vest from a 90 to a 30 consecutive trading day period ("30-Day Period") and resulting in the deemed cancellation of the "old" RSUs and the grant of replacement RSUs. The RSUs were originally granted on 10/30/2015, in connection with the reporting person's service as the Sr VP of the Issuer and vest as follows: 7,500 RSUs will vest in their entirety if the VWAP of the Issuer's Common Stock as quoted on the NYSE MKT exceeds \$2.50 for a 30-Day Period.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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