

BITSTREAM INC
Form 4
September 06, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
LUBRANO DAVID

(Last) (First) (Middle)

C/O BITSTREAM INC., 245 FIRST STREET, 17TH FLOOR

(Street)

CAMBRIDGE, MA 02142-1270

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
BITSTREAM INC [BITS]

3. Date of Earliest Transaction (Month/Day/Year)
09/05/2006

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)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Class A Common Stock | 09/05/2006 | | X | | 50,000 A \$ 2 | | D |
| Class A Common Stock | 09/05/2006 | | X | | 14,000 A \$ 1.875 | | D |
| Class A Common Stock | 09/05/2006 | | X | | 50,000 A \$ 1.59 | | D |

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

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(9-02)

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 Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Option | \$ 2 | 09/05/2006 | | X | 50,000 | 01/23/2001 01/23/2008 | Class A Common Stock | 50,000 |
| Stock Option | \$ 1.875 | 09/05/2006 | | X | 14,000 | 04/22/2001 04/22/2008 | Class A Common Stock | 14,000 |
| Stock Option | \$ 1.59 | 09/05/2006 | | X | 50,000 | 01/25/2000 01/25/2009 | Class A Common Stock | 50,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| LUBRANO DAVID C/O BITSTREAM INC. 245 FIRST STREET, 17TH FLOOR CAMBRIDGE, MA 02142-1270 | X | | | |

Signatures

David Lubrano 09/06/2006

**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) The reporting person beneficially owns the following derivatives to purchase Class A Common Stock of the Company (i) a warrant granted on 03/10/1997 to purchase 20,000 shares at \$4.94, which warrant expires on 03/10/2007 and is fully vested;(ii)an option granted

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on 01/25/1999 to purchase 100,000 shares at \$1.59 per share, which option expires on 01/25/2009 and is fully vested; (iii) an option granted on 02/05/2002 to purchase 20,000 shares at \$4.75 per share, which option expires on 02/05/2012 and is fully vested;

- (2) (iv) an option granted on 02/13/2003 to purchase 20,000 shares at \$1.79, which option expires 02/13/2013 and is fully vested; (v) an option granted on 09/29/2004 to purchase 10,000 shares at \$1.61 per share, which option expires on 09/29/2014 and of which 3,333 is vested, 3,333 vest on 09/29/2006, and 3,334 vest on 09/29/2007; and (vi) an option granted on 08/03/2006 to purchase 10,000 shares at \$4.45 per share, which expires on 08/03/2016 and of which 2,500 each vest on 08/03/2007, 08/03/2008, 08/03/2009 and 08/03/2010.

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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