

TZANNES MICHAEL A
Form 4
July 28, 2010

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
TZANNES MICHAEL A

(Last) (First) (Middle)

C/O AWARE INC, 40 MIDDLESEX TURNPIKE

(Street)

BEDFORD, MA 01730

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AWARE INC /MA/ [AWRE]

3. Date of Earliest Transaction
(Month/Day/Year)
07/26/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Chairman

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
Common Stock				(A) or (D)	91,033	D	

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

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SEC 1474 (9-02)

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

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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 Underlying Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Unrestricted Stock Award	\$ 0	07/26/2010		A	142,857	(1)	(1)	Common Stock	142,857
Stock Appreciation Right	\$ 2.52					(3)	05/20/2019	Common Stock	32,000
Stock Option (right to buy)	\$ 3.44					(4)	05/23/2018	Common Stock	172,000
Stock Option (right to buy)	\$ 6.07					(4)	02/09/2015	Common Stock	1,280,000
Stock Option (right to buy)	\$ 6.07					(4)	02/09/2015	Common Stock	248,000
Stock Option (right to buy)	\$ 6.07					(5)	02/09/2015	Common Stock	550,000
Stock Option (right to buy)	\$ 2.95					(5)	09/08/2014	Common Stock	88,000
Stock Option (right to buy)	\$ 2.95					(6)	09/08/2014	Common Stock	36,000
Stock Option (right to buy)	\$ 3.27					(6)	10/14/2013	Common Stock	30,000
Stock Option (right to buy)	\$ 3.27					(7)	10/14/2013	Common Stock	200,000
Stock Option (right to buy)	\$ 3.27					(7)	10/14/2013	Common Stock	18,000
Stock Option (right to buy)	\$ 3.27					(8)	10/14/2013	Common Stock	41,000
Stock Option (right to buy)	\$ 3.27					(9)	10/14/2013	Common Stock	87,000
Stock Option (right to buy)	\$ 3.27					(10)	10/14/2013	Common Stock	75,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

TZANNES MICHAEL A
C/O AWARE INC
40 MIDDLESEX TURNPIKE
BEDFORD, MA 01730

X

Executive Chairman

Signatures

/s/ Michael A.
Tzannes

07/28/2010

**Signature of
Reporting Person

Date

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).

(1) Shares of unrestricted stock awarded to reporting person under Aware, Inc. 2001 Nonqualified Stock Plan. The shares will be issued as follows; 35,714 shares on December 31, 2010, 35,714 shares on June 30, 2011, 35,714 shares on December 31, 2011, and 35,715 shares on June 30, 2012 provided the reporting person is serving as a director, officer or employee of the Company or any subsidiary of the Company on said dates.

(2) Option was amended on September 9, 2009; the holder shall now have the right to exercise this option within two years after the date of termination of services, but not later than the expiration date of the agreement.

(3) Vests in 8 equal quarterly installments on the last day of each quarter from June 30, 2009 through March 31, 2011 and is exercisable upon the date the reporting person ceases to be paid by Aware, Inc. for services or expiration, whichever is sooner.

(4) Vests in 16 equal quarterly installments on the last day of each quarter from June 30, 2008 through March 31, 2012.

(5) Vests in full on February 9, 2005.

(6) 50% vests on September 8, 2004, the remaining 50% vests in 8 equal quarterly installments of 6.25%, beginning as of December 31, 2004, until fully vested.

(7) Vests in full on October 14, 2003.

(8) 75% vests on October 14, 2003, the remaining 25% vests in 4 equal quarterly installments of 6.25%, until fully vested.

(9) 50% vests on October 14, 2003, the remaining 50% vests in 8 equal quarterly installments of 6.25%, until fully vested.

(10) 25% vests on October 14, 2003, the remaining 75% vests in 12 equal quarterly installments of 6.25%, until fully vested.

(11) Option received by reporting person in exchange for cancellation of one or more options on April 3, 2003 pursuant to issuer's option exchange program.

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.